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BILL ANALYSIS



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House Bill 5381 (Substitute S-1 as reported)

Sponsor: Representative Ken Sikkema

House Committee: Conservation, Environment, and Great Lakes

Senate Committee: Natural Resources and Environmental Affairs

CONTENT

The bill would amend the Natural Resources and Environmental Protection Act to:

- Specify that the changes in liability provided for in the bill would have to be given retroactive application.
- Specify that certain legal actions, administrative orders, and enforceable agreements would be governed by the provisions of Part 213 of the Act that were in effect on May 1, 1995.
- Redefine "owner" to apply to a person who held an interest in an underground storage tank system or the property on which it was located and who was liable under Part 201.
- Require a cleanup criterion for groundwater to comply with the State drinking water standard, or the criteria for adverse aesthetic characteristics, whichever was the more stringent, rather than to comply with either standard as is now the case.
- Specify that if a release or threat of release at a site were not solely the result of a release or threat of release from an underground tank system, the owner or operator of the system could perform response activities under Part 201 in lieu of corrective actions under Part 213.
- Prohibit an owner or operator from removing soil from a site to an off-site location unless he or she determined that the soil could be lawfully relocated without posing a threat to the public health, safety, or welfare, or the environment.
- Allow, rather than require, the Department of Natural Resources to impose monetary penalties for failure to complete or submit assessment reports and closure reports in a timely fashion; provide that the penalties specified in the Act would be maximum penalties; and specify that the penalty provision would take effect on the effective date of the bill.
- Require institutional controls to be implemented if the corrective action activities at a site resulted in a final remedy that relied on tier I commercial or industrial criteria.
- Repeal provisions of the Act that pertain to de minimis spills.

The bill is tie-barred to House Bill 5380.

MCL 324.21301a et al.

Legislative Analyst: L. Burghardt

FISCAL IMPACT

The bill could result in an indeterminate increase in State liability for cleanup costs, subject to the appropriations process. The number of and the amount of contamination on sites affected by the shift from the more stringent liability standards in Part 213 to those in Part 201 are unknown. The State orphan share fund, which is subject to the appropriations process, would become the funding tool for those sites without an identifiable responsible party.

Date Completed: 2-12-96

Fiscal Analyst: G. Cutler

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