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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 5570 (Substitute H-2 as reported with amendments)  
Sponsor: Representative Larry Julian  
House Committee: Agriculture and Resource Management  
Senate Committee: Farming, Agribusiness and Food Systems

### **CONTENT**

The bill would amend the Motor Fuels Quality Act to require the Director of the Michigan Department of Agriculture to ban the use of the additive methyl tertiary butyl ether (MTBE) in the State, beginning June 1, 2003. In consultation with the Director of the Department of Environmental Quality (DEQ), the MDA Director would have to determine if the additive was likely to cause harmful effects on the environment or public health in the State.

By June 1, 2002, the MDA Director, in consultation with the DEQ Director, would have to review the status of the use of MTBE in the State. The review would have to include the following: the amount of the additive MTBE currently in use in gasoline in the State; an estimate of the amount of MTBE that was imported in gasoline transported into Michigan from other states or countries; recommendations as to whether the January 1, 2003 prohibition could be achieved and, if not, determine a more feasible date; and, any other information considered appropriate.

MCL 290.643

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

The bill would result in additional administrative costs to the Department of Agriculture associated with the prohibition against the use of MTBE in Michigan after June 1, 2003. The Department would be responsible for monitoring for the use of MTBE. The State could realize additional State revenue associated with violations of this prohibition. Pursuant to statute, the revenue would be deposited in the Gasoline Inspection and Testing Fund, to be used for the administration of the Motor Fuels Quality Act.

Date Completed: 6-8-00

Fiscal Analyst: C. Thiel