

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

SFA**BILL ANALYSIS**

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

Senate Bill 1063 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Senator George A. McManus, Jr.

Committee: Farming, Agribusiness and Food Systems

CONTENT

The bill would amend Part 87 (Groundwater and Freshwater Protection) of the Natural Resources and Environmental Protection Act to postpone the sunset date on groundwater protection fees from November 22, 2000, to December 31, 2010.

Under the Act, in addition to the fees provided for in Part 83 (Pesticide Control), a registrant (a person who is subject to the registration requirements of Part 83) must pay an annual groundwater protection fee for each product to be registered, as specified in the Act. Further, a person who is required to pay a specialty fertilizer fee or soil conditioner registration fee under Part 85 (Fertilizers) must pay an additional groundwater protection fee for each brand and product name of each grade registered. The fees collected, including interest or dividends earned, must be transmitted to the State Treasurer, who must credit the money received to the Groundwater Protection Fund. The bill would delete the November 22, 2000, sunset date on these provisions, and repeal the provisions on December 31, 2010.

The Act also provides that the Director of the Department of Agriculture, in conjunction with Michigan State University, the Department of Natural Resources (DNR), and other persons the Director considers appropriate, must develop a voluntary on-site evaluation system for pesticide or nitrogen fertilizer use. The bill would refer to the Department of Environmental Quality instead of the DNR.

MCL 324.8707 & 324.8715

Legislative Analyst: N. Nagata

FISCAL IMPACT

The extension of the sunset date would allow the Department to continue to collect and deposit to the Groundwater Protection Fund fee revenue that averages approximately \$3 million annually.

Date Completed: 3-21-00

Fiscal Analyst: P. Graham