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## BILL ANALYSIS

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House Bill 4703 (H-5 as passed by the House)  
Sponsor: Representative Gretchen Whitmer  
House Committee: Health Policy  
Senate Committee: Appropriations

Date Completed: 10-4-04

**CONTENT**

**The bill would amend the Public Health Code to increase construction permit and license fees for campgrounds and public swimming pools. It also would create the "Campground Fund" and the "Swimming Pool Fund".**

Campgrounds

Currently, applicants for a license to operate a campground pay a \$25 application fee, which is retained by the city or county, and the license is valid for one year. A governmental entity that operates a campground must have a license, but is exempt from paying the fee. The bill would expand the list of people who may administer the program to include, not only the Department of Environmental Quality (DEQ), but also its agent or representative, or a representative of a designated local health department (LHD). A campground license would be valid for three years. A revised fee structure would be established, as shown in Table 1. The bill would allow the DEQ to adjust the fee once every three years by an amount determined by the State Treasurer to reflect the cumulative annual percentage change in the Detroit consumer price index and rounded to the nearest dollar.

The bill would create the Campground Fund to receive all revenue from campground permits and license fees. The balance of the Fund would remain in the Fund at the close of the fiscal year and would not revert to the General Fund. The DEQ could spend money in the Campground Fund only to implement Part 125 (Campgrounds, Swimming Areas, and Swimmers' Itch) and to carry out the DEQ's powers and duties for the regulation of campgrounds. The bill would prohibit the use of the money for inspections of mobile home parks. The DEQ would have to report annually to the Legislature on the revenue and expenditures from the Campground Fund, departmental costs, and activities.

The bill would require the DEQ to pay \$25 per campground to designated LHDs that perform annual inspections of campgrounds that apply for a new license, renewal license, or temporary license and have submitted the applicable license fee to the DEQ. This would replace the \$25 LHDs are currently receiving for license applications. Local health departments would be authorized to collect additional fees from the owner of the campground for services provided as part of this program.

Under the bill, the DEQ would have to hold a hearing if a licensee filed a request for a hearing within 60 days after the licensee received notice of revocation. A license could not be reissued until it was determined that the violations had been corrected.

The bill would expand the membership of the DEQ-appointed campground advisory board from 11 to 15 members, with the additional appointments composed of one representative

of the Association of RV Parks and Campgrounds, one additional campground owner or operator, one township representative, and one city or village representative.

### Swimming Pools

The bill would expand the definition of "public swimming pool" to include waterparks, and would expand what is not a public swimming pool to include ponds that use water from natural resources and have an inflow and outflow of natural water and a pool that serves not more than four hotel, apartment, condominium, or similar units.

The bill would require a person to obtain a license instead of an operating permit. It also would make a license valid for three years, instead of one year. A new fee structure is proposed in the bill for constructions permits and license fees, as described in Table 2. The bill would allow the DEQ to adjust the fee once every three years by an amount determined by the State Treasurer to reflect the cumulative annual percentage change in the Detroit consumer price index and rounded to the nearest dollar. A person who had a valid, current permit to operate a public swimming pool on the bill's effective date would not have to pay an initial license fee. Local health departments would be authorized to collect additional fees from the owner of a public swimming pool for services provided as part of this program.

The bill would create the Public Swimming Pool Fund to receive all revenue from the public swimming pool permits and license fees. The balance of the Fund would remain in the Fund at the close of the fiscal year and would not revert to the General Fund. The DEQ could use the Fund only to implement Part 125 and to carry out the DEQ's powers and duties for the regulation of public swimming pools. The bill would prohibit the use of the money for inspections of mobile home parks. The DEQ would have to report annually to the Legislature on the revenue and expenditures from the Public Swimming Pool Fund, departmental costs, and activities.

If a pool were not constructed in accordance with approved plans and specifications, the bill would require the DEQ or designated LHD to give an applicant a date by which the pool would have to be in compliance for a license to be issued. The bill would allow a person to appeal a license revocation to a court according to the Administrative Procedures Act.

MCL 333.12501 et al.

### **FISCAL IMPACT**

The bill would implement a portion of the Target Agreement that offsets a reduction of \$333,400 General Fund with increased fee revenue from the campground and public swimming pool programs. The FY 2004-05 budget for the DEQ includes a total of \$651,500 in restricted revenue for these two programs, which does not change the total funding provided compared with the previous fiscal year. Based on the number of existing permits and applications for new sites, the proposed campground fees would raise about \$215,700. The amount provided to local health departments as reimbursement would depend on the number of inspections conducted. The DEQ estimates that up to \$34,300 could be paid to LHDs. This would leave the State with \$181,400 for its administrative costs.

Approximately \$500,000 could be collected under the proposed fees for public swimming pools. The revised fee structure would assess license and construction permit fees based on the square feet of the pool, so annual revenue would vary depending on the size of newly constructed pools. The amount paid to LHDs would depend on the number of inspections they performed. The DEQ estimates the amount to be \$172,500, leaving \$327,500 for DEQ expenses.

Fiscal Analyst: Jessica Runnels

<b>Table 1: Campgrounds</b>	
<b>Type</b>	<b>Fee</b>
Construction permit – New	\$600
Construction permit- Existing	225
License	
0 to 25 sites	75
26 to 50 sites	100
51 to 75 sites	125
76 to 100 sites	150
101 to 500 sites	225
More than 500 sites	500
Late license renewal	100
License transfer	75

<b>Table 2: Swimming Pools</b>	
<b>Type</b>	<b>Fee</b>
Construction permit - New	
Less than 500 sq. feet	\$550
501 to 1,500 sq. feet	700
1,501 to 2,400 sq. feet	800
2,401 to 4,000 sq. feet	1,300
More than 4,000 sq. feet	1,800
Construction permit – Existing	275
Initial License	
Less than 500 sq. feet	550
501 to 1,000 sq. feet	600
1,001 to 1,500 sq. feet	625
1,501 to 2,000 sq. feet	650
2,001 to 2,500 sq. feet	700
2,501 to 3,500 sq. feet	800
3,501 to 4,500 sq. feet	900
More than 4,500 sq. feet	1,000
Modified, existing pool	275
Annual license renewal, by Dec. 31	55
Late license renewal, up to April 30	100
Late license renewal, after April 30	150
License transfer	50

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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.