

SENATE BILL No. 824

October 19, 1999, Introduced by Senators NORTH, DUNASKISS, BENNETT, MC COTTER, KOIVISTO and GOSCHKA and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 21508 (MCL 324.21508), as amended by 1995
PA 269.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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1 Sec. 21508. (1) ~~An~~ EXCEPT AS OTHERWISE PROVIDED IN THIS
2 SECTION, AN environmental protection regulatory fee is imposed on
3 all refined petroleum products sold for resale in this state or
4 consumption in this state. The regulatory fee shall be used pur-
5 suant to section 21506(4) for the cleanup and prevention of envi-
6 ronmental contamination resulting from releases of refined petro-
7 leum products from underground storage tank systems and to pay
8 off bonds or notes pursuant to this part. The regulatory fee
9 shall be charged for capacity utilization of underground storage
10 tanks measured on a per gallon basis. The regulatory fee shall

1 be charged against all refined petroleum products sold for resale
2 in this state or consumption in this state so as to not exclude
3 any products that may be stored in an underground tank at any
4 point after the petroleum is refined. The regulatory fee shall
5 be 7/8 cent per gallon for each gallon of refined petroleum sold
6 for resale in this state or consumption in this state, with the
7 per gallon charge being a direct measure of capacity utilization
8 of an underground storage tank system.

9 (2) The department of treasury shall precollect regulatory
10 fees from persons who refine petroleum in this state for resale
11 in this state or consumption in this state and persons who import
12 refined petroleum into this state for resale in this state or
13 consumption in this state. The department of treasury shall col-
14 lect regulatory fees that can be collected at the same time as
15 the sales tax under section 6a of the general sales tax act, ~~Act~~
16 ~~No. 167 of the Public Acts of 1933, being section 205.56a of the~~
17 ~~Michigan Compiled Laws~~ 1933 PA 167, MCL 205.56A, at that time.
18 The remainder of the regulatory fees shall be collected in the
19 manner determined by the state treasurer. Notwithstanding any
20 other provision of this part, the department of treasury shall
21 stop collecting regulatory fees under this part when it has
22 received sufficient revenues to pay in full all obligations
23 listed in section 21506(4).

24 (3) THE FOLLOWING ENTITIES ARE EXEMPT FROM THE ASSESSMENT
25 AND PAYMENT OF THE REGULATORY FEE IMPOSED UNDER SUBSECTION (1):

26 (A) A public utility with more than 500,000 customers in
27 this state, ~~is exempt from any fee or assessment imposed under~~

1 ~~this part if that fee or assessment is imposed on~~ WITH RESPECT
2 TO REFINED petroleum used by that public utility for the genera-
3 tion of steam or electricity.

4 (B) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT
5 THAT ADDED THIS SUBDIVISION, A COMMERCIAL VESSEL OR BARGE OF 50
6 TONS OR GREATER, WITH RESPECT TO REFINED PETROLEUM USED AS FUEL
7 FOR THE COMMERCIAL VESSEL OR BARGE.

8 (4) All regulatory fees collected pursuant to this part
9 shall be deposited into ~~the emergency response fund created in~~
10 ~~section 21507 until the emergency response fund reaches~~
11 ~~\$3,000,000.00. When the emergency response fund is at~~
12 ~~\$3,000,000.00, all regulatory fees shall be deposited into~~ the
13 fund.

14 (5) Consistent with the March 31, 1995 determination by the
15 state treasurer that revenue will not be sufficient to pay
16 expected expenditures, and consistent with the April 3, 1995
17 notice of the fund administrator pursuant to subsection (6),
18 funding is no longer available under this part for new claims,
19 work invoices, and requests for indemnification received after 5
20 p.m. on June 29, 1995. Claims, work invoices, and requests for
21 indemnification received after 5 p.m. on June 29, 1995 are not
22 eligible for funding under this part. Work invoices and requests
23 for indemnification received prior to 5 p.m. on June 29, 1995 may
24 be paid to the extent money is available in the fund as provided
25 in this part.

26 (6) If the state treasurer determines that fund revenues
27 will not be sufficient to pay expected expenditures from the

1 fund, the state treasurer shall notify the administrator, and, 90
2 days after this notification has been given, the administrator
3 shall not accept any new work invoices or requests for
4 indemnification. Upon receiving this notification from the state
5 treasurer, the administrator shall notify by certified mail the
6 owners and operators of petroleum underground storage tank sys-
7 tems registered under part 211 that funding under this part will
8 no longer be available for new claims after the 90-day period has
9 expired. However, work invoices and requests for indemnification
10 that were submitted to the administrator prior to or during this
11 90-day period may be paid to the extent money is available in the
12 fund as provided in this part.

13 (7) The department of treasury may audit, enforce, collect,
14 and assess the fee imposed by this part in the same manner and
15 subject to the same requirements as revenues collected pursuant
16 to ~~Act No. 122 of the Public Acts of 1941, being sections 205.1~~
17 ~~to 205.31 of the Michigan Compiled Laws~~ 1941 PA 122, MCL 205.1
18 TO 205.31.