H.B. 5114: FLOOR ANALYSIS

Senate Fiscal Agency P. O. Box 30036 Lansing, Michigan 48909-7536



Telephone: (517) 373-5383 Fax: (517) 373-1986 TDD: (517) 373-0543

House Bill 5114 (as reported without amendment)

Sponsor: Representative Kwame Kilpatrick

House Committee: Conservation, Environment and Recreation Senate Committee: Natural Resources and Environmental Affairs

## CONTENT

The bill would amend Part 303 (Wetland Protection) of the Natural Resources and Environmental Protection Act to specify wetland permit fees for particular projects, rather than the current \$25 fee for all permit applications. The bill would establish the following fees for different projects:

- -- \$100 for a project in a category of activities for which a general permit was issued.
- -- \$2,000 for a major project, which would include filling or draining one acre or more of coastal or inland wetland; 10,000 cubic yards or more of wetland fill; or a new golf course, a subdivision, or a condominium affecting wetland.
- -- \$500 for all other projects.

The bill also would require all wetland permit fees to be deposited in the Land and Water Management Permit Fee Fund. (Currently, fees for wetland assessments are deposited in that Fund; the rest of the wetland permit fees are deposited in the General Fund.)

In addition, the bill would require the Department of Environmental Quality to spend money, upon appropriation, from the Land and Water Management Permit Fee Fund to support guidance for property owner and applicants, permit processing, compliance inspections, and enforcement activities; and to prepare and submit a report of the spending.

MCL 324.30306 et al.

## FISCAL IMPACT

The bill is estimated to generate between \$295,000 and \$420,000 in additional revenue to State government.

According to the Department of Environmental Quality, the new fee structure in the bill is anticipated to generate between \$325,000 and \$450,000 in total revenue. Currently, the Department receives approximately \$30,000 in wetland fee payments that are deposited into the General Fund. These revenues would no longer be collected, and the new fees would instead be deposited into the Land and Water Management Permit Fee Fund.

The FY 1998-99 DEQ budget includes appropriation of \$225,000 in revenue for wetland permitting programs that is dependent upon the passage of this legislation.

Date Completed: 5-28-98 Fiscal Analyst: G. Cutler

Legislative Analyst: N. Nagata