

# HOUSE BILL NO. 5965

September 26, 2024, Introduced by Reps. Conlin, Miller, Hood, O'Neal, Brixie, Brenda Carter, Dievendorf, Steckloff, Hope, Brabec, Coffia, Tsernoglou, MacDonell, Price, Glanville and Morgan and referred to the Committee on Natural Resources, Environment, Tourism and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
(MCL 324.101 to 324.90106) by adding section 402.

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

1           Sec. 402. (1) The department, in consultation with the  
2 department of agriculture and rural development, shall establish a  
3 grant program to assist farmers who have been impacted by PFAS.  
4           (2) The program must provide grants to assist farmers whose  
5 agricultural land, agricultural products, or water located on or  
6 accessed from the agricultural land, is found to be contaminated by

1 PFAS with any of the following:

2 (a) The costs of medical or mental health testing and care  
3 that are not otherwise covered by health insurance or a legal  
4 settlement related to PFAS contamination, if the applicant, or a  
5 member of the applicant's household, has health effects associated  
6 with exposure to PFAS.

7 (b) The costs of buying and selling agricultural land.

8 (c) Investing in removal, filtration, or destruction of PFAS;  
9 or commercial agriculture equipment, facilities, and infrastructure  
10 to help ensure that the agricultural land can remain profitable.

11 (d) Income replacement and mortgage payments based on the  
12 gross income for the year before the agricultural land,  
13 agricultural products, or water were determined to be contaminated  
14 with PFAS.

15 (e) Voluntary monitoring and testing, including the cost of  
16 testing agricultural products, livestock, and animal feed.

17 (f) Providing short-term assistance for any of the following:

18 (i) Enterprise budgets for alternative cropping systems.

19 (ii) Remediation strategies.

20 (iii) Technological adaptations.

21 (iv) Plans to transition to alternative revenue streams.

22 (3) A farmer shall apply for a grant on a form and in a manner  
23 prescribed by the department. An application for a grant must  
24 include all of the following:

25 (a) Name, address, telephone number, and email address of the  
26 applicant.

27 (b) Social Security number or federal employer ID number, as  
28 applicable.

29 (c) Information regarding the farm's business operations and

1 sales before and after the discovery of PFAS.

2 (d) Personal and business federal income tax returns for the  
3 previous year.

4 (e) Profit and loss statements, by month, for the previous  
5 year.

6 (f) Documentation regarding any financial payments received  
7 from state, federal, or nonprofit entities specifically related to  
8 PFAS assistance.

9 (g) A plan outlining how the farmer will use the grant funds.  
10 A plan may include the following information:

11 (i) How the farmer will remove, mitigate, remediate, or destroy  
12 PFAS to help ensure future profitability.

13 (ii) How the farmer will transition to alternative revenue  
14 streams.

15 (iii) If the farmer will cease operations or move agricultural  
16 production to another location.

17 (iv) How the farmer will compensate for losses incurred due to  
18 PFAS contamination.

19 (h) Any other information required by the department.

20 (4) The department shall issue grants under this section in an  
21 amount that does not exceed 1 or more of the following based on the  
22 plan described under subsection (3) (g) minus any financial payments  
23 received by the farmer as listed in subsection (3) (f) and income  
24 generated by the farm through the sale of products not impacted by  
25 PFAS:

26 (a) Indemnification for individual or entire herd, flock, or  
27 aquaculture lot depopulations of livestock based on 100% of the  
28 fair market value of the type of animal on the date of the  
29 appraisal and marketable for the purpose for which the livestock

1 was intended, not to exceed \$10,000.00 for each livestock or an  
2 average of \$5,000.00 per animal in the flock, herd, or aquaculture  
3 lot.

4 (b) Indemnification for 100% of the fair market value of  
5 agricultural products based on crop loss indemnities calculated by  
6 the United States Department of Agriculture, Risk Management  
7 Agency, or if the agricultural products are not insured or do not  
8 have an insurance product available, the fair market value based on  
9 the United States Department of Agriculture county average crop  
10 price and yield or market price determined by the county farm  
11 service agency committee, for a period of time not to exceed the  
12 farmer's plan to transition to alternate revenue streams.

13 (c) Indemnification for 100% of the fair market value of the  
14 agricultural land on the date of appraisal for the purpose for  
15 which the land was intended, if the land can no longer be used for  
16 agriculture.

17 (d) Indemnification for 100% of the rental rate for  
18 agricultural land based on the 3-year average of National  
19 Agriculture Statistics Service rental rates for the county in which  
20 the agricultural land is located, not to exceed the period of time  
21 covering the farmer's plan to transition to alternate revenue  
22 streams.

23 (5) The PFAS impact fund is created within the state treasury.  
24 The state treasurer may receive money from the increase in state  
25 civil infractions authorized under section 401 or money or other  
26 assets from any other source for deposit into the fund and credit  
27 to the fund interest and earnings from fund investments. Money in  
28 the fund at the end of the fiscal year remains in the fund and does  
29 not lapse to the general fund. The department is the administrator

1 of the fund for auditing purposes. Upon appropriation, the  
2 department shall expend money from the fund to issue grants as  
3 described under this section.

4 (6) The department shall promulgate rules under the  
5 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to  
6 24.328, to implement this section.

7 (7) As used in this section:

8 (a) "Agricultural land" means land devoted to agriculture  
9 including, but not limited to, arable land, land under permanent or  
10 annual crops, and land under permanent meadows, forage, or  
11 pastures.

12 (b) "Contamination" means 1 or more of the following with  
13 regard to agricultural land, agricultural products, or water:

14 (i) A determination or order by this state or a federal agency  
15 seizing livestock or agricultural products.

16 (ii) A determination or order by this state or a federal agency  
17 that affected land cannot be used to produce and sell the farmer's  
18 current agricultural products.

19 (iii) A determination or order by this state or a federal agency  
20 that a farmer's existing surface or groundwater supply cannot be  
21 used to irrigate, water, or clean agricultural products.

22 (iv) A refusal by a cooperative, a food establishment, a  
23 contractor, or another agricultural product buyer to accept the  
24 farmer's agricultural products.

25 (c) "Department" means the department of environment, Great  
26 Lakes, and energy.

27 (d) "Farm" means that term as defined in section 2 of the  
28 Michigan right to farm act, 1981 PA 93, MCL 286.472.

29 (e) "Fund" means the PFAS impact fund created under subsection

1 (5).

2 (f) "Member of the applicant's household" means an individual  
3 residing full-time within the applicant's home.

4 (g) "PFAS" means that term as defined in 40 CFR 705.3.

5 Enacting section 1. This amendatory act does not take effect  
6 unless all of the following bills of the 102nd Legislature are  
7 enacted into law:

8 (a) Senate Bill No. \_\_\_\_\_ or House Bill No. \_\_\_\_\_ (request no.  
9 00712'23).

10 (b) Senate Bill No. \_\_\_\_\_ or House Bill No. 5966 (request no.  
11 04233'23 a).