

HOUSE BILL No. 6150

September 9, 2004, Introduced by Reps. Kolb and Bieda and referred to the Committee on Land Use and Environment.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
(MCL 324.101 to 324.90106) by adding part 56.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 56. GREENHOUSE GAS EMISSION REPORTING

Sec. 5601. As used in this part:

(a) "Carbon dioxide equivalents" means the amount of each GHG that makes the same contribution to global warming as 1 metric ton of carbon dioxide, as determined by the department.

(b) "Clean air act" means that term as defined in section 5501.

(c) "Department" means the department of environmental quality.

(d) "Direct GHG emissions" means greenhouse gas emissions released from a mandatory reporting facility or a facility that

1 is owned, controlled, or operated by an entity submitting
2 information under this part.

3 (e) "Director" means the director of the department.

4 (f) "Entity" means a person that operates facilities within
5 this state.

6 (g) "Facility" means all buildings, structures, or
7 installations located on any 1 or more contiguous or adjacent
8 properties of an entity.

9 (h) "GHG database" means a record of GHG emissions reported
10 by mandatory reporting facilities and established under section
11 5605.

12 (i) "GHG emissions" includes all of the following emissions
13 of a greenhouse gas:

14 (i) Stationary combustion source emissions, which are emitted
15 as a result of combustion of fuels in stationary equipment such
16 as boilers, furnaces, burners, turbines, heaters, incinerators,
17 engines, flares, and other similar sources.

18 (ii) Process emissions, which consist of emissions from
19 chemical or physical processes other than combustion.

20 (iii) Fugitive emissions, which consist of intentional and
21 unintentional emissions from equipment leaks such as joints,
22 seals, packing, and gaskets or from piles, pits, cooling towers,
23 and other similar sources.

24 (j) "Greenhouse gas" or "GHG" means the gaseous form of
25 carbon dioxide, methane, nitrous oxide, hydrofluorocarbons,
26 perfluorocarbons, or sulfur hexafluoride.

27 (k) "Mandatory reporting facility" means a facility to which

1 either or both of the following apply:

2 (i) During the preceding calendar year, the facility was
3 required to report information on any of its air emissions to the
4 department under part 55 or to the United States environmental
5 protection agency under the clean air act.

6 (ii) During the preceding calendar year, the facility had GHG
7 emissions of more than 10,000 metric tons, measured in carbon
8 dioxide equivalents.

9 Sec. 5603. (1) Not later than July 1 of each calendar year,
10 beginning in 2007, each mandatory reporting facility shall submit
11 to the department a report that states, for the preceding
12 calendar year, the mandatory reporting facility's GHG emissions,
13 expressed in units of carbon dioxide equivalents.

14 (2) Upon establishment of the GHG database, any entity may
15 submit to the department a report that states the total emissions
16 of the entity for years after 1990 for which there is verifiable
17 information.

18 Sec. 5605. (1) The department, in consultation with private
19 businesses and nongovernmental organizations, shall establish,
20 operate, and maintain a greenhouse gas database, to collect,
21 verify, record, and analyze information on GHG emissions and to
22 establish baselines for mandatory reporting facilities against
23 which any future federal or state GHG emissions reduction
24 requirements may be applied.

25 (2) Before including any information reported to the
26 department in the database, the department shall verify the
27 completeness, consistency, and accuracy of the information in

1 conformance with the rules, methods, and procedures established
2 under section 5607.

3 (3) The department shall publish the GHG database for
4 distribution to the public and post the GHG database on its
5 website, except for information to which 1 or more of the
6 following apply, as determined by the department:

7 (a) Disclosure of the information poses a risk to national
8 security.

9 (b) The information is confidential business information the
10 disclosure of which would cause competitive harm and cannot be
11 derived from information that is otherwise publicly available.

12 Sec. 5607. Within 6 months after the effective date of this
13 part, the department shall submit for a public hearing pursuant
14 to the administrative procedures act of 1969, 1969 PA 306, MCL
15 24.201 to 24.328, proposed rules to establish methods and
16 procedures for all of the following:

17 (a) Reporting information to the GHG database.

18 (b) Calculating, estimating, or otherwise quantifying direct
19 GHG emissions and any other GHG emissions that the department
20 determines entities may report to the GHG database.

21 (c) Verifying information reported to the database.

22 (d) Determining that a particular facility is a mandatory
23 reporting facility.

24 (e) Complying with the requirements of section 5605(3).

25 (f) Minimizing the cost, inconvenience, and general burden of
26 reporting on the mandatory reporting facilities.

27 (g) General supervision and administration of this part.

1 Sec. 5609. (1) An individual who violates this part or a
2 rule promulgated under this part is guilty of a misdemeanor
3 punishable by imprisonment for not more than 90 days or a fine of
4 not more than \$500.00, or both.

5 (2) An entity, other than an individual, that violates this
6 part or a rule promulgated under this part is guilty of a felony
7 punishable by imprisonment for not more than 4 years or a fine of
8 not more than \$5,000.00, or both.

9 (3) The director, after notice and an opportunity for a
10 hearing, may impose upon an entity that violates this part or a
11 rule promulgated under this part an administrative fine of not
12 more than \$2,000.00 or, for a violation committed after a
13 conviction or administrative determination of a first violation,
14 an administrative fine of not more than \$4,000.00.