

SENATE BILL No. 1130

February 19, 2008, Introduced by Senators BROWN, BARCIA, ALLEN, VAN WOERKOM, CROPSEY and HARDIMAN and referred to the Committee on Agriculture.

A bill to amend 1984 PA 44, entitled
"Motor fuels quality act,"
(MCL 290.641 to 290.650d) by adding section 5a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 5A. (1) THE ALTERNATIVE FUELS FUND IS CREATED WITHIN THE
2 STATE TREASURY. THE STATE TREASURER MAY RECEIVE MONEY OR OTHER
3 ASSETS FROM ANY SOURCE FOR DEPOSIT INTO THE ALTERNATIVE FUELS FUND.
4 THE STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE ALTERNATIVE
5 FUELS FUND. THE STATE TREASURER SHALL CREDIT TO THE FUND INTEREST
6 AND EARNINGS FROM FUND INVESTMENTS. MONEY IN THE FUND AT THE CLOSE
7 OF THE FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT LAPSE TO
8 THE GENERAL FUND.

9 (2) THE STATE TREASURER SHALL DISBURSE MONEY IN THE FUND

DESCRIBED IN SUBSECTION (1) ON A QUARTERLY BASIS TO THE DEPARTMENT.
BEGINNING NOT LATER THAN FEBRUARY 1, 2009, THE DEPARTMENT SHALL
SUBMIT TO THE STATE TREASURER A SUMMARY OF EXPENDITURES DURING THE
PRECEDING YEAR OF THE MONEY RECEIVED UNDER THIS SECTION.

(3) THE DEPARTMENT SHALL BE THE ADMINISTRATOR OF THE FUND FOR
AUDITING PURPOSES.

(4) THE DEPARTMENT SHALL ADMINISTER THE FUND TO DO 1 OR MORE
OF THE FOLLOWING:

(A) PROMOTE THE PRODUCTION AND USE OF ALTERNATIVE FUELS.

(B) AWARD GRANTS TO SELECTED RECIPIENTS TO IMPROVE THE
PRODUCTION OF ALTERNATIVE FUELS IN THIS STATE.

(C) ENCOURAGE THE DEVELOPMENT OF MOTOR FUEL QUALITY STANDARDS
FOR ALTERNATIVE FUELS UNDER THIS ACT.

(D) PROVIDE INCENTIVES TO RETAILERS WHO SELL ALTERNATIVE
FUELS.

(E) PROMOTE THE SALE OF VEHICLES THAT CAN BE POWERED BY
ALTERNATIVE FUELS.

(5) AS USED IN THIS SECTION:

(A) "ALTERNATIVE FUELS" INCLUDES, BUT IS NOT LIMITED TO,
BIODIESEL, BIODIESEL BLEND, HYDROGEN FUEL, AND E85 FUEL.

(B) "E85 FUEL" MEANS THAT TERM AS DEFINED IN SECTION 78 OF THE
MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2078.