

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

324.19105 Grants to counties for establishment of revolving loan fund; use of initial grant; percentage of grant utilized for administration of loan program; use of loans; establishment, duties, and membership of county loan board; conditions to making loan; annual audit; liability of county; maximum grant.

Sec. 19105.

(1) The department may make a grant to a county having a population of less than 12,000 enabling the county to establish a revolving loan fund with money received from the department. The initial grant shall be used by the county to establish a revolving loan fund that shall be allocated and reallocated as provided in this section. Not more than 1% of a grant made pursuant to this section may be utilized by a county for the administration of the loan program.

(2) Grant money loaned by a county under this section shall be loaned to a private entity or nonprofit private entity only for purposes and programs that would be eligible to receive a grant under this part and may not be used for any other purpose, except administration costs.

(3) A county that receives a grant under this section shall establish a county loan board to review applications for loans submitted to the county and the board shall make recommendations to the county board of commissioners. The county loan board shall consist of a member to represent each of the following:

- (a) The county.
- (b) Nonprofit private entities and private entities engaged in resource recovery alternatives.
- (c) Conservation or environmental organizations.
- (d) The department.
- (e) A member of the general public.

(4) Upon receipt of the recommendations of the county loan board, the county board of commissioners of a county that receives a grant under this section shall determine when a loan shall be made. The board of commissioners shall not make a loan unless both of the following conditions are met:

- (a) The loan applicant is seeking a loan for a purpose or program that would be eligible to receive a grant under this part.
- (b) The amount of the proposed loan is not more than \$300,000.00.

(5) The county shall provide the department with an annual audit of the revolving loan fund using generally accepted accounting procedures.

(6) A county may be liable to the department for the full amount of a grant made pursuant to this section if at any time the county makes a loan in a manner or to an entity that is substantially out of compliance with this part.

- (7) A grant to a county made under this section shall not exceed \$300,000.00.

History: 1994, Act 451, Eff. Mar. 30, 1995

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