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S.B. 332 (S-4): FLOOR ANALYSIS

Senate Bill 332 (Substitute S-4 as reported) Sponsor: Senator Patricia L. Birkholz

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 do the following:

- -- Require the Department of Environmental Quality (DEQ) to facilitate the formation of an interstate "Great Lakes Aquatic Nuisance Species Coalition" to implement water pollution laws that prohibit the discharge of aquatic nuisance species (ANS) from oceangoing vessels into the Great Lakes.
- -- Require the DEQ to seek funding from the Great Lakes Protection Fund to implement the coalition.
- -- Require all oceangoing vessels engaging in port operations to obtain a permit from the DEQ beginning January 1, 2007.
- -- Require a permit applicant to demonstrate that the vessel would not discharge ANS, or, if the vessel would discharge ballast water or other waste or waste effluent, that the vessel operator would use environmentally sound technology and methods to prevent the discharge of ANS.
- -- Prescribe an application fee of \$750 and an annual permit fee of \$8,700 for an individual permit, and an application fee of \$75 and an annual permit fee of \$150 for a general permit.
- -- Allow the DEQ to promulgate rules to implement the bill's permit provisions.

MCL 324.3103 et al. Legislative Analyst: Julie Koval

## **FISCAL IMPACT**

The creation and facilitation of a Great Lakes Aquatic Nuisance Species Coalition would increase administrative costs for the Department. The bill identifies the Great Lakes Protection Fund for this purpose. The Fund balance and annual revenue are anticipated to be insufficient to support the current appropriation of \$2.5 million for research grants and administration. The new purpose would put additional strain on this Fund source.

The bill would establish a new permit program for oceangoing vessels engaging in port operations to be administered by the Department. An individual permit would require an application fee of \$750 and an annual fee of \$8,700. A general permit to discharge would require an application fee of \$75 and an annual fee of \$150. Actual revenue collection would depend on the number of vessels, the level of compliance, and enforcement actions required.

The bill would expand what constitutes an illegal discharge into waters of the State. This could result in additional civil and criminal fines from increased violations, as well as increased costs to the correctional system. Civil fines are deposited into the General Fund and criminal fines benefit local libraries.

Date Completed: 4-25-05 Fiscal Analyst: Jessica Runnels