

FISCAL SNAPSHOT

PETROLEUM CLEANUP

Date: January 2024

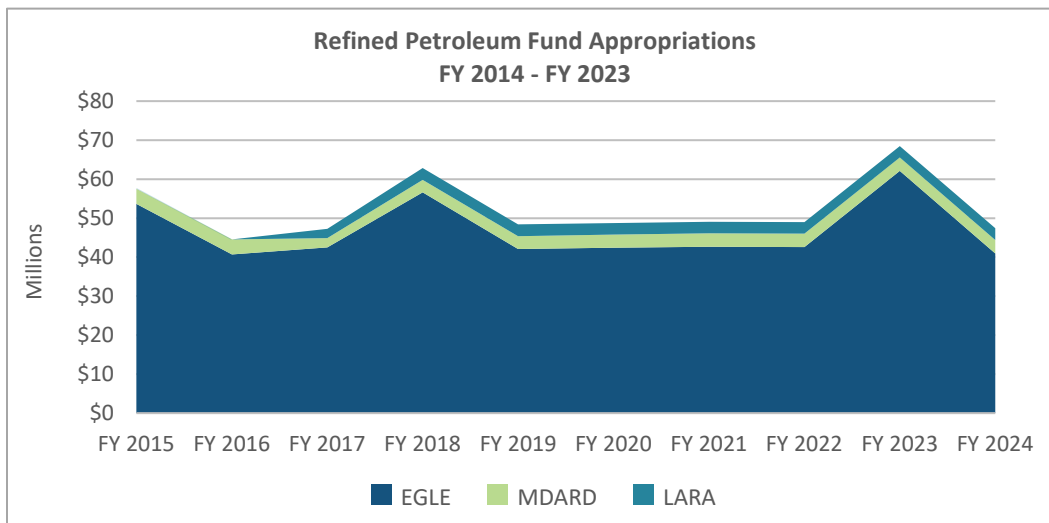
Analyst: Austin Scott

Background

The Natural Resources and Environmental Protection Act ([1994 PA 451](#)) requires the [Department of Environment, Great Lakes, and Energy](#) to remediate environmental contamination in Michigan. Parts [213](#) and [215](#) of the act direct the remediation of petroleum contamination, which is primarily funded by the Refined Petroleum Fund (RPF) and the Underground Storage Tank Cleanup Fund (USTCF). Both funds receive revenue from a one-cent-per-gallon fee paid on refined petroleum sold for resale statewide.

Refined Petroleum Fund

Annual appropriations from the RPF hovered around \$57.0 million from FY 2010-11 through FY 2014-15. Beginning in FY 2015-16, the Underground Storage Tank Cleanup Fund receives the first \$20.0 million in fee revenue, with the remainder being deposited to the RPF. Additional one-time fund balances were appropriated in FY 2017-18 and FY 2022-23.



Underground Storage Tank Cleanup Fund

The USTCF program provides reimbursements to underground storage tank owners/operators for cleaning up their respective petroleum leaks originating after 2014. The program began in FY 2015-16 with an initial appropriation of \$20.0 million and has been basically flat.

