



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5875 (as reported without amendment)
Sponsor: Representative Liz Brater
House Committee: Conservation, Environment and Great Lakes
Senate Committee: Natural Resources and Environmental Affairs

CONTENT

The bill would amend Part 327 of the Natural Resources and Environmental Protection Act, which concerns Great Lakes Preservation and regulates the withdrawal of water from the Great Lakes basin, to establish a "Water Use Protection Fund", establish \$50 annual water use reporting fees, and require the Department of Environmental Quality (DEQ) and the Department of Agriculture to assess the reliability of annual irrigation water use data. In addition, the bill specifies that by December 31, 1999, the DEQ would have to assess the Fund and report to the Legislature on the overall number of irrigation and industrial or processing facilities registered in the program, the annual amount of water use reporting fees received by the Fund, and the staff workload necessary to implement Part 327 to determine if the amount of the annual water use reporting fees could be lowered. The bill also would delete the requirement that an industrial, processing, and irrigation facility using more than 2 million gallons of water per day in any consecutive 30-day period provide information on the operating capacity of its withdrawal system and on any authorizations required for the withdrawal of water from its source.

MCL 324.32701 et al.

Legislative Analyst: L. Burghardt

FISCAL IMPACT

According to the Department of Environmental Quality, the bill is anticipated to generate approximately \$126,000 in fee revenue annually from a \$50 water use reporting fee.

The FY 1996-97 Department of Environmental Quality budget includes \$103,500 in water use reporting fees to fund 1.0 FTE in the Office of Groundwater Planning and Special Services. Boilerplate language in the budget bill specifies that either water use reporting fees or State General Fund/General Purpose dollars are to be used. The Department has historically funded the program with revenues intended for Great Lakes Protection Fund activities.

Date Completed: 10-1-96

Fiscal Analyst: G. Cutler

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.