



SENATE BILL No. 33

January 13, 1993, Introduced by Senator EHLERS and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to provide for the formation of the Michigan environmental assurance corporation and provide for its powers and duties; and to prescribe the powers and duties of certain state agencies and officials.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "Michigan environmental assurance corporation act".

3 Sec. 2. As used in this act:

4 (a) "Allocation process", "facility", "hazardous substance",
5 "orphan share", "response activities", and "remedial action" mean
6 those terms as they are defined in the environmental response
7 act, Act No. 307 of the Public Acts of 1982, being sections
8 299.601 to 299.618 of the Michigan Compiled Laws.

9 (b) "Corporation" means the Michigan environmental assurance
10 corporation formed pursuant to this act.

1 (c) "Interim board of directors" means the interim board of
2 directors of the corporation appointed pursuant to section 3.

3 (d) "Member" means a person who is a member of the
4 corporation.

5 Sec. 3. (1) The governor, the senate majority leader, and
6 the speaker of the house of representatives shall each appoint 5
7 individuals to serve on the interim board of directors of the
8 corporation. Of the 5 members appointed by each person, 3 shall
9 be from the private sector and 2 shall be from local units of
10 government. All members appointed to the interim board of direc-
11 tors shall be from businesses or local units of government that
12 do 1 or more of the following:

13 (a) Generate, transport, store, treat, or dispose of hazard-
14 ous substances.

15 (b) Transport solid waste or own or operate a landfill or
16 incinerator regulated under the solid waste management act, Act
17 No. 641 of the Public Acts of 1978, being sections 299.401 to
18 299.437 of the Michigan Compiled Laws.

19 (c) Own a facility.

20 (2) The interim board of directors shall organize by elect-
21 ing a chairperson from among its members and shall meet as neces-
22 sary to carry out its functions under this act.

23 Sec. 4. (1) The interim board of directors shall prepare
24 and file articles of incorporation for the formation of a non-
25 profit corporation to be known as the Michigan environmental
26 assurance corporation, pursuant to the nonprofit corporation act,

1 Act No. 162 of the Public Acts of 1982, being sections 450.2101
2 to 450.3192 of the Michigan Compiled Laws.

3 (2) After filing the articles of incorporation under subsec-
4 tion (1), the interim board of directors shall do all of the
5 following:

6 (a) Set a date for the first annual meeting of members
7 within 90 days after filing the articles of incorporation but not
8 earlier than the 60 days after the date of filing.

9 (b) Identify the members of the corporation individually or
10 by class.

11 (c) Give notice to the members of the corporation of the
12 time and place of the first annual meeting of members.

13 (d) Organize the first annual meeting of members.

14 (3) At the first annual meeting of members, the chairperson
15 of the interim board of directors shall serve as chairperson of
16 the meeting and shall organize an election of the board of direc-
17 tors of the corporation. A director shall be a member of the
18 corporation.

19 (4) Upon the election of the board of directors, the respon-
20 sibilities of the interim board of directors cease and the corpo-
21 ration shall be governed by its board of directors.

22 Sec. 5. A majority of members of the board of directors
23 constitute a quorum for the taking of action by the board of
24 directors. The board of directors shall do all of the
25 following:

26 (a) Organize by electing a chairperson and other officers it
27 considers necessary or useful.

1 (b) Approve bylaws for the operation of the corporation.

2 (c) Appoint a president of the corporation and other offi-
3 cers as the board considers necessary or useful.

4 (d) Approve the formation of an orphan share administration
5 within the corporation and approve the appointment of an orphan
6 share administrator upon nomination of the president.

7 (e) Hear and determine complaints of a member concerning the
8 operation of the corporation.

9 (f) Prepare an annual report of the operations of the corpo-
10 ration and make that report available to members and to the gov-
11 ernor and the legislature.

12 (g) Perform other acts not specifically enumerated in this
13 section that are necessary or proper to accomplish the purposes
14 of the corporation and that are not inconsistent with this act on
15 the environmental response act, Act No. 307 of the Public Acts of
16 1982, being sections 299.601 to 299.618 of the Michigan Compiled
17 Laws.

18 Sec. 6. The corporation shall do all of the following:

19 (a) Convene members who are identified by the department of
20 natural resources as persons that may be liable under section 12
21 of the environmental response act, Act No. 307 of the Public Acts
22 of 1982, being section 299.612 of the Michigan Compiled Laws, at
23 facilities and assist negotiations for voluntary agreements for
24 the performance and funding of response activities at those
25 facilities.

1 (b) Convene allocation review panels pursuant to Act No. 307
2 of the Public Acts of 1982, being sections 299.601 to 299.618 of
3 the Michigan Compiled Laws.

4 (c) Establish and operate an orphan share administration
5 within the corporation to provide funding for the share of
6 response activity costs allocated to orphan shares.