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S.B. 596 (S-1): FLOOR ANALYSIS

Senate Bill 596 (Substitute S-1 as reported)

Sponsor: Senator Bob Emerson Committee: Appropriations

CONTENT

The bill would amend the Public Health Code to restructure the application fees for permits to apply chemicals to waters of the State for the control of aquatic nuisance species, raise the application fees, and postpone a sunset on the fees.

Currently, the application fees for an annual permit to apply chemicals to waters of the State for the control of aquatic nuisances for the suppression of swimmers' itch, and other nuisance-producing organisms, including aquatic plants, are divided into two categories depending upon the size of the treatment area. A fee of \$50 is required for treatment of areas between $\frac{1}{2}$ acre and two acres and a fee of \$150 is required for treatment of areas greater than two acres. No fee is required for the treatment of areas less than $\frac{1}{2}$ acre or for water bodies in single ownership. A permit expires on December 31 of the calendar year in which it was issued.

Under the bill, application fees would be assessed based on the size of the area of impact of the chemicals instead of the size of the treatment area. According to the applicable administrative rules, a Certificate of Coverage under a General Permit would cover water retention ponds and other water bodies for which the application of chemicals would have minor adverse environmental impacts. The bill would postpone the fee sunset from October 1, 2003, to October 1, 2008. Six categories of permits would be created:

Proposed Aquatic Nuisance Fees	
Permit Category	Permit Fee
General Permit Certificate of Coverage	\$75
Area of Impact less than ½ acre	75
Area of Impact between ½ and 5 acres	200
Area of Impact between 5 and 20 acres	400
Area of Impact between 20 and 100 acres	800
Area of Impact greater than 100 acres	1,500

MCL 333.125.62

FISCAL IMPACT

According to the Department of Environmental Quality, the current fee structure generates approximately \$110,000 in fee revenue and the aquatic nuisance program is supplemented with \$100,000 General Fund. The Senate-passed budget bill includes additional fee revenue of \$225,000 and offsets an elimination of the current General Fund support for the program, as recommended by the Governor. The House-passed bill does not appropriate increased fee revenue and reduces the General Fund appropriation by 15% to \$85,000.

Date Completed: 6-25-03 Fiscal Analyst: Jessica Runnels