

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

324.19607 Disposition and allocation of fund; investment; loan repayments; expenditures; unencumbered balance not to revert to general fund; annual accounting.

Sec. 19607.

(1) The total proceeds of all bonds shall be deposited into the fund and allocated as follows:

(a) Not more than \$335,000,000.00 shall be used for eligible activities at facilities and part 213 properties.

(b) Not more than \$50,000,000.00 shall be used for waterfront improvements.

(c) Not more than \$25,000,000.00 shall be used for remediation of contaminated lake and river sediments.

(d) Not more than \$50,000,000.00 shall be used for nonpoint source pollution prevention and control projects or wellhead protection projects.

(e) Not more than \$90,000,000.00 shall be used for water quality monitoring and water resources protection and pollution control activities.

(f) Not more than \$20,000,000.00 shall be used for pollution prevention programs.

(g) Except as provided under subsection (1)(a), not more than \$5,000,000.00 shall be used to abate lead hazards.

(h) Not more than \$50,000,000.00 shall be used for state park infrastructure improvements.

(i) Not more than \$50,000,000.00 shall be used for local recreation projects.

(2) The state treasurer shall direct the investment of the fund. Except as may be required to maintain the exclusion from gross income of the interest paid on the bonds or to comply otherwise with state or federal law, interest and earnings from investment of the proceeds of any bond issue shall be allocated in the same proportion as earned on the investment of the proceeds of the bond issue.

(3) Except as may be required to maintain the exclusion from gross income of the interest paid on the bonds or to comply otherwise with state or federal law, all repayments of principal and interest earned under a loan program authorized by this part shall be credited to the appropriate restricted subaccount of the fund and used for the purposes authorized for that subaccount or to pay debt service on any obligation issued which pledges the loan repayments and the proceeds of which are deposited in that subaccount.

(4) The bond proceeds shall be expended in an appropriate manner that maintains the tax exempt status of the bonds.

(5) The unencumbered balance in the fund at the close of the fiscal year shall remain in the fund and shall not revert to the general fund.

(6) The department shall provide an annual accounting of bond proceeds spending on a cash basis to the department of treasury in order for the state to comply with requirements set forth for issuing tax exempt bonds, including arbitrage rebate calculations. This accounting shall be submitted to the governor, the standing committees of the house of representatives and the senate that primarily address issues pertaining to the protection of natural resources and the environment, and the appropriations committees in the house of representatives and the senate.

History: Add. 1998, Act 288, Eff. Dec. 1, 1998 ;-- Am. 2016, Act 473, Eff. Apr. 5, 2017

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