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Senate Bill 252 (Substitute S-7 as reported)

Sponsor: Senator Liz Brater

Committee: Natural Resources and Environmental Affairs

CONTENT

The bill would amend Part 31 (Water Resources Protection) of the National Resources and Environmental Protection Act to do the following:

- -- Require wastewater discharge permit holders to pay an annual permit fee until October 1, 2007.
- -- Establish fees for various categories of facilities, based in part on Environmental Protection Agency (EPA) designations, with separate levels for municipal facilities.
- -- Permit a municipality to pass on a proportionate share of its permit fee to each user of the municipal facility.
- -- Allow a facility to challenge its annual permit fee.
- -- Require a permit application to include the pollution prevention efforts the applicant had evaluated and undertaken.
- -- Require the Department of Environmental Quality to compile information obtained from permit applications and post it on the Department website.
- -- Require the DEQ to assess a late fee on all permit fees paid after the January 15 due date.
- -- Establish the National Pollutant Discharge Elimination System (NPDES) Fund, which the DEO would use to administer the NPDES program.
- -- Require the DEO, by each January 1 beginning in 2006, to report to the Legislature and the Governor on the departmental activities of the previous fiscal year funded by the Fund.

MCL 324.3111 & 324.3113

Legislative Analyst: Claire Layman

FISCAL IMPACT

The bill would set flat, annual fees for permitted dischargers. The fees would vary according to a facility's classification as major or minor, high- or low-flow, and whether the permit was an individual or general permit. It is unknown how many facilities would be in each category proposed by the bill, so the anticipated revenue cannot be determined. Expenditures of fee revenue would be limited by appropriations.

The version of the DEO budget bill reported from the Senate Appropriations Committee includes \$3,098,000 in NPDES fee revenue and supports the remainder of the program (\$1,922,900) with General Fund revenue. Under the Senate Appropriations bill, total State spending for the NPDES program in FY 2003-04 would be \$5,020,900. An increase of \$2,200,000 proposed by the Governor is not included by the Senate.

Date Completed: 6-17-03 Fiscal Analyst: Jessica Runnels

floor\sb252 Analysis available @ http://www.michiganlegislature.org 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.