



Senate Fiscal Agency  
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BILL ANALYSIS

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House Bill 5222 (Substitute H-1 as reported without amendment)  
Sponsor: Representative Doug Bennett  
House Committee: Appropriations  
Senate Committee: Natural Resources and Environmental Affairs

### **CONTENT**

The bill would repeal Part 317 (Aquifer Protection and Dispute Resolution) of the Natural Resources and Environmental Protection Act effective October 1, 2009.

Part 317 provides for a groundwater dispute resolution process between the owners of small-quantity and high-capacity wells. It also allows the Director of the Department of Environmental Quality (DEQ), by order, to declare a groundwater dispute if a complaint cannot be resolved within a reasonable amount of time and certain conditions exist.

Part 317 requires the owner of a high-capacity well to provide timely and reasonable compensation if there is a failure or substantial impairment of a small-quantity well and specified conditions exist. In addition, the high-capacity well owner must reimburse the DEQ Director for the actual and reasonable costs incurred in investigating and resolving the dispute, up to \$75,000. Money the Director receives under this provision must be forwarded to the State Treasurer for deposit into the Aquifer Protection Revolving Fund. The DEQ may spend Fund money to implement Part 317.

A person who violates an order issued under Part 317 is responsible for a civil fine of up to \$1,000 per day of violation, up to a total of \$50,000. All recovered civil fines must be forwarded to the State Treasurer for deposit in the General Fund. The DEQ Director may bring an action to enforce an order under Part 317, including injunctive or other equitable relief.

MCL 324.31701-324.31713

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

The bill would eliminate the need for the Aquifer Protection Revolving Fund. It is currently projected that by the end of the 2008-09 fiscal year, less than \$1,000 will be in the Fund, and the Fund will have received less than \$500 in revenue for the year. Because of the low Fund balance, very little money would lapse to the General Fund upon the enactment of this bill.

Date Completed: 9-22-09

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