

SENATE BILL NO. 576

September 18, 2025, Introduced by Senator SINGH and referred to Committee on Appropriations.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
(MCL 18.1101 to 18.1594) by adding section 475.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 475. (1) The energy efficiency revolving fund is created**
2 **within the state treasury. The state treasurer may receive money or**
3 **other assets from any source for deposit into the energy efficiency**
4 **revolving fund. The state treasurer shall direct the investment of**
5 **the energy efficiency revolving fund. The state treasurer shall**

1 credit to the energy efficiency revolving fund interest and
2 earnings from energy efficiency revolving fund investments.

3 (2) Money in the energy efficiency revolving fund at the close
4 of the fiscal year remains in the energy efficiency revolving fund
5 and does not lapse to the general fund.

6 (3) The department shall provide oversight and direction for
7 the energy efficiency revolving fund, coordinate a call for state
8 projects, and prioritize the award of state projects that will
9 contribute to a reduction in this state's carbon footprint.
10 Technical assistance services to state and local entities to
11 leverage federal and other sources of financing may also receive
12 support from the fund. State administrative costs must not be more
13 than 10% of the total project cost.

14 (4) The department shall set terms with state agencies
15 participating in the energy efficiency revolving fund program that
16 include the scope of each project, funding commitments, data
17 collection and reporting requirements, and any other financial
18 terms associated with realization of energy savings resulting from
19 implementation of the project. The department may enter into a
20 memorandum of understanding to memorialize these terms.

21 (5) All money received and deposited into the energy
22 efficiency revolving fund must be appropriated to support
23 qualifying projects in accordance with the terms and conditions
24 established under subsections (3) and (4).

25 (6) The department shall make an application to the federal
26 government on behalf of this state for all state projects that are
27 eligible for elective payments made available in 26 USC 6417 and
28 6418, or any other federal law. Elective payments received under
29 this subsection must be deposited into the energy efficiency

1 revolving fund to support qualifying projects in accordance with
2 the terms and conditions established under subsections (3) and (4),
3 except for federal elective payments received in relation to
4 projects financed in whole or part with state building authority
5 proceeds, which must be deposited to the general fund. State
6 agencies for which elective payments have been received for
7 completed projects must receive preference in the award of future
8 energy efficiency revolving fund projects.

9 (7) Not later than February 1 of each year, the department
10 shall submit a report to the senate and house appropriations
11 subcommittees with jurisdiction for the department on the projects
12 funded under this section in the immediately preceding fiscal year.
13 The report must include all of the following information for each
14 project:

15 (a) The amount of money provided from the energy efficiency
16 revolving fund for the project.

17 (b) The state agency under which the project is awarded.

18 (c) The anticipated annual savings from each project.

19 (d) The anticipated revenue from project savings to be
20 deposited into the energy efficiency revolving fund.