

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

\*\*\*\*\* 324.704 THIS SECTION IS REPEALED BY ACT 570 OF 2018 EFFECTIVE MARCH 28, 2019 \*\*\*\*\*

**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

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