

DISTRIBUTION OF OIL AND GAS ROYALTY REVENUES

- Whereas** Our nation's ever-increasing energy needs have speeded recent oil and gas exploration and development in northern Michigan, resulting in verification of this area's proven potential for vastly increasing deep-well production and
- Whereas** Through this anticipated development our area will contribute substantially meeting our State's total energy needs, and will in addition greatly increase its severance and royalty general fund revenues, and
- Whereas** The increased activities of the oil and gas industry have had severe economic, environmental, housing, land use, public facility, and transportation impacts, and have introduced or greatly aggravated the problems of our local communities and their local elected officials, and
- Whereas** We support the policy of the State to use its profits from the oil and gas industry to cover the costs of worthy and necessary State activities, and
- Whereas** The profits available for such discretionary distribution cannot even be computed until all the direct and indirect costs have been paid,

Now Therefore Be It Resolved

That the State Legislature, which shares our responsibility for the welfare of our communities and our citizens, enact a fair and equitable mineral revenue reimbursement formula which recognizes that it is morally wrong and economically unrealistic to expect Mentor Township to subsidize an activity of statewide benefit, and which therefore provides for use of the revenues to meet local costs before the remaining revenues are allocated for other areas and other purposes.

Adopted: Regular Meeting June 15, 1981.

Voted Crane, Kinney, Wehrmeister, Kann, Wyckoff Yes. None opposed.