



Senate Fiscal Agency
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Senate Bills 807 through 824 (as introduced 9-15-09)

Senate Bills 908 through 919 and 924 (as introduced 10-20-09)

Sponsor: Senator Michelle A. McManus (S.B. 807, 908-919, & 924)

Senator Nancy Cassis (S.B. 808)

Senator Randy Richardville (S.B. 809)

Senator Ron Jelinek (S.B. 810)

Senator Wayne Kuipers (S.B. 811)

Senator Tom George (S.B. 812)

Senator Jud Gilbert (S.B. 813)

Senator Tony Stamas (S.B. 814)

Senator Alan Sanborn (S.B. 815)

Senator Gerald Van Woerkom (S.B. 816)

Senator Bruce Patterson (S.B. 817)

Senator Bill Hardiman (S.B. 818)

Senator Patricia Birkholz (S.B. 819)

Senator John Pappageorge (S.B. 820)

Senator Jason Allen (S.B. 821)

Senator Alan Cropsey (S.B. 822)

Senator Roger Kahn (S.B. 823)

Senator Jim Barcia (S.B. 824)

Committee: Appropriations

Date Completed: 11-9-09

CONTENT

Senate Bill 807, which would amend the Natural Resources and Environmental Protection Act, is the primary bill within a set of bills that would make the Department of Natural Resources (DNR) the successor department to the Department of Environmental Quality (DEQ). The DNR would take on the powers and duties of the DEQ as they were initially given to the DEQ under Executive Order 1995-16 and by law. This essentially would mean the absorption of the DEQ into the DNR.

The bill also would create the Office of Environmental Permits (OEP) within the DNR. The OEP would be directed by the Environmental Permits Administrator, who would be appointed by the Governor with the advice and consent of the Senate. The Administrator would be responsible for:

- Administering the OEP.
- Making the final decision on all environmental permits issued by the DNR, independent of the Director or the Natural Resource Commission.
- Hiring a qualified, independent person to perform a benchmark analysis and arrange for a peer review of each environmental permitting program.

The peer permit program analyses would review the following:

- Per-permit costs of each program.
- Time taken to review and make a decision on permit applications.
- Customer service practices associated with each program.

- Measurable environmental outcomes resulting from the program.
- Comparison of the program's performance with comparable programs in other Great Lakes states.

The bill also would create the position of Environmental Ombudsman within the OEP. The Ombudsman would be appointed by the Governor with the advice and consent of the Senate. The Ombudsman's duties would include:

- Providing permit process information to the regulated public.
- Facilitating permit agreements between regulated individuals and the Department.
- Assisting the Department and the Administrator in establishing a protocol for coordinating projects requiring more than one permit.
- Providing a cost/benefit analysis of proposed rules relating to permits issued by the Department.

In addition, the bill would establish the Natural Resources Science Advisory Board within the DNR. The Board would consist of five members representing various scientific disciplines who would be appointed by the Governor with the advice and consent of the Senate. The members would not be compensated for their services, and the Director of the DNR would be responsible for providing administrative support for the Board, including the appointment of an executive director to facilitate the Board's operations. The responsibility of the Board would be to advise the Department on scientific issues that affect programs administered by the Department.

Senate Bills 808 through 824, 908 through 919, and 924 are all tie-barred to Senate Bill 807.

Senate Bill 808 would amend the Food Law of 2000 to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 809 would amend the Land Bank Fast Track Act to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 810 would amend the General Property Tax Act to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 811 would amend the Michigan Agricultural Processing Act to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 812 would amend the Michigan Supply Chain Management Development Commission Act to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 813 would amend the Michigan Vehicle Code to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 814 would amend the Property Rights Preservation Act to remove a reference to the Department of Environmental Quality.

Senate Bill 815 would amend the Home Rule Village Act to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 816 would amend the Drain Code to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 817 would amend the Water Resource Improvement Tax Increment Finance Authority Act to remove a reference to the Department of Environmental Quality.

Senate Bill 818 would amend the Michigan Business Tax Act to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 819 would amend the Mobile Home Commission Act to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 820 would amend the Urban Cooperation Act to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 821 would amend the Julian-Stille Value-Added Act to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 822 would amend the Aeronautics Code to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 823 would amend Public Act 105 of 1855, which governs the disposition of surplus State funds, to change a reference to the Department of Environmental Quality to the Department of Natural Resources and to change a reference to the directors of the departments to the director of a single department.

Senate Bill 824 would amend the Safe Drinking Water Act to define "department" as the Department of Natural Resources, rather than the Department of Environmental Quality; and to define "director" as the DNR Director, rather than the DEQ Director.

Senate Bill 908 would amend the Safe Drinking Water Financial Assistance Act to define "department" as the Department of Natural Resources, rather than the Department of Environmental Quality.

Senate Bill 909 would amend the Grade A Milk Law to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 910 would amend the Michigan Penal Code to remove references to the Department of Environmental Quality.

Senate Bill 911 would amend the beverage container deposit law to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 912 would amend the Clean, Renewable, and Efficient Energy Act to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 913 would amend the Condominium Act to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 914 would amend the State Plumbing Act to change the makeup of the State Plumbing Board. Under the bill, the Board would consist of the following:

- The Director of the DNR or his or her representative.
- An employee of the DNR who is involved with drinking water and radiological protection, as selected by the Director.
- Four plumbers of various levels of qualification and experience who would be appointed by the Governor with the advice and consent of the Senate.
- One representative of the general public who would be appointed by the Governor with the advice and consent of the Senate.

The bill also would change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 915 would amend the Animal Industry Act to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 916 would amend the Privately Owned Cervidae Producers Marketing Act to strike references to the Department of Environmental Quality.

Senate Bill 917 would amend the Michigan Aquaculture Development Act to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 918 would amend the Michigan Right to Farm Act to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 919 would amend the Land Division Act to change references to the Department of Environmental Quality to the Department of Natural Resources.

Senate Bill 924 would amend Public Act 241 of 1959, which governs the handling of liquefied petroleum gas containers, to change a reference to the Department of Environmental Quality to the Department of Natural Resources.

MCL 324.301 et al. (S.B. 807)
289.7107 (S.B. 808)
124.757 et al. (S.B. 809)
211.9 et al. (S.B. 810)
289.822 & 289.824 (S.B. 811)
125.1893 (S.B. 812)
257.811i (S.B. 813)
24.424 (S.B. 814)
78.26 (S.B. 815)
280.423 (S.B. 816)
125.1780 (S.B. 817)
208.1437 (S.B. 818)
125.2305 et al. (S.B. 819)
124.508a (S.B. 820)
285.303 (S.B. 821)
259.204 (S.B. 822)
21.142b & 21.142d (S.B. 823)
325.1002 (S.B. 824)
141.1452 (S.B. 908)
288.490 (S.B. 909)
750.81d & 750.224a (S.B. 910)
445.573f (S.B. 911)
460.1027 & 460.1077 (S.B. 912)
559.171 (S.B. 913)
338.3523 (S.B. 914)
287.714 (S.B. 915)
287.953 et al. (S.B. 916)
286.974 (S.B. 917)
286.474 (S.B. 918)
560.102 et al. (S.B. 919)
429.112 (S.B. 924)

FISCAL IMPACT

The fiscal impact of the merger of the DNR and the DEQ into a single department is unknown overall; however, it is likely that savings in administrative costs could be realized. Initially, since FTEs and funding for only 6.0 unclassified positions are available to State departments, generally speaking, and the FY 2009-10 budget for the DNR and the DEQ contains appropriations for 10.0 positions, savings would be realized as at least 4.0 of those positions would be eliminated. Over time, it is likely that administrative efficiencies and synergies would be found and used, providing further savings as some positions that would be functionally redundant were eliminated. However, these savings would take time to be realized as administrative staff of the two departments became acclimated to the new department.

Senate Bill 807 also would establish the OEP, which would require the hiring of not only the Administrator and the Ombudsman, but also support staff for the office. The functions of this office are not currently being performed by another office within the DNR or the DEQ, so establishment of the office would require additional appropriation. The costs associated with establishing the office are unknown.

The remainder of the bills would have minimal fiscal impacts.

Fiscal Analyst: Josh Sefton

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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.