



**House  
Legislative  
Analysis  
Section**

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**SEWAGE SLUDGE APPLIED FOR  
AGRICULTURAL PURPOSES**

**House Bill 6071**

**Sponsor: Rep. Carl F. Gnodtke**

**Committee: Agriculture & Forestry**

**Complete to 9-17-96**

**A SUMMARY OF HOUSE BILL 6071 AS INTRODUCED 9-12-96**

The bill would amend the Natural Resources and Environmental Protection Act to provide for the application of sewage sludge to land for agricultural purposes, to establish a sewage sludge land application fee that would be paid by sewage sludge generators, and to create a special fund into which revenue generated from the fees would go to pay for administering the bill's provisions. The bill specifies that, by October 1, 1997, the Department of Environmental Quality, in consultation with the Department of Agriculture, would have to promulgate rules governing the land application of sewage sludge and for protecting the public health or the environment from any adverse effects of pollutants in sewage sludge.

Imposition of fee. The bill would impose a sewage sludge land application fee on "sewage sludge generators"--who would be defined as persons who generated sludge in the treatment of domestic sewage, if the sludge is applied to land--which would be in an amount determined by the DEQ. Under the bill, this fee would be composed of an administrative fee and a generation fee, both of which would have to be set at levels that would annually generate, as nearly as possible, \$650,000 (starting with fees to be paid in the fiscal year commencing October 1, 1998). This amount would annually have to be adjusted for inflation using the Detroit Consumer Price Index, minus the amount remaining at the end of each fiscal year in the Sewage Sludge Land Application Fund.

Within 30 days following the end of each fiscal year, each sewage sludge generator would have to report to the DEQ the total amount of sewage sludge it generated that had been applied to land in the preceding state fiscal year, and with this amount the department would apportion the cumulative generation fee among the sewage sludge generators in the state. The apportionment would have to be made on the basis of each generator's pro rata share of the cumulative total amount of sewage sludge applied to land in the state in the preceding fiscal year. In addition, within 60 days following the end of each fiscal year the department would have to notify each generator of its sewage sludge land application fee, and within 90 days following the end of each fiscal year a generator would have to pay its sewage sludge land application fee.

The DEQ would have to assess interest on all fee payments submitted after they were due, where the permittee would pay an additional amount equal to .75 percent of the payment due for each month or portion of one the payment remained past due. Failure to pay a fee on time would be a violation.

Sewage sludge land application fund. The bill would create this fund in the state treasury, and would require the DEQ to forward all fees collected under it to the state treasurer for deposit into the fund. The state treasurer could receive money or other assets from any source for deposit into the fund and would direct the fund's investment. Interest and earnings from fund investments would have to be credited to the fund, and an unexpended balance in the fund at the close of a fiscal year would have to be carried forward to the following fiscal year. Appropriations from the fund could be made only for administering the bill's provisions, including, but not limited to, educating farmers, sewage sludge generators, and the general public about applying sewage sludge to land and the requirements specified in the bill. Ten percent of the fund would have to be appropriated to the Department of Agriculture for administering the act.

Local regulations. The provisions of the bill generally would preempt a local ordinance, regulation, or resolution of a local unit of government that purported to duplicate, extend, or revise the bill's provisions, and a local unit generally would be barred from enacting, maintaining, or enforcing an ordinance, regulation, or resolution that conflicted with the bill.

However, the bill would permit a local unit to enact an ordinance prescribing additional or more stringent standards than those contained in the bill and that regulated a sewage sludge land application site under either or both of the following circumstances:

\* The operation of a sewage sludge land application site within the local unit would result in "unreasonable adverse effects" on the environment or public health within the local unit. A determination that such effects existed would have to consider specific populations whose health could be adversely affected within the local unit.

\* The operation of a sewage sludge land application site within the local unit had resulted in or would result in the local unit being in violation of other existing state or federal laws.

Any such local ordinances enacted under these circumstances, however, could not conflict with existing state or federal laws and could not be enforced by a local unit until approved by the DEQ director. If the director disapproved such a local ordinance, he or she would have to provide a detailed explanation of the basis of the disapproval "within 60 days." The bill also would permit the director to contract with a local unit to act as its agent for purposes of enforcing the bill's provisions, but would give sole authority to the department to assess fees. If a local unit was under contract with the DEQ to act as its agent or had received prior written authorization from the department, then it could pass an ordinance identical to provisions contained in the bill and rules promulgated under it. If a local ordinance was enacted, the local unit would have to ensure that persons enforcing it complied with training and enforcement requirements as determined by the DEQ director, and a local unit would have to reimburse the department for actual costs it incurred to train their personnel.

Public meeting. If the legislative body of a local unit submitted to the DEQ a resolution identifying unreasonable adverse effects to the environment or public health due to operating a sewage sludge land application site, the department would have to hold a public meeting within 60 days after the resolution was submitted to determine the nature and extent of them. Within 45

days after the meeting, the DEQ would then have to issue a detailed opinion regarding the existence of the unreasonable adverse effects as identified by the local unit's resolution.

Analyst: T. Iversen

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.