

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

PART 7

FOREST AND MINERAL RESOURCE DEVELOPMENT

324.701 “Fund” defined.

Sec. 701. As used in this part, “fund” means the forest and mineral resource development fund created in section 703.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.702 Duties of department.

Sec. 702. The department shall do all of the following:

(a) Administer a grant and loan program pursuant to sections 704 and 705.

(b) Provide advice and recommendations to the legislature, the governor, and executive departments in order to promote the development of the forestry and forest products industry and the mineral extraction and utilization industry in this state.

(c) Develop programs and coordinate existing and proposed programs to encourage innovative and competitively viable economic development of forest and mineral related industry.

(d) Stimulate and encourage the forestry and forest products industry and the mineral extraction and utilization industry through grants and loans made under this part.

(e) Review existing laws and regulations pertaining to forestry and the mineral industry and develop proposals for new laws or changes in existing law to improve this state's forest and mineral resource development as considered appropriate by the department.

(f) Promote and provide for educational programs for the general public and members of local government to increase awareness of the importance of the forestry and forest products industry and the mineral industry to this state.

(g) Consult with representatives of science, industry, labor, government, and other groups and utilize the services of public and private organizations, including colleges and universities, as the department considers necessary or helpful.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.703 Forest and mineral resource development fund; creation; administration; expenditures; purpose; appropriations; grants and loans; repayments of principal; interest and earnings; appropriations, interest, and earnings to remain in fund.

Sec. 703. (1) The forest and mineral resource development fund is created as a separate fund in the department of treasury to be administered and expended by the department for the purpose of making grants and loans pursuant to sections 704 and 705.

(2) There shall be appropriated annually from the general fund of the state, or from any special revenue source that is dedicated to forest and mineral resource development or from funds made available by the private sector, a sufficient sum to carry out the requirements of this part. Of the money appropriated by the legislature, the department shall make grants and loans as provided in sections 704 and 705 in a manner that as nearly as practicable results in an even distribution of grants and loans to encourage the state's forestry and forest products industry and grants and loans to encourage the state's mineral industry.

(3) In addition to the appropriated funds, the fund shall include all repayments of principal and interest and earnings generated under a loan granted under this part.

(4) Appropriations made to the fund and interest and earnings generated by the fund do not lapse to the general fund at the end of the fiscal year for which an appropriation was made, but shall remain in the fund to be expended as provided in this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.704 Forest and mineral resource development grant and loan program; establishment;

rules; publication of information about grants and loans; distribution of information and application forms; form and contents of application; projects eligible for grant or loan; matching funds; considerations in making grants and loans; determining rate of interest.

Sec. 704. (1) The department shall establish a forest and mineral resource development grant and loan program. The department shall promulgate rules necessary to implement the grant and loan program provided in this part.

(2) The department shall annually publish information about grants and loans available under this part in a manner selected by the department as best calculated to give notice to persons likely to be interested in the grants or loans, or both.

(3) Information regarding grants and loans available under this part and application forms for grants and loans shall be distributed by the department upon request.

(4) An application for a grant or loan under this section shall be on a form provided by the department and shall contain information required by the department.

(5) The department may make a grant or a loan to a person as determined to be appropriate by the department for any of the following projects that pertain to new technologies, innovative technologies, or procedures, products, or marketing techniques, to encourage the state's forestry or forest products industry or the mineral extraction and utilization industry:

- (a) Market development projects.
- (b) Resource base information development projects.
- (c) Feasibility study projects.
- (d) Research projects.
- (e) Development projects.
- (f) Research and development projects.

(6) The department may require that matching funds be provided as a condition for making a grant or loan under this section.

(7) The department in making grants and loans under this section shall consider all of the following:

(a) The potential for the project, if funded, to assist the forest products industry or the mineral industry in this state.

(b) The potential for the project, if funded, to create jobs in the forest products industry or the mineral industry in this state.

(c) If the applicant's project proposes the development of a new technology or product, the likelihood that the technology or product would enhance the competitiveness of this state's forest products industry or mineral industry.

(d) If the applicant's project involves the development of a new technology or product, whether the applicant provides a feasibility study with results supportive of project initiation.

(e) The potential for the project to be applied or utilized by persons in this state other than the applicant.

(f) The ability of the applicant to contribute matching funds for the project.

(g) If the applicant's project involves research, the likelihood that the applicant may qualify for further research grants or loans or follow-up grants or loans from other sources.

(h) Other factors as considered appropriate by the department.

(8) In determining the rate of interest to be assessed on loans made under this part, the department shall select an interest rate that is below the average annual effective prime lending rate for commercial banks as reported by the federal reserve system.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.705 Reviewing and prioritizing application for grant or loan; report.

Sec. 705. (1) An application for a grant or loan made under this part shall be reviewed and prioritized by the department each fiscal year.

(2) Not less than 60 days prior to the end of each fiscal year, the department shall report the following information regarding the grants or loans made under this part to the governor and the legislature:

(a) The name and address of each person to whom a grant or loan was issued during the reporting year.

(b) The nature of the project that received a grant or loan during the reporting year.

(c) The amount of money received by each person who received a grant or loan during the reporting year.

(d) The county in which the project is located.

(e) The number of new employment opportunities, if any, that resulted from grants or loans made during

the reporting year.

(f) The number of new employment opportunities, if any, that are expected to result from grants or loans that are anticipated in the next reporting year.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA