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## **HOUSE FISCAL AGENCY**

124 N. Capitol Avenue 4 – North, HOB Lansing, MI

HB4792 AS REPORTED WITH AMENDMENT(S)

H-4

Sponsor Committee Rep. Charlie LaSata

LAND USE AND ENVIRONMENT

Analyst(s) Lindquist, Kirk

Completed

5/31/01

State Fiscal Impact

Local Fiscal Impact

Cost None
Revenues Increase

Cost Increase
Revenues None

This bill would reauthorize the Department to collect annual air quality fees until September 30, 2005. The existing statute sunsets at the end of the fiscal year ending September 30, 2001. Fee revenue is required by the Federal Clean Air Act. If a state chooses not to have such a fee program, primacy for these programs would revert to the Environmental Protection Agency. The surveillance fees provided for in this bill would support the appropriation for the Air Quality program, Department of Environmental Quality. Fees are based on the level of emissions.

Air Quality Fee collections are expected to decline each year, as emissions decline. The estimated revenue level in FY 2001-2002 is \$12.2 million. This could decline to \$10.8 by FY 2004-2005, if emissions continue to decline by 4% per year. There would be no increased program costs if this bill is enacted.

This bill would increase fees on municipal electric generating facilities. Instead of a fee cap of \$18,675, these rates would be based on the annual amount of pollutants emitted. The largest producers would pay as much as \$159,459 (Lansing) while others would be assessed between \$24,816 and \$83,641.