



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 977 (Substitute S-3 as reported)
Sponsor: Senator Jud Gilbert, II
Committee: Natural Resources and Environmental Affairs

CONTENT

The bill would amend Part 31 (Water Resources Protection) of the Natural Resources and Environmental Protection Act to require a person who released any polluting material to the surface waters or groundwaters of the State in excess of the threshold reporting quantity (an amount defined R 324.2002) immediately to report the release via a 9-1-1 call to the Department of Environmental Quality (DEQ), the primary public safety answering point (PSAP) where the release occurred, and local health departments. Within 10 days of the release, the person responsible for it also would have to submit to the DEQ and to each local health department a full written explanation of the spill.

Noncompliance would be a felony punishable by a fine of \$2,500 to \$25,000; the court also could impose an additional fine of up to \$25,000 for each day the person failed to report the release. The penalty for a second or subsequent violation would be a per-day fine of \$25,000 to \$50,000 and up to two years' imprisonment.

Within 60 days of the bill's effective date, the DEQ would be required to give notice of the new requirements and sanctions to owners and operators of facilities who filed a pollution incident prevention plan. The DEQ also would have to give notice of the requirements and sanctions to any person who reported a release in excess of the threshold reporting quantity at any time after the bill's effective date.

MCL 324.3101 et al.

Legislative Analyst: Claire Layman

FISCAL IMPACT

This bill could result in an indeterminate amount of income to the State from fine revenue. To the extent that the bill would expand the existing felony to include people who failed to report a release, it could increase State and local corrections costs. Local units of government would incur the cost of incarceration in a local facility, which varies by county. The State would incur the cost of felony probation at an average annual cost of \$1,800, as well as the cost of incarceration in a State facility at an average annual cost of \$28,000. A person who failed to report a release of polluting material would be subject to a penal fine of between \$2,500 and \$25,000 for each violation. The court also could impose an additional fine of up to \$25,000 for each day the person failed to report the release. Fines for repeated violations would be between \$25,000 and \$50,000 per day.

A violator also would be subject to civil liability to the State for the value of injuries to natural resources, and the costs of surveillance and enforcement.

Date Completed: 3-19-04

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[floor\s977 \(S-2\)](#)

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