

**SUBSTITUTE FOR
HOUSE BILL NO. 4391**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 8307a, 8308, 8310, 8310a, 8312, 8313, 8317, 8504, 8505, 8506, 8704, 8708, 8710, 8715, 8716, and 8807 (MCL 324.8307a, 324.8308, 324.8310, 324.8310a, 324.8312, 324.8313, 324.8317, 324.8504, 324.8505, 324.8506, 324.8704, 324.8708, 324.8710, 324.8715, 324.8716, and 324.8807), section 8307a as added and sections 8312 and 8313 as amended by 2002 PA 418, section 8310 as amended and section 8310a as added by 2008 PA 18, section 8317 as amended by 2012 PA 316, sections 8504 and 8505 as amended by 2014 PA 178, section 8506 as amended by 2006 PA 503, sections 8704, 8710, 8715, and 8716 as amended by 2011 PA 2, section 8708 as amended by 2013 PA 46, and section 8807 as amended by 2011 PA 1, and by adding section 8506a; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8307a. (1) Every pesticide distributed, sold, exposed, or
2 offered for sale in this state shall be registered with the
3 director pursuant to this part. The registration shall be submitted
4 on a form provided by the director and shall be renewed annually
5 before July 1. The director shall not register a pesticide under
6 this part unless the registrant has paid all ~~groundwater~~**WATER**
7 **QUALITY** protection fees and late fees required under part 87,
8 registration fees under this part, and any administrative fines
9 imposed under this part.

10 (2) A pesticide is considered distributed, sold, exposed, or
11 offered for sale in this state when the offer to sell either
12 originates within this state or is directed by the offeror to
13 persons in this state and received by those persons.

14 (3) If a registrant distributes identical pesticides under
15 more than 1 brand name, or distributes more than 1 pesticide
16 formulation, each brand or formulation shall be registered as a
17 separate product.

18 (4) A registrant shall not register a pesticide that contains
19 a substance that is required to be registered with the department
20 unless that substance is also registered with the department.

21 (5) A pesticide registration applicant shall submit to the
22 director a complete copy of the pesticide labeling and the
23 following, in a format prescribed by the director:

24 (a) The name and address of the applicant and the name and
25 address of the person whose name will appear on the label, if other
26 than the applicant.

27 (b) The full product name of the pesticide and the EPA

1 registration number.

2 (c) Other information considered necessary by the director.

3 (6) The applicant shall submit a complete formula of the
4 pesticide proposed for registration, including the active and inert
5 ingredients, when requested by the director and necessary for the
6 director to execute his or her duties under this part. The director
7 shall not use any information relative to formulas of products,
8 trade secrets, or other information obtained under this part for
9 his or her own advantage or reveal such information, other than to
10 his or her authorized representative, the EPA, the department of
11 environmental quality, the department of ~~community~~ health **AND HUMAN**
12 **SERVICES**, a court of the state in response to a subpoena, a
13 licensed physician, or in an emergency to a pharmacist or other
14 persons qualified to administer antidotes.

15 (7) **A REGISTRANT THAT OPERATES FROM A BUSINESS LOCATION**
16 **OUTSIDE THIS STATE SHALL DO EITHER OF THE FOLLOWING:**

17 (A) **CONTINUOUSLY MAINTAIN IN THIS STATE A REGISTERED OFFICE**
18 **AND A RESIDENT AGENT, WHICH AGENT MAY BE AN INDIVIDUAL RESIDENT IN**
19 **THIS STATE WHOSE BUSINESS OFFICE OR RESIDENCE IS IDENTICAL WITH THE**
20 **REGISTERED OFFICE, A DOMESTIC CORPORATION OR LIMITED LIABILITY**
21 **COMPANY, OR A FOREIGN CORPORATION OR LIMITED LIABILITY COMPANY**
22 **AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE AND HAVING A BUSINESS**
23 **OFFICE IDENTICAL WITH THE REGISTERED OFFICE. THE REGISTRANT SHALL**
24 **FILE WITH THE DEPARTMENT THE NAME, ADDRESS, AND TELEPHONE NUMBER OF**
25 **THE RESIDENT AGENT AND SHALL MAINTAIN AND MAKE AVAILABLE RECORDS**
26 **REQUIRED BY THIS PART AND PART 87.**

27 (B) **MAINTAIN AND MAKE AVAILABLE TO THE DEPARTMENT RECORDS**

1 REQUIRED BY THIS PART AND PART 87 AND PAY ALL COSTS INCURRED BY THE
2 DEPARTMENT IN AUDITING THE RECORDS IF THEY ARE HELD AT AN OUT-OF-
3 STATE LOCATION.

4 Sec. 8308. (1) The director may do all of the following:

5 (a) Issue an experimental permit to a person applying for that
6 permit if the director determines that the permit is necessary for
7 the applicant to accumulate information necessary to register a
8 pesticide.

9 (b) Prescribe terms, conditions, and the period of time the
10 pesticide may be used under the experimental permit, which shall be
11 under the supervision of the director.

12 (c) Revoke an experimental permit when its terms or conditions
13 are violated or its terms and conditions are inadequate to avoid
14 unreasonable adverse effects on the environment.

15 (2) THE DIRECTOR MAY CONDUCT AUDITS TO DETERMINE COMPLIANCE
16 WITH THIS PART. IN CONDUCTING AUDITS UNDER THIS PART, THE DIRECTOR
17 MAY CONTRACT FOR THE PERFORMANCE OF THE AUDIT.

18 Sec. 8310. (1) A person shall not engage in distributing,
19 selling, or offering for sale restricted use pesticides to the
20 ultimate user except as authorized under an annual license for each
21 place of business issued by the department pursuant to part 13.

22 (2) The applicant for a license under subsection (1) shall be
23 the person in charge of each business location. The applicant shall
24 demonstrate by written examination his or her knowledge of laws and
25 rules governing the use and sale of restricted use pesticides.

26 (3) A person licensed under subsection (1) ~~who~~ THAT operates
27 from a business location outside this state shall ~~continuously~~

1 ~~maintain in this state both DO EITHER~~ of the following:

2 ~~—— (a) A registered office.~~

3 ~~—— (b) A resident agent, which agent may be either an individual~~
4 ~~resident in this state whose business office or residence is~~
5 ~~identical with the registered office, a domestic corporation or~~
6 ~~limited liability company, or a foreign corporation or limited~~
7 ~~liability company authorized to transact business in this state and~~
8 ~~having a business office identical with the registered office. The~~
9 ~~person licensed under subsection (1) shall file with the department~~
10 ~~the name, address, and telephone number of the resident agent.~~

11 (A) CONTINUOUSLY MAINTAIN IN THIS STATE A REGISTERED OFFICE
12 AND A RESIDENT AGENT, WHICH AGENT MAY BE AN INDIVIDUAL RESIDENT IN
13 THIS STATE WHOSE BUSINESS OFFICE OR RESIDENCE IS IDENTICAL WITH THE
14 REGISTERED OFFICE, A DOMESTIC CORPORATION OR LIMITED LIABILITY
15 COMPANY, OR A FOREIGN CORPORATION OR LIMITED LIABILITY COMPANY
16 AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE AND HAVING A BUSINESS
17 OFFICE IDENTICAL WITH THE REGISTERED OFFICE. THE PERSON LICENSED
18 UNDER SUBSECTION (1) SHALL FILE WITH THE DEPARTMENT THE NAME,
19 ADDRESS, AND TELEPHONE NUMBER OF THE RESIDENT AGENT AND SHALL
20 MAINTAIN AND MAKE AVAILABLE RECORDS REQUIRED BY THIS PART AND PART
21 87.

22 (B) MAINTAIN AND MAKE AVAILABLE TO THE DEPARTMENT RECORDS
23 REQUIRED BY THIS PART AND PART 87 AND PAY ALL COSTS INCURRED BY THE
24 DEPARTMENT IN AUDITING THE RECORDS IF THEY ARE HELD AT AN OUT-OF-
25 STATE LOCATION.

26 (4) A restricted use pesticide dealer shall forward to the
27 director a record of all sales of restricted use pesticides on

1 forms provided by the director as required by rule. A restricted
2 use pesticide dealer shall keep copies of the records on file for 2
3 years. These records are subject to inspection by an authorized
4 agent of the director. The records shall, upon request, be supplied
5 in summary form to other state agencies. The summary shall include
6 the name and address of the restricted use pesticide dealer, the
7 name and address of the purchaser, the name of the pesticide sold,
8 and, in an emergency, the quantity sold. Information may not be
9 made available to the public if, in the discretion of the director,
10 release of that information could have a significant adverse effect
11 on the competitive position of the dealer, distributor, or
12 manufacturer.

13 (5) A restricted use pesticide dealer shall sell or distribute
14 restricted use pesticides for use only by applicators certified
15 under this part.

16 (6) The director may deny, suspend, or revoke a restricted use
17 pesticide dealer's license for any violation of this part or an
18 order issued under this part, or upon conviction under this part,
19 FIFRA, or a state pesticide law of a reciprocating state committed
20 by the dealer or the dealer's officer, agent, or employee. The
21 director shall inform an applicant who is denied a restricted use
22 pesticide dealer's license of the reasons why the license was
23 denied.

24 (7) A restricted use pesticide dealer shall maintain and
25 submit to the department records of all restricted use pesticide
26 sales to private applicators and the intended county of application
27 for those pesticides.

1 (8) Information collected in subsection (7) is confidential
2 business information and is not subject to the freedom of
3 information act, 1976 PA 442, MCL 15.231 to 15.246.

4 (9) A restricted use pesticide dealer ~~who~~**THAT** distributes an
5 agricultural pesticide into this state shall report to the
6 agricultural pesticide registrant all of the following information
7 concerning that distribution:

8 (a) The product name.

9 (b) The EPA registration number.

10 (c) The amount of pesticide sold or distributed.

11 (d) The wholesale value of pesticide sold or distributed.

12 (e) The date of sale or distribution.

13 (f) The sales or distribution invoice number.

14 (g) The name and address of the consignee.

15 Sec. 8310a. (1) A person ~~who~~**THAT** is not licensed under
16 section 8310 shall not engage in distributing, selling, or offering
17 for sale agricultural pesticides except as authorized under an
18 annual license for each place of business issued by the department
19 pursuant to part 13.

20 (2) The applicant for a license under subsection (1) shall be
21 the individual in charge of each business location.

22 (3) The application for a license under subsection (1) shall
23 be on a form provided by the director and shall contain information
24 regarding the applicant's proposed operations and other information
25 considered pertinent by the director.

26 (4) A person licensed under subsection (1) who operates from a
27 business location outside this state shall ~~continuously maintain in~~

1 ~~this state both DO EITHER~~ of the following:

2 ~~—— (a) A registered office.~~

3 ~~—— (b) A resident agent, which agent may be either an individual~~
4 ~~resident in this state whose business office or residence is~~
5 ~~identical with the registered office, a domestic corporation or~~
6 ~~limited liability company, or a foreign corporation or limited~~
7 ~~liability company authorized to transact business in this state and~~
8 ~~having a business office identical with the registered office. The~~
9 ~~person licensed under subsection (1) shall file with the department~~
10 ~~the name, address, and telephone number of the resident agent.~~

11 (A) CONTINUOUSLY MAINTAIN IN THIS STATE A REGISTERED OFFICE
12 AND A RESIDENT AGENT, WHICH AGENT MAY BE AN INDIVIDUAL RESIDENT IN
13 THIS STATE WHOSE BUSINESS OFFICE OR RESIDENCE IS IDENTICAL WITH THE
14 REGISTERED OFFICE, A DOMESTIC CORPORATION OR LIMITED LIABILITY
15 COMPANY, OR A FOREIGN CORPORATION OR LIMITED LIABILITY COMPANY
16 AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE AND HAVING A BUSINESS
17 OFFICE IDENTICAL WITH THE REGISTERED OFFICE. THE PERSON LICENSED
18 UNDER SUBSECTION (1) SHALL FILE WITH THE DEPARTMENT THE NAME,
19 ADDRESS, AND TELEPHONE NUMBER OF THE RESIDENT AGENT AND SHALL
20 MAINTAIN AND MAKE AVAILABLE RECORDS REQUIRED BY THIS PART AND PART
21 87.

22 (B) MAINTAIN AND MAKE AVAILABLE TO THE DEPARTMENT RECORDS
23 REQUIRED BY THIS PART AND PART 87 AND PAY ALL COSTS INCURRED BY THE
24 DEPARTMENT IN AUDITING THE RECORDS IF THEY ARE HELD AT AN OUT-OF-
25 STATE LOCATION.

26 (5) An agricultural pesticide dealer who distributes an
27 agricultural pesticide into this state shall report to the

1 agricultural pesticide registrant all of the following information
2 concerning that distribution:

3 (a) The product name.

4 (b) The EPA registration number.

5 (c) The amount of pesticide sold or distributed.

6 (d) The wholesale value of pesticide sold or distributed.

7 (e) The date of sale or distribution.

8 (f) The sales or distribution invoice number.

9 (g) The name and address of the consignee.

10 (6) The director may deny, suspend, or revoke an agricultural
11 pesticide dealer's license for any violation of this part or an
12 order issued under this part, or upon conviction under this part,
13 FIFRA, or a state pesticide law of a reciprocating state committed
14 by the dealer or the dealer's officer, agent, or employee. The
15 director shall inform an applicant who is denied an agricultural
16 pesticide dealer's license of the reasons why the license was
17 denied.

18 (7) A pesticide registrant who distributes agricultural
19 pesticides into ~~the~~**THIS** state is exempt from the requirements of
20 subsection (1).

21 Sec. 8312. (1) To become a certified applicator, an applicant
22 must satisfactorily complete the certification requirements
23 prescribed by the director and categorized according to the various
24 types of pesticide applications prescribed by rule and consistent
25 with the regulations of the EPA.

26 (2) The application for a certified applicator certificate
27 shall contain information considered to be pertinent by the

1 director.

2 (3) A certified applicator applicant shall pay the appropriate
3 fee as provided in section 8317.

4 (4) The director shall issue a certificate to applicants that
5 successfully comply with all certification requirements under this
6 part.

7 (5) The director may restrict an applicant to use only a
8 certain type of equipment or pesticide upon finding that the
9 applicant is only qualified to use that type of equipment or
10 pesticide.

11 (6) The director may refuse to issue or renew a certificate if
12 an applicant demonstrates an insufficient knowledge of any item
13 called for in the application or has unsatisfied judgments under
14 this part or rules promulgated under this part against him or her
15 or if the equipment to be used by the applicant is unsafe or
16 inadequate to properly apply pesticides.

17 (7) The director may at any time deny, revoke, or suspend a
18 private agricultural applicator certificate or a commercial
19 applicator certificate for a violation of this part or upon
20 conviction under section 14 of FIFRA, ~~7 U.S.C.~~ **USC** 136l, or upon
21 conviction under a state pesticide law of a reciprocating state in
22 accordance with section 8320.

23 (8) The director shall inform an applicant who is denied an
24 applicator certificate **OF** the reasons why the certificate was
25 denied.

26 (9) A person shall display his or her certificate upon the
27 request of the director.

1 Sec. 8313. (1) Commercial applicators ~~who~~ **THAT** hold themselves
2 out to the public as being in the business of applying pesticides
3 shall obtain a commercial applicator license for each place of
4 business.

5 (2) A commercial applicator shall be certified under section
6 8312 and shall have at least 1 of the following ~~in order~~ to qualify
7 for a license:

8 (a) Service for not less than 2 application seasons as an
9 employee of a commercial applicator or comparable education and
10 experience as determined by the director.

11 (b) A baccalaureate degree from a recognized college or
12 university in a discipline that provides education regarding pests
13 and the control of pests and 1 application season of service as an
14 employee of a commercial applicator.

15 (3) The commercial applicator license application shall be on
16 a form provided by the director and shall contain information
17 regarding the applicant's qualifications and proposed operations,
18 the type of equipment to be used by the applicant, and other
19 information considered pertinent by the director.

20 (4) An application for a commercial applicator license shall
21 be accompanied by the appropriate fee as provided in section 8317.

22 (5) An application for a commercial applicator license shall
23 be accompanied by proof of sufficient financial responsibility as
24 prescribed by rule.

25 (6) The director may restrict an applicant to use only a
26 certain type of equipment or pesticide upon finding that the
27 applicant is qualified to use only that type.

1 (7) The director may refuse to issue or renew a commercial
2 applicator license if the applicant demonstrates insufficient
3 knowledge of an item in the application, or has unsatisfied
4 judgments under this part or a rule promulgated under this part
5 against him or her, or if the equipment used by the applicant is
6 unsafe or inadequate for pesticide applications.

7 (8) The director may at any time deny, revoke, or suspend a
8 commercial applicator license for a violation of this part or a
9 violation of an order issued under this part, or upon conviction
10 under this part, FIFRA, or a state pesticide law of a reciprocating
11 state in accordance with section 8320.

12 (9) The director shall inform an applicant who is denied a
13 commercial applicator license **OF** the reasons why the license was
14 denied.

15 (10) A person subject to the licensing requirements in this
16 section shall only apply pesticides that are registered with, or
17 subject to, either United States EPA or this state's laws and
18 rules.

19 (11) A person subject to the licensing requirements in this
20 section shall not represent that a pesticide application has
21 characteristics, ingredients, uses, benefits, or qualities that it
22 does not have.

23 (12) A person subject to the licensing requirements in this
24 section shall not represent that a pesticide application is
25 necessary to control a pest when the pest is not present or likely
26 to occur.

27 **(13) A COMMERCIAL APPLICATOR THAT OPERATES FROM A BUSINESS**

1 LOCATION OUTSIDE THIS STATE SHALL DO EITHER OF THE FOLLOWING:

2 (A) CONTINUOUSLY MAINTAIN IN THIS STATE A REGISTERED OFFICE
 3 AND A RESIDENT AGENT, WHICH AGENT MAY BE AN INDIVIDUAL RESIDENT IN
 4 THIS STATE WHOSE BUSINESS OFFICE OR RESIDENCE IS IDENTICAL WITH THE
 5 REGISTERED OFFICE, A DOMESTIC CORPORATION OR LIMITED LIABILITY
 6 COMPANY, OR A FOREIGN CORPORATION OR LIMITED LIABILITY COMPANY
 7 AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE AND HAVING A BUSINESS
 8 OFFICE IDENTICAL WITH THE REGISTERED OFFICE. THE COMMERCIAL
 9 APPLICATOR SHALL FILE WITH THE DEPARTMENT THE NAME, ADDRESS, AND
 10 TELEPHONE NUMBER OF THE RESIDENT AGENT AND SHALL MAINTAIN AND MAKE
 11 AVAILABLE RECORDS REQUIRED BY THIS PART AND PART 87.

12 (B) MAINTAIN AND MAKE AVAILABLE TO THE DEPARTMENT RECORDS
 13 REQUIRED BY THIS PART AND PART 87 AND PAY ALL COSTS INCURRED BY THE
 14 DEPARTMENT IN AUDITING THE RECORDS IF THEY ARE HELD AT AN OUT-OF-
 15 STATE LOCATION.

16 Sec. 8317. (1) An application submitted under this part shall
 17 be accompanied by the following application fee:

18 (a) For a commercial applicator certification, \$75.00.

19 (b) For a private agricultural applicator certification,
 20 \$50.00. ~~until September 30, 2015 and \$10.00 after September 30,~~
 21 ~~2015.~~

22 (c) For a commercial registered applicator, \$45.00.

23 (d) For a private registered applicator, \$50.00. ~~until~~
 24 ~~September 30, 2015 and \$10.00 after September 30, 2015.~~

25 (2) Certificates for commercial applicators, private
 26 agricultural applicators, and registered applicators ~~shall be~~ **ARE**
 27 valid for a period of ~~time of~~ not less than 3 years to be

1 established by rule by the director.

2 (3) The license application fee for a commercial applicator
3 license is \$100.00. The license expires annually on December 31.

4 (4) The registration application fee for the registration of
5 pesticides sold, offered for sale, exposed for sale, or distributed
6 is ~~\$40.00~~ \$100.00 per product. **HOWEVER, IF THE PESTICIDE**
7 **REGISTRATION FEE IS RECEIVED BY THE DEPARTMENT AFTER JUNE 30, THE**
8 **REGISTRANT SHALL PAY AN ADDITIONAL LATE FEE OF \$100.00 FOR EACH**
9 **PESTICIDE.**

10 (5) The license application fee for a restricted use pesticide
11 dealer's license is \$100.00. The license expires annually on
12 December 31.

13 (6) The license application fee for an agricultural pesticide
14 dealer's license is \$100.00. The license expires annually on
15 December 31.

16 (7) Application fees submitted under this section are not
17 refundable.

18 (8) Notwithstanding any other provision of subsection (1)(b)
19 and (d), the department shall waive any fee otherwise required
20 under subsection (1)(b) and (d) if the individual responsible for
21 paying the fee is, and provides proof satisfactory to the
22 department that he or she is, an honorably discharged veteran of
23 the armed forces of the United States.

24 (9) The department shall deposit license and administrative
25 fees and administrative, civil, and noncriminal fines received, as
26 well as any payment for costs or reimbursement to the department
27 for investigation, under this part in the agriculture licensing and

1 inspection fees fund created in section 9 of the insect pest and
2 plant disease act, 1931 PA 189, MCL 286.209, to be used, pursuant
3 to appropriation, by the director in administering and carrying out
4 those duties required by law under this part.

5 Sec. 8504. (1) A person shall not manufacture or distribute
6 fertilizer in this state, except specialty fertilizer and soil
7 conditioners, until the appropriate ~~groundwater~~ **WATER QUALITY**
8 protection fee provided in section 8715 has been submitted, and
9 except as authorized by a license to manufacture or distribute
10 issued by the department pursuant to part 13. An application for a
11 license shall be accompanied by a fee of \$100.00 for each of the
12 following:

13 (a) Each fixed location at which fertilizer is manufactured in
14 this state.

15 (b) Each mobile unit used to manufacture fertilizer in this
16 state.

17 (c) Each location out of this state that applies labeling
18 showing an out-of-state origin of fertilizer distributed in this
19 state to nonlicensees.

20 (2) An application for a license to manufacture or distribute
21 fertilizer shall include all of the following:

22 (a) The name and address of the applicant.

23 (b) The name and address of each bulk distribution point in
24 ~~the~~ **THIS** state not licensed for fertilizer manufacture or
25 distribution. The name and address shown on the license shall be
26 shown on all labels, pertinent invoices, and bulk storage for
27 fertilizers distributed by the licensee in this state.

1 (3) If the fertilizer is a beneficial use by-product intended
2 for beneficial use 3 under part 115, the application shall also
3 include the information identified in section 11551(7).

4 (4) The licensee shall inform the director in writing of
5 additional distribution points established during the period of the
6 license.

7 (5) A distributor is not required to obtain a license if the
8 distributor is selling fertilizer of a distributor or a
9 manufacturer licensed under this part.

10 (6) All licenses to manufacture or distribute fertilizer
11 expire on December 31 of each year.

12 (7) A PERSON LICENSED UNDER THIS SECTION THAT OPERATES FROM A
13 BUSINESS LOCATION OUTSIDE THIS STATE SHALL DO EITHER OF THE
14 FOLLOWING:

15 (A) CONTINUOUSLY MAINTAIN IN THIS STATE A REGISTERED OFFICE
16 AND A RESIDENT AGENT, WHICH AGENT MAY BE AN INDIVIDUAL RESIDENT IN
17 THIS STATE WHOSE BUSINESS OFFICE OR RESIDENCE IS IDENTICAL WITH THE
18 REGISTERED OFFICE, A DOMESTIC CORPORATION OR LIMITED LIABILITY
19 COMPANY, OR A FOREIGN CORPORATION OR LIMITED LIABILITY COMPANY
20 AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE AND HAVING A BUSINESS
21 OFFICE IDENTICAL WITH THE REGISTERED OFFICE. THE PERSON LICENSED
22 UNDER THIS SECTION SHALL FILE WITH THE DEPARTMENT THE NAME,
23 ADDRESS, AND TELEPHONE NUMBER OF THE RESIDENT AGENT AND SHALL
24 MAINTAIN AND MAKE AVAILABLE RECORDS REQUIRED BY THIS PART AND PART
25 87.

26 (B) MAINTAIN AND MAKE AVAILABLE TO THE DEPARTMENT RECORDS
27 REQUIRED BY THIS PART AND PART 87 AND PAY ALL COSTS INCURRED IN

1 **AUDITING THE RECORDS IF THEY ARE HELD AT AN OUT-OF-STATE LOCATION.**

2 Sec. 8505. (1) A person shall not distribute a specialty
3 fertilizer or soil conditioner unless it is registered with the
4 department. An application for registration listing each brand and
5 product name of each grade of specialty fertilizer or soil
6 conditioner shall be made on a form furnished by the director. An
7 application shall be accompanied with the fees described in
8 subsection (4) for each brand and product name of each grade.
9 Labels for each brand and product name of each grade shall
10 accompany the application.

11 (2) If the specialty fertilizer or soil conditioner is a
12 beneficial use by-product intended for beneficial use 3 under part
13 115, the application shall also include the information identified
14 in section 11551(7).

15 (3) Upon approval of an application by the director, a copy of
16 the registration approval shall be furnished to the applicant. All
17 registrations expire on December 31 of each year.

18 (4) A person applying for a registration under subsection (1)
19 shall pay the following annual fees for each brand and product name
20 of each grade:

21 (a) Registration fee of \$25.00.

22 (b) Appropriate ~~groundwater~~**WATER QUALITY** protection fee
23 provided for in section 8715.

24 (5) A distributor is not required to register a brand of
25 fertilizer that is registered under this part by another person, if
26 the label does not differ in any respect.

27 (6) A manufacturer or distributor of custom blend specialty

1 fertilizers for home lawns, golf courses, recreational areas, or
2 other nonfarm areas is not required to register each grade
3 distributed but shall license their firm on an application
4 furnished by the director for an annual fee of \$100.00 and shall
5 label the fertilizer as provided in section 8502. The label of each
6 fertilizer distributed under this subsection shall be maintained by
7 the manufacturer or distributor for 1 year for inspection by the
8 director.

9 (7) A manufacturer or distributor of soil conditioners blended
10 according to specifications provided to a blender or blended as
11 specifically requested by the consumer prior to blending shall
12 either register each brand or blend distributed or license its firm
13 on an application furnished by the director for an annual fee of
14 \$100.00 and shall label the soil conditioner as provided in section
15 8502. The label of each soil conditioner distributed under this
16 subsection shall be maintained by the manufacturer or distributor
17 for 1 year for inspection by the director.

18 (8) A REGISTRANT THAT OPERATES FROM A BUSINESS LOCATION
19 OUTSIDE THIS STATE SHALL DO EITHER OF THE FOLLOWING:

20 (A) CONTINUOUSLY MAINTAIN IN THIS STATE A REGISTERED OFFICE
21 AND A RESIDENT AGENT, WHICH AGENT MAY BE AN INDIVIDUAL RESIDENT IN
22 THIS STATE WHOSE BUSINESS OFFICE OR RESIDENCE IS IDENTICAL WITH THE
23 REGISTERED OFFICE, A DOMESTIC CORPORATION OR LIMITED LIABILITY
24 COMPANY, OR A FOREIGN CORPORATION OR LIMITED LIABILITY COMPANY
25 AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE AND HAVING A BUSINESS
26 OFFICE IDENTICAL WITH THE REGISTERED OFFICE. THE REGISTRANT SHALL
27 FILE WITH THE DEPARTMENT THE NAME, ADDRESS, AND TELEPHONE NUMBER OF

1 THE RESIDENT AGENT AND SHALL MAINTAIN AND MAKE AVAILABLE RECORDS
2 REQUIRED BY THIS PART AND PART 87.

3 (B) MAINTAIN AND MAKE AVAILABLE TO THE DEPARTMENT RECORDS
4 REQUIRED BY THIS PART AND PART 87 AND PAY ALL COSTS INCURRED BY THE
5 DEPARTMENT IN AUDITING THE RECORDS IF THEY ARE HELD AT AN OUT-OF-
6 STATE LOCATION.

7 Sec. 8506. (1) An inspection fee of ~~10~~35 cents per ton shall
8 be paid to the department for all fertilizers or soil conditioners
9 sold or distributed in this state. For peat or peat moss, the
10 inspection fee shall be 2 cents per cubic yard. This fee ~~shall~~ DOES
11 not apply to registered specialty fertilizers or soil conditioners
12 sold or distributed only in packages of 10 pounds or less.

13 (2) Payment of the inspection fee shall be made on the basis
14 of tonnage reports setting forth the number of tons of each grade
15 of fertilizer and soil conditioner and the number of cubic yards of
16 peat or peat moss sold or distributed in this state. The reports
17 shall cover the periods of the year and be made in a manner
18 specified by the director in rules, and shall be filed with the
19 department not later than 30 days after the close of each period.
20 The time may be extended for cause for an additional 15 days only
21 on written request to, and approval by, the department. Remittance
22 to cover the inspection fee shall accompany each tonnage report.
23 Payments due of less than \$5.00 are waived, and refunds of less
24 than \$5.00 will not be processed, unless requested in writing. For
25 any report not filed with the department by the due date, a penalty
26 of \$50.00 or 10% of the amount due, whichever is greater, shall be
27 assessed. Unpaid fees and penalties constitute a debt and become

1 the basis of a judgment against the licensee. Records upon which
 2 the statement of tonnage is based, **INCLUDING THOSE DESCRIBED IN**
 3 **THIS SECTION AND SECTION 8715**, are subject to department audit.

4 (3) When more than 1 person is involved in the distribution of
 5 fertilizer or soil conditioners, the last person who is licensed or
 6 has the fertilizer or soil conditioner registered and who
 7 distributes to a nonlicensee or nonregistrant is responsible for
 8 reporting the tonnage and paying the inspection fee.

9 **SEC. 8506A. THE DIRECTOR MAY CONDUCT AUDITS TO DETERMINE**
 10 **COMPLIANCE WITH THIS PART. IN CONDUCTING AUDITS UNDER THIS PART,**
 11 **THE DIRECTOR MAY CONTRACT FOR THE PERFORMANCE OF THE AUDIT.**

12 Sec. 8704. ~~(1) "Nitrogen fertilizer" means a fertilizer that~~
 13 ~~contains nitrogen as a component.~~

14 (1) ~~(2)~~ "On-site evaluation" means a specific set of criteria
 15 used to voluntarily evaluate a farmer's property with regard to
 16 determination of potential environmental risks.

17 (2) ~~(3)~~ "Pesticide" means that term as it is defined in part
 18 83.

19 Sec. 8708. (1) The director shall establish an environmental
 20 assurance advisory council composed of all of the following:

21 (a) The director of the department of agriculture and rural
 22 development.

23 (b) The director of the department of environmental quality.

24 (c) The director of the Michigan ~~state university~~
 25 ~~extension~~. **STATE UNIVERSITY EXTENSION.**

26 (d) The director of the Michigan ~~state university agricultural~~
 27 ~~experimentation station~~. **STATE UNIVERSITY AGBIORESEARCH.**

1 (e) Representatives of all of the following as appointed by
2 the director to serve terms of 3 years:

3 (i) The United States ~~department of agriculture farm service~~
4 ~~agency~~. **DEPARTMENT OF AGRICULTURE - FARM SERVICE AGENCY.**

5 (ii) The United States ~~department of agriculture natural~~
6 ~~resources conservation service~~. **DEPARTMENT OF AGRICULTURE NATURAL**
7 **RESOURCES CONSERVATION SERVICE.**

8 (iii) Conservation districts.

9 (iv) Farmers and other agricultural organizations.

10 (v) Nongovernmental conservation and environmental
11 organizations.

12 (vi) Regulated agricultural industries.

13 (vii) A private consulting forester.

14 (viii) A member of the forest products industry.

15 (ix) A member of the logging profession.

16 (x) Other persons as determined by the director.

17 (xi) A member representing each regional environmental
18 assurance team established under section 8709.

19 (2) The environmental assurance advisory council shall be co-
20 chaired by the representative from Michigan ~~state university~~
21 ~~extension~~. **STATE UNIVERSITY EXTENSION** and a representative from 1 of
22 the farmers and other agricultural organizations.

23 (3) The environmental assurance advisory council shall advise
24 the director on **TOPICS INCLUDING**, but not limited to, the
25 following:

26 (a) MAEAP standards.

27 (b) On-site evaluations for verification of specific aspects

1 of a farming operation.

2 (c) Water quality and environmental monitoring.

3 (d) Protocols for verification and revocation of verification.

4 (e) MAEAP activities.

5 (f) Interagency coordination of conservation programs.

6 (g) The use of money in the clean water fund created in
7 section 8807 and other funding sources to promote MAEAP and
8 activities to encourage more MAEAP-verified farms.

9 (h) Options to increase assistance to assist small- and
10 medium-sized farms in achieving MAEAP standards.

11 (i) The creation of subcommittees as needed to address
12 emerging and ongoing issues.

13 (j) On-site evaluations of potential environmental,
14 ecological, and economic benefits that can be realized by managing
15 areas of the land that are not utilized for traditional or
16 production agriculture practices.

17 (4) The environmental assurance advisory council shall do all
18 of the following:

19 (a) Annually provide recommendations to the director on MAEAP
20 standards and protocols for verification and revocation of
21 verification for consideration by the commission of agriculture and
22 rural development.

23 **(B) NOT LATER THAN FEBRUARY 1, 2016 AND EVERY YEAR THEREAFTER,**
24 **ANNUALLY SUBMIT TO THE DIRECTOR A PROPOSED CONSERVATION TECHNICAL**
25 **ASSISTANCE PLAN THAT RECOMMENDS TARGETED USE OF FUNDS GENERATED BY**
26 **WATER QUALITY PROTECTION FEES IN A MANNER THAT MAXIMIZES FEDERAL,**
27 **STATE, AND PRIVATE RESOURCES TO PROVIDE GRANTS TO CONSERVATION**

1 DISTRICTS AND OTHER QUALIFIED PERSONS THAT DELIVER CONSERVATION AND
2 ENGINEERING TECHNICAL ASSISTANCE.

3 (C) ~~(b)~~ Annually submit a report to the department that
4 outlines activities, accomplishments, and emerging issues. The
5 department shall share this report with the agriculture community.

6 ~~— (c) Not later than September 30, 2014, submit to the director~~
7 ~~a comprehensive report detailing program achievements under the~~
8 ~~Michigan agricultural environmental assurance program.~~

9 (D) PROVIDE RECOMMENDATIONS TO THE DIRECTOR ON THE CREATION OF
10 A TIERED RECOGNITION PROGRAM FOR FARMS WORKING TOWARD MAEAP
11 VERIFICATION. TO QUALIFY FOR THE RECOGNITION PROGRAM, FARMERS MUST
12 HAVE COMPLETED EDUCATIONAL PROGRAMS, CONDUCTED APPROPRIATE FARM
13 ASSESSMENTS, AND IMPLEMENTED CONSERVATION PRACTICES AS APPROVED BY
14 THE COMMISSION. THE TIERS MAY BE USED TO RECOGNIZE A FARM'S
15 MOVEMENT TOWARD MAEAP VERIFICATION.

16 (E) PROVIDE RECOMMENDATIONS TO THE DIRECTOR AND THE
17 LEGISLATURE ON INCENTIVES TO INCREASE PARTICIPATION IN MAEAP.

18 (F) ~~(d)~~ Not later than ~~1 year after the effective date of the~~
19 ~~2013 amendatory act that amended this section, JUNE 6, 2014,~~ submit
20 to the director a recommendation for an assessment tool designed to
21 assist landowners to voluntarily assess the value of managing areas
22 of the land that are not utilized for traditional or production
23 agriculture practices for environmental, ecological, and economic
24 benefits. The assessment tool shall assess, at a minimum, all of
25 the following:

- 26 (i) Forest management for timber, habitat development, or both.
27 (ii) Wetland restoration development potential.

1 (iii) Habitat restoration development.

2 (G) ANNUALLY PROVIDE RECOMMENDATIONS TO THE DIRECTOR ON
3 FUNDING FOR RESEARCH PROJECTS THAT ADDRESS IMPEDIMENTS TO
4 VERIFICATION AND IMPROVE MAEAP PRACTICE STANDARDS.

5 Sec. 8710. (1) The director, in consultation with the
6 environmental assurance advisory council, shall implement a
7 Michigan agriculture environmental assurance program designed to
8 promote natural resources conservation through education, technical
9 assistance, and verification. The MAEAP shall be a voluntary
10 program that is available to farms throughout the state.

11 (2) A farmer who desires to have his or her farm MAEAP-
12 verified shall do all of the following:

13 (a) Complete educational requirements authorized by the
14 department.

15 (b) Develop and implement 1 or more conservation plans as
16 approved by the director.

17 (c) Upon completion of subdivisions (a) and (b), contact the
18 department to arrange for an on-site evaluation.

19 (3) If the department conducts an on-site evaluation and
20 determines that a farm is meeting MAEAP standards, the department
21 shall issue a MAEAP verification. A **MAEAP VERIFICATION THAT IS IN**
22 **EFFECT ON SEPTEMBER 30, 2015 IS VALID FOR 5 YEARS FROM THE ORIGINAL**
23 **ISSUE DATE. BEGINNING OCTOBER 1, 2015, A MAEAP** verification is
24 valid for 3–5 years.

25 (4) A farm is eligible for reverification if **THE DEPARTMENT**
26 **DETERMINES** it ~~is determined to be~~ **IS** meeting MAEAP standards
27 through an on-site evaluation conducted by the department or its

1 designee.

2 (5) ~~Beginning in the state fiscal year ending September 30,~~
3 ~~2013, the~~ **THE** department shall provide MAEAP verification signs to
4 each MAEAP-verified farm.

5 (6) A farm that allows its verification to lapse or whose
6 verification is revoked under subsection (7) shall forfeit its
7 verification sign and all other benefits that are provided to
8 MAEAP-verified farms under this act.

9 (7) The director may revoke verification of a MAEAP-verified
10 farm if any of the following apply:

11 (a) The department, in consultation with the department of
12 environmental quality, determines with scientific evidence provided
13 by water quality data that the MAEAP-verified farm caused an
14 exceedance of water quality standards as a result of nonconformance
15 with MAEAP standards.

16 (b) The MAEAP-verified farm fails to conform to MAEAP
17 standards as a result of gross negligence.

18 (c) The MAEAP-verified farm fails to comply with protocols for
19 verification as approved by the commission of agriculture and rural
20 development.

21 (d) Upon advice from the interagency technical review panel
22 provided for in ~~section 8710,~~ **SUBSECTION (12)**, the director
23 determines that the MAEAP-verified farm is responsible for a
24 pattern of repeated violations of environmental laws, rules,
25 regulations, permit conditions, settlement agreements, orders of
26 consent, or judicial orders that were due to separate and distinct
27 events.

1 (8) A farmer ~~shall not be~~ **IS NOT** liable for groundwater
2 contamination on a MAEAP-verified farm for activities on the MAEAP-
3 verified farm unless he or she was grossly negligent or in
4 violation of state or federal law or failed to comply with the
5 MAEAP standards. This part does not modify or limit any obligation,
6 responsibility, or liability imposed by any other provision of
7 state law.

8 (9) The department shall establish a MAEAP grants program.
9 Grants issued under the MAEAP grants program are limited to
10 availability of funds collected pursuant to this part. Grants shall
11 be available for all of the following:

12 (a) Technical assistance.

13 **(B) IMPLEMENTATION OF THE CONSERVATION TECHNICAL ASSISTANCE**
14 **PLAN APPROVED UNDER SUBSECTION (10) .**

15 (C) ~~(b)~~—Promotion of the MAEAP.

16 (D) ~~(e)~~—Educational programs related to the MAEAP.

17 (E) ~~(d)~~—Demonstration projects to implement conservation
18 practices.

19 (F) ~~(e)~~—Removal of potential sources of contamination.

20 (G) ~~(f)~~—Other purposes considered appropriate by the director.

21 **(10) FOLLOWING CONSIDERATION OF THE PROPOSED CONSERVATION**
22 **TECHNICAL ASSISTANCE PLAN SUBMITTED TO THE DIRECTOR BY THE**
23 **ENVIRONMENTAL ASSURANCE ADVISORY COUNCIL UNDER SECTION 8708, THE**
24 **DIRECTOR SHALL PRESENT A CONSERVATION TECHNICAL ASSISTANCE PLAN TO**
25 **THE COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT FOR REVIEW AND**
26 **APPROVAL.**

27 **(11) FOLLOWING REVIEW OF THE PROPOSED TIERED RECOGNITION**

1 PROGRAM SUBMITTED TO THE DIRECTOR BY THE ENVIRONMENTAL ASSURANCE
2 ADVISORY COUNCIL UNDER SECTION 8708, THE DIRECTOR SHALL PRESENT A
3 TIERED RECOGNITION PROGRAM TO THE COMMISSION OF AGRICULTURE AND
4 RURAL DEVELOPMENT FOR REVIEW AND APPROVAL. AS PART OF THE TIERED
5 RECOGNITION PROGRAM, THE DEPARTMENT SHALL PROVIDE A CERTIFICATE OF
6 PROGRESS TO A FARM PARTICIPATING IN MAEAP RECOGNIZING EACH TIME A
7 NEW TIER IS ACHIEVED. THE CERTIFICATE OF PROGRESS SHALL SUMMARIZE
8 CONSERVATION PRACTICES IMPLEMENTED BY THE FARM AND THE
9 ENVIRONMENTAL IMPACTS OF THE IMPLEMENTED CONSERVATION PRACTICES.
10 THE CERTIFICATE OF PROGRESS SHALL RECOGNIZE THE FARM FOR ITS
11 ACHIEVEMENT AND ENCOURAGE THE FARM TO COMPLETE THE REMAINING
12 CONSERVATION PRACTICES NECESSARY FOR VERIFICATION. A CERTIFICATE OF
13 PROGRESS IS VALID FOR 5 YEARS FROM THE DATE OF MAILING. UPON
14 WRITTEN CONFIRMATION BY THE FARMER AND THE MAEAP TECHNICIAN
15 UPDATING ANY NEW CONSERVATION PRACTICES AND CONFIRMING THAT ALL
16 PREVIOUS APPLICABLE CONSERVATION PRACTICES ARE STILL BEING
17 IMPLEMENTED, THE DEPARTMENT SHALL REISSUE A CERTIFICATE OF PROGRESS
18 FOR ADDITIONAL 5-YEAR PERIODS, AS APPROPRIATE, UNTIL THE FARM
19 BECOMES MAEAP-VERIFIED IN THE APPLICABLE SYSTEM OR THE FARMER
20 CEASES IMPLEMENTATION OF THE CONSERVATION PRACTICES. INFORMATION
21 COLLECTED UNDER THIS SECTION IS NOT SUBJECT TO THE FREEDOM OF
22 INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.

23 (12) ~~(10)~~—The department and the department of environmental
24 quality shall enter into a memorandum of understanding to formalize
25 a commitment to promote the MAEAP and to clarify the application of
26 state and federal environmental laws to farms. In addition, the
27 memorandum of understanding shall provide for all of the following:

1 (a) An ongoing interagency technical review panel for MAEAP-
 2 verified farms that discharge in violation of state or federal law
 3 to determine enforcement action.

4 (b) Preference for funding for nonpoint source pollution -
 5 funds for farms seeking MAEAP verification.

6 (c) Considerations for reverification of a farm with revoked
 7 MAEAP verification status.

8 (d) Integration of the MAEAP into pollution prevention
 9 activities of both agencies.

10 (e) Clarification of the consultation process in part 88 to
 11 ensure that the department of agriculture and rural development has
 12 meaningful input into the establishment of the grants program and
 13 the issuance of grants.

14 (13) BEGINNING DECEMBER 1, 2016 AND EVERY DECEMBER 1
 15 THEREAFTER, THE DEPARTMENT SHALL PUBLISH A REPORT ON MAEAP THAT
 16 INCLUDES, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:

17 (A) COUNTY AND STATEWIDE TOTALS FOR THE PREVIOUS FISCAL YEAR
 18 OF ALL OF THE FOLLOWING:

19 (i) CONSERVATION PRACTICES IMPLEMENTED.

20 (ii) ENVIRONMENTAL IMPACTS OF PRACTICES IMPLEMENTED.

21 (iii) NUMBER OF NEW VERIFICATIONS AND REVERIFICATIONS.

22 (iv) NUMBER OF UNIQUE FARMS VERIFIED.

23 (v) NUMBER OF FARMS IN TIERED RECOGNITION SYSTEM.

24 (vi) TOTAL AND PERCENT FARMLAND INVOLVED.

25 (B) COUNTY AND STATEWIDE PROGRAM TO-DATE TOTALS OF ALL OF THE
 26 FOLLOWING:

27 (i) CONSERVATION PRACTICES IMPLEMENTED.

1 (ii) ENVIRONMENTAL IMPACTS OF PRACTICES IMPLEMENTED.

2 (iii) NUMBER OF NEW VERIFICATIONS AND REVERIFICATIONS.

3 (iv) NUMBER OF UNIQUE FARMS VERIFIED.

4 (v) NUMBER OF FARMS IN TIERED RECOGNITION SYSTEM.

5 (vi) TOTAL AND PERCENT FARMLAND INVOLVED.

6 (C) A SUMMARY OF EDUCATIONAL AND MAEAP VERIFICATION STANDARDS
7 CHANGES FOR EACH SYSTEM TOOL AND AN OVERVIEW OF THE REASONS FOR THE
8 CHANGES.

9 (D) A SUMMARY OF EACH SYSTEM SUBCOMMITTEE'S WORK BEYOND THE
10 STANDARDS CHANGES, INCLUDING IDENTIFICATION OF ONGOING AND EMERGING
11 ISSUES.

12 (14) THE DEPARTMENT SHALL MAKE AVAILABLE A CONSENT FORM FOR
13 COMPLETION BY FARMERS IMPLEMENTING CONSERVATION PRACTICES THAT
14 INCLUDES BOTH OF THE FOLLOWING:

15 (A) PERMISSION FOR THE DEPARTMENT TO ASSOCIATE THE FARMER'S
16 NAME, FARM LOCATION, AND MAILING ADDRESS WITH CONSERVATION
17 PRACTICES IMPLEMENTED ON THAT FARM.

18 (B) A STATEMENT BY THE FARMER THAT CONSERVATION PRACTICES
19 BEING IMPLEMENTED ON THE FARM ARE FOR THE PURPOSE OF WORKING TOWARD
20 MAEAP VERIFICATION.

21 (15) THE DEPARTMENT SHALL PROVIDE FOR THE CONSENT FORMS
22 DESCRIBED IN SUBSECTION (14) TO BE AUTHENTICATED BY AN
23 ENVIRONMENTAL ASSURANCE ADVISORY COUNCIL PARTNER COLLECTING THE
24 CONSENT FORM, IF APPROPRIATE. THE DEPARTMENT MAY USE A COMPLETED
25 CONSENT FORM IN THE RECOGNITION PROGRAM DESCRIBED IN SUBSECTION
26 (11). INFORMATION COLLECTED UNDER THIS SUBSECTION IS NOT SUBJECT TO
27 THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.

1 Sec. 8715. (1) In addition to the fees provided for in part
2 83, a registrant shall pay an annual ~~groundwater~~ **WATER QUALITY**
3 protection fee for each product to be registered. The ~~specialty~~
4 pesticide ~~groundwater~~ **WATER QUALITY** protection fee is ~~\$100.00~~
5 **\$270.00** per product. ~~Groundwater protection fees for all other~~
6 ~~pesticides are 0.75% of the wholesale value of the previous~~
7 ~~registration year's product sales for use in this state, with a~~
8 ~~\$150.00 minimum groundwater protection fee. The minimum groundwater~~
9 **WATER QUALITY** protection fee is due in the office of the director
10 before July 1. ~~A sales based groundwater protection fee greater~~
11 ~~than the \$150.00 minimum is due in the office of the director~~
12 ~~before October 1 of the following registration year.~~

13 (2) An additional late fee of \$100.00 shall be paid by the
14 registrant for each pesticide if the pesticide registration is a
15 renewal registration and the ~~minimum groundwater~~ **WATER QUALITY**
16 protection fee is received by the department after June 30.

17 (3) A person required to pay a specialty fertilizer or soil
18 conditioner registration fee under section 8505 shall pay an
19 additional \$100.00 ~~groundwater~~ **WATER QUALITY** protection fee for
20 each brand and product name of each grade registered.

21 (4) All fertilizer manufacturers or distributors licensed
22 under part 85, except specialty fertilizer and soil conditioner
23 registrants, shall pay an ~~additional groundwater~~ **THE FOLLOWING:**

24 **(A) UNTIL DECEMBER 31, 2015, A WATER QUALITY** protection fee of
25 1-1/2 cents per percent of nitrogen in the fertilizer for each ton
26 of fertilizer sold.

27 **(B) BEGINNING JANUARY 1, 2016, \$.0005 PER POUND OF FERTILIZER**

1 **SOLD.**

2 (5) The fees collected under this part, including any interest
3 or dividends earned, shall be transmitted to the state treasurer,
4 who shall credit the money received to the fund.

5 (6) Upon the expenditure or appropriation of money raised in
6 this section for any purpose other than those specifically listed
7 in this part, authorization to collect fees in this section shall
8 be suspended until the money expended or appropriated for purposes
9 other than those listed in this part are returned to the fund.

10 **(7) THE DEPARTMENT MAY AUDIT, OR MAY CONTRACT FOR AUDITS OF**
11 **RECORDS THAT ARE THE BASIS FOR FEES LEVIED UNDER THIS SECTION.**

12 (8) ~~(7)~~—This section is repealed December 31, ~~2015~~-2021.

13 Sec. 8716. (1) The freshwater protection fund is created
14 within the state treasury.

15 (2) The state treasurer may receive money or other assets from
16 any source for deposit into the fund, including general fund
17 general purpose appropriations, gifts, grants, and bequests. The
18 director shall annually seek matching general fund general purpose
19 appropriations in amounts equal to the ~~groundwater~~-**WATER QUALITY**
20 protection fees collected under section 8715 that are deposited
21 into the fund pursuant to this part. The state treasurer shall
22 direct the investment of the fund. The state treasurer shall credit
23 to the fund interest and earnings from fund investments.

24 (3) Money in the fund at the close of the fiscal year shall
25 remain in the fund and shall not lapse to the general fund.

26 (4) The department shall be the administrator of the fund for
27 auditing purposes.

1 (5) The department shall expend money from the fund, upon
2 appropriation, only for 1 or more of the following purposes:

3 (a) Direct assistance.

4 (b) ~~Indirect~~ **SUBJECT TO SUBDIVISION (C), INDIRECT** assistance.

5 **(C) EXPENDITURES FOR THE IMPLEMENTATION OF THE CONSERVATION**
6 **TECHNICAL ASSISTANCE PLAN APPROVED UNDER SECTION 8710 SHALL NOT BE**
7 **LESS THAN 21% OF THE REVENUES RECEIVED UNDER SECTION 8715 FROM**
8 **JANUARY 1, 2016 THROUGH SEPTEMBER 30, 2021.**

9 (D) ~~(e)~~ Emergency response and removal of potential sources of
10 water contamination. Expenditures pursuant to this subdivision
11 shall not exceed \$15,000.00 per location.

12 (E) ~~(d)~~ Natural resources protection.

13 (F) ~~(e)~~ Administrative costs. Expenditures pursuant to this
14 subdivision shall not exceed 20% of the annual appropriations from
15 the fund.

16 (6) The department shall establish criteria and procedures for
17 approving proposed expenditures from the fund.

18 (7) Notwithstanding section 8715, if at the close of any
19 fiscal year the amount of money in the fund exceeds ~~\$3,500,000.00,~~
20 **\$5,000,000.00**, the department shall not collect a ~~groundwater~~ **WATER**
21 **QUALITY** protection fee for the following year. After the
22 ~~groundwater~~ **WATER QUALITY** protection fees have been suspended under
23 this subsection, the fees shall only be reinstated if, at the close
24 of any succeeding fiscal year, the amount of money in the fund is
25 less than ~~\$1,000,000.00.~~ **\$2,000,000.00.**

26 (8) The department of treasury shall, before November 1 of
27 each year, notify the department of the balance in the fund at the

1 close of the preceding fiscal year.

2 (9) As used in this section:

3 (a) "Administrative costs" includes, but is not limited to,
4 costs incurred during any of the following:

5 (i) Groundwater monitoring for pesticides and fertilizers.

6 (ii) Development and enforcement of natural resources
7 protection rules.

8 (iii) Coordination of programs under this part with the United
9 States ~~environmental protection agency~~ **ENVIRONMENTAL PROTECTION**
10 **AGENCY** and other state programs with environmental protection
11 responsibilities.

12 (iv) **COORDINATION OF PROGRAMS UNDER THIS PART WITH THE UNITED**
13 **STATES DEPARTMENT OF AGRICULTURE NATURAL RESOURCES CONSERVATION**
14 **SERVICE AND OTHER STATE PROGRAMS WITH NONPOINT SOURCE POLLUTION**
15 **PREVENTION AND CONSERVATION PRACTICE RESPONSIBILITIES.**

16 (v) ~~(iv)~~ Management of pesticide sales information.

17 (b) "Direct assistance" includes, but is not limited to,
18 programs that will provide for any of the following:

19 (i) Provision of alternate noncommunity water supplies.

20 (ii) Closure of wells that may impact groundwater, such as
21 abandoned, improperly constructed, or drainage wells.

22 (iii) The environmentally sound disposal or recycling of
23 specialty pesticide containers.

24 (iv) The environmentally sound disposal or recycling of
25 nonspecialty pesticide containers.

26 (v) Specialty and nonspecialty pesticide disposal programs.

27 (vi) Programs devoted to integrated natural resources

1 conservation that encourage the judicious use of pesticides and
2 fertilizers and other agricultural inputs and practices that are
3 protective of water quality through targeted systems approach to
4 management decisions.

5 (vii) Incentive and cost share programs to assist farmers in
6 achieving MAEAP standards.

7 (viii) Incentive and cost share programs for MAEAP-verified
8 farms with potential sources of contamination on their property.

9 (ix) Monitoring of private well water for pesticides,
10 fertilizers, and other contaminants.

11 (x) Removal of soils and waters contaminated by pesticides and
12 fertilizers and the land application of those materials at
13 agronomic rates.

14 (xi) MAEAP grants pursuant to section 8710.

15 (xii) Programs that enhance investment of private and federal
16 funds in conservation.

17 (xiii) Verification.

18 (xiv) Other programs established pursuant to this part.

19 (c) "Indirect assistance" includes, but is not limited to,
20 programs that will provide for any of the following:

21 (i) Public education and demonstration programs on specialty
22 pesticide container recycling and environmentally sound disposal
23 methods.

24 (ii) Educational programs.

25 (iii) Technical assistance programs.

26 (iv) **IMPLEMENTATION OF A CONSERVATION TECHNICAL ASSISTANCE PLAN**
27 **APPROVED UNDER SECTION 8710.**

1 (v) ~~(iv)~~—The promotion and implementation of on-site evaluation
2 systems, conservation practices, and the MAEAP.

3 (vi) ~~(v)~~—Research programs for determination of the impacts of
4 alternate management practices.

5 (vii) ~~(vi)~~—Research program for ~~determination of natural~~
6 ~~resources sensitivity and vulnerability to contamination.~~ **TO ADDRESS**
7 **IMPEDIMENTS TO MAEAP VERIFICATIONS AND TO IMPROVE MAEAP PRACTICE**
8 **STANDARDS.**

9 Sec. 8807. (1) The clean water fund is created within the
10 state treasury.

11 (2) The state treasurer may receive money or other assets from
12 any source for deposit into the fund. The state treasurer shall
13 direct the investment of the fund. The state treasurer shall credit
14 to the fund interest and earnings from fund investments.

15 (3) Money in the fund at the close of the fiscal year shall
16 remain in the fund and shall not lapse to the general fund.

17 (4) Except as otherwise provided in this section, the
18 department, in consultation with the department of agriculture and
19 rural development, shall expend money in the fund, upon
20 appropriation, for any of the following:

21 (a) To implement the programs described in the department's
22 document entitled "A strategic environmental quality monitoring
23 program for Michigan's surface waters", dated January 1997. In
24 implementing these programs, the department may contract with any
25 person.

26 (b) ~~Monitor~~ **NOT MORE THAN \$100,000.00 OF THE TOTAL ANNUAL**
27 **APPROPRIATIONS FROM THE FUND TO MONITOR** and benchmark the

1 effectiveness of conservation practices and MAEAP standards in
2 cooperation with participating farmers.

3 (c) Promotion of MAEAP and activities to encourage more MAEAP-
4 verified farms.

5 (d) Water pollution control activities.

6 (e) Wellhead protection activities.

7 (f) Storm water treatment projects and activities.

8 (5) Money in the fund shall not be expended for combined sewer
9 overflow corrections.

10 (6) Money in the fund shall not be expended until rules are
11 promulgated under section 8808.

12 Enacting section 1. This amendatory act takes effect October
13 1, 2015.