

**SUBSTITUTE FOR  
SENATE BILL NO. 1308**

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending section 12102a (MCL 324.12102a), as added by 2008 PA 8.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 12102a. The following materials are not liquid industrial  
2 wastes when managed as specified:

3       (a) A material that is used or reused as an effective  
4 substitute for commercial products or returned to the original  
5 process, if the material does not require reclamation prior to use  
6 or reuse, is not directly burned to recover energy or used to  
7 produce a fuel, and is not applied to the land or used in products  
8 applied to the land.

9       (b) A used oil that is directly burned to recover energy or  
10 used to produce a fuel if all of the following requirements are  
11 met:

1           (i) The material meets the used oil specifications of R  
2 299.9809(1)(f) of the Michigan administrative code.

3           (ii) The material contains no greater than 2 ppm  
4 polychlorinated biphenyls.

5           (iii) The material has a minimum energy content of 17,000  
6 BTU/lb.

7           (iv) The material is expressly authorized as a used oil fuel  
8 source, regulated under part 55, or, in another state, regulated  
9 under a similar air pollution control authority.

10          (c) A liquid fully contained inside a manufactured article,  
11 until the liquid is removed or the manufactured equipment is  
12 discarded, at which point it becomes subject to this part.

13          (d) A liquid waste sample transported for testing to determine  
14 its characteristics or composition. The sample becomes subject to  
15 this part when discarded.

16          (e) A liquid that is not regulated under part 615 that is  
17 generated in the drilling, operation, maintenance, or closure of a  
18 well, or other drilling operation, including the installation of  
19 cathodic protection or directional drilling, if either of the  
20 following applies:

21           (i) The liquid is left in place at the point of generation in  
22 compliance with part 31, 201, or 213.

23           (ii) The liquid is transported off-site from a location that is  
24 not a known facility as defined in section 20101, and all of the  
25 following occur:

26           (A) The disposal complies with applicable provisions of part  
27 31 or 115.

1 (B) The disposal is not to a surface water.

2 (C) The landowner of the disposal site has authorized the  
3 disposal.

4 (f) A liquid vegetable or animal fat oil that is transported  
5 directly to a producer of biofuels for the purpose of converting  
6 the oil to biofuel.

7 (G) AN OFF-SPECIFICATION FUEL, INCLUDING A GASOLINE  
8 BLENDSTOCK, THAT WAS GENERATED IN A PIPELINE AS THE INTERFACE  
9 MATERIAL FROM THE MIXTURE OF 2 ADJACENT FUEL PRODUCTS AND THAT WILL  
10 BE PROCESSED, BY BLENDING OR BY DISTILLATION OR OTHER REFINING, TO  
11 PRODUCE A FUEL PRODUCT OR FUEL PRODUCTS.

12 (H) AN OFF-SPECIFICATION FUEL, INCLUDING A GASOLINE  
13 BLENDSTOCK, THAT RESULTED FROM THE COMMINGLING OF OFF-SPECIFICATION  
14 FUEL PRODUCTS OR FROM PHASE SEPARATION IN A GASOLINE AND ALCOHOL  
15 BLEND AND THAT WILL BE PROCESSED, BY DISTILLATION OR OTHER  
16 REFINING, TO PRODUCE FUEL PRODUCTS.

17 (I) AN OFF-SPECIFICATION FUEL PRODUCT TRANSPORTED DIRECTLY TO  
18 A DISTILLATION OR REFINING FACILITY TO PRODUCE A FUEL PRODUCT OR  
19 FUEL PRODUCTS REGULATED PURSUANT TO 40 CFR PART 80.

20 (J) ~~(g)~~—A liquid or a sludge and associated liquid authorized  
21 to be applied to land under part 31 or 115.

22 (K) ~~(h)~~—A liquid residue remaining in a container after  
23 pouring, pumping, aspirating, or another practice commonly employed  
24 to remove liquids has been utilized, if not more than 1 inch of  
25 residue remains on the bottom, or, for containers less than or  
26 equal to 110 gallons in size, not more than 3% by weight of residue  
27 remains in the container, or, for containers greater than 110

1 gallons in size, not more than 0.3% by weight of residue remains in  
2 the container. The liquid residue becomes subject to this part when  
3 discarded.

4 (I) ~~(i)~~—A residual amount of liquid remaining in a container  
5 and generated as a result of transportation of a solid waste in  
6 that container.

7 (M) ~~(j)~~—A liquid brine authorized for use as dust and ice  
8 control regulated under parts 31 and 615.

9 (N) ~~(k)~~—Food processing residuals as defined in section 11503,  
10 or site-separated material or source-separated material approved by  
11 the department under part 115, that, to produce biogas, will be  
12 decomposed in a controlled manner under anaerobic conditions using  
13 a closed system that complies with part 55.

14 (O) ~~(l)~~—A liquid approved by the director for use as a biofuel  
15 in energy production in compliance with part 55 that is not  
16 speculatively accumulated and that is transported directly to the  
17 burner of the biofuel.