

# HOUSE BILL No. 4899

July 18, 2013, Introduced by Reps. Roberts, Geiss, Hovey-Wright, Barnett, Tlaib, Slavens, Lipton, Irwin, Townsend, Schor, Singh and Darany and referred to the Committee on Energy and Technology.

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending sections 1301 and 61525 (MCL 324.1301 and 324.61525),  
section 1301 as amended by 2012 PA 249 and section 61525 as amended  
by 2004 PA 325.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1301. As used in this part:

2       (a) "Application period" means the period beginning when an  
3       application for a permit is received by the state and ending when  
4       the application is considered to be administratively complete under  
5       section 1305 and any applicable fee has been paid.

6       (b) "Department" means the department, agency, or officer  
7       authorized by this act to approve or deny an application for a  
8       particular permit.

1 (c) "Director" means the director of the state department  
2 authorized under this act to approve or deny an application for a  
3 particular permit or the director's designee.

4 (d) "Permit" means a permit or operating license required by  
5 any of the following sections or by rules promulgated thereunder,  
6 or, in the case of section 9112, by an ordinance adopted  
7 thereunder:

8 (i) Section 3104, floodplain alteration permit.

9 (ii) Section 3503, permit for use of water in mining iron ore.

10 (iii) Section 4105, sewerage system construction permit.

11 (iv) Section 6516, vehicle testing license.

12 (v) Section 6521, motor vehicle fleet testing permit.

13 (vi) Section 8310, restricted use pesticide dealer license.

14 (vii) Section 8310a, agricultural pesticide dealer license.

15 (viii) Section 8504, license to manufacture or distribute  
16 fertilizer.

17 (ix) Section 9112, local soil erosion and sedimentation control  
18 permit.

19 (x) Section 11509, solid waste disposal area construction  
20 permit.

21 (xi) Section 11512, solid waste disposal area operating  
22 license.

23 (xii) Section 11542, municipal solid waste incinerator ash  
24 landfill operating license amendment.

25 (xiii) Section 11702, septage waste servicing license or septage  
26 waste vehicle license.

27 (xiv) Section 11709, septage waste site permit.

1           (xv) Section 30104, inland lakes and streams project permit.

2           (xvi) Section 30304, state permit for dredging, filling, or  
3 other activity in wetland. Permit includes an authorization for a  
4 specific project to proceed under a general permit issued under  
5 section 30312.

6           (xvii) Section 31509, dam construction, repair, or removal  
7 permit.

8           (xviii) Section 32312, flood risk, high risk, or environmental  
9 area permit.

10          (xix) Section 32503, permit for dredging and filling  
11 bottomland.

12          (xx) Section 32603, permit for submerged log removal from Great  
13 Lakes bottomlands.

14          (xxi) Section 35304, department permit for critical dune area  
15 use.

16          (xxii) Section 36505, endangered species permit.

17          (xxiii) Section 41702, game bird hunting preserve license.

18          (xxiv) Section 42101, dog training area permit.

19          (xxv) Section 42501, fur dealer's license.

20          (xxvi) Section 42702, game dealer's license.

21          (xxvii) Section 44513, charter boat operating permit under  
22 reciprocal agreement.

23          (xxviii) Section 44516, boat livery operating permit.

24          (xxix) Section 45503, permit to take frogs for scientific use.

25          (xxx) Section 45902, game fish propagation license.

26          (xxxi) Section 45906, game fish import license.

27          (xxxii) Section 61525, oil or gas well drilling permit.

1           (xxxiii) Section 62509, brine, storage, or waste disposal well  
2 drilling or conversion permit or test well drilling permit.

3           (xxxiv) Section 63103a, ferrous mineral mining permit.

4           (xxxv) Section 63514 or 63525, surface coal mining and  
5 reclamation permit or revision of the permit, respectively.

6           (xxxvi) Section 63704, sand dune mining permit.

7           (xxxvii) Section 72108, use permits for Michigan railway.

8           (xxxviii) Section 76109, sunken aircraft or watercraft abandoned  
9 property recovery permit.

10          (xxxix) Section 76504, Mackinac Island motor vehicle and land  
11 use permits.

12          (xxxx) Section 80159, buoy or beacon permit.

13          (e) "Processing deadline" means the last day of the processing  
14 period.

15          (f) "Processing period" means the following time period after  
16 the close of the application period, for the following permit, as  
17 applicable:

18           (i) Twenty days for a permit under section 61525 or 62509.

19           (ii) Thirty days for a permit under section 9112 or 44516.

20           (iii) Thirty days after the department consults with the  
21 underwater salvage and preserve committee created under section  
22 76103, for a permit under section 76109.

23           (iv) Sixty days, for a permit under section 30104 for a minor  
24 project as established by rule under section 30105(7), ~~or for a~~  
25 permit under section 32312, **OR IF A HEARING IS REQUIRED FOR A**  
26 **PERMIT UNDER SECTION 61525.**

27           (v) Sixty days or, if a hearing is held, 90 days for a permit

1 under section 35304.

2 (vi) Sixty days or, if a hearing is held, 120 days for a permit  
3 under section 30104, other than a permit for a minor project as  
4 established by rule under section 30105(7), or for a permit under  
5 section 31509.

6 (vii) Ninety days for a permit under section 11512, a revision  
7 of a surface coal mining and reclamation permit under section  
8 63525, or a permit under section 72108.

9 (viii) Ninety days or, if a hearing is held, 150 days for a  
10 permit under section 3104, 30304, or 32503 or an authorization for  
11 a specific project to proceed under a general permit issued under  
12 section 30312.

13 (ix) Ninety days after the close of the review or comment  
14 period under section 32604, or if a public hearing is held, 90 days  
15 after the date of the public hearing for a permit under section  
16 32603.

17 (x) One hundred twenty days for a permit under section 11509,  
18 11542, 63103a, 63514, or 63704.

19 (xi) One hundred fifty days for a permit under section 36505.  
20 However, if a site inspection or federal approval is required, the  
21 150-day period is tolled pending completion of the inspection or  
22 receipt of the federal approval.

23 (xii) For any other permit, 150 days or, if a hearing is held,  
24 90 days after the hearing, whichever is later.

25 Sec. 61525. (1) A person shall not drill or begin the drilling  
26 of any well for oil or gas, for secondary recovery, or a well for  
27 the disposal of salt water, or brine produced in association with

1 oil or gas operations or other oil field wastes, or wells for the  
2 development of reservoirs for the storage of liquid or gaseous  
3 hydrocarbons, except as authorized by a permit to drill and operate  
4 the well issued by the supervisor of wells pursuant to part 13 and  
5 unless the person files with the supervisor a bond as provided in  
6 section 61506. The permittee shall post the permit in a conspicuous  
7 place at the location of the well as provided in the rules and  
8 requirements or orders issued or promulgated by the supervisor. An  
9 application for a permit shall be accompanied by a fee of \$300.00.  
10 A permit to drill and operate shall not be issued to an owner or  
11 his or her authorized representative who does not comply with the  
12 rules and requirements or orders issued or promulgated by the  
13 supervisor. A permit shall not be issued to an owner or his or her  
14 authorized representative who has not complied with or is in  
15 violation of this part or any of the rules, requirements, or orders  
16 issued or promulgated by the supervisor or the department.

17 (2) The supervisor shall forward all fees received under this  
18 section to the state treasurer for deposit in the fund.

19 (3) The supervisor shall make available to any person, upon  
20 request, not less often than weekly, the following information  
21 pertaining to applications for permits to drill and operate:

- 22 (a) Name and address of the applicant.
- 23 (b) Location of proposed well.
- 24 (c) Well name and number.
- 25 (d) Proposed depth of the well.
- 26 (e) Proposed formation.
- 27 (f) Surface owner.

(g) Whether hydrogen sulfide gas is expected.

**(H) WHETHER THE WELL WILL BE USED FOR HYDRAULIC FRACTURING.**

(4) The supervisor shall provide the information under subsection (3) to the county ~~in which an oil or gas well is proposed to be located~~ and to the city, village, or township in which the oil or gas well is proposed to be located. ~~if that city, village, or township has a population of 70,000 or more.~~ A city, village, township, or county in which an oil or gas well is proposed to be located may provide written comments and recommendations to the supervisor pertaining to applications for permits to drill and operate. The supervisor shall consider all such comments and recommendations in reviewing the application.

(5) IN ADDITION TO THE REQUIREMENTS OF SUBSECTION (4), PRIOR TO ISSUING A PERMIT OR AUTHORIZING THE USE OF AN OIL OR GAS WELL FOR HYDRAULIC FRACTURING, IF THE DEPARTMENT RECEIVES A REQUEST FROM THE CITY, VILLAGE, OR TOWNSHIP IN WHICH THE OIL OR GAS WELL IS LOCATED OR FROM ANY PERSON WHO IS OR MAY BE ADVERSELY IMPACTED BY THE HYDRAULIC FRACTURING OPERATION, INCLUDING ANY PERSON WHOSE WATER SUPPLY MAY BE ADVERSELY IMPACTED BY THE HYDRAULIC FRACTURING OPERATION, THE DEPARTMENT SHALL HOLD A PUBLIC HEARING IN THE CITY, VILLAGE, OR TOWNSHIP OR THE COUNTY IN WHICH THE OIL OR GAS WELL IS LOCATED PRIOR TO MAKING A DECISION ON THE APPLICATION. AT THE PUBLIC HEARING, THE DEPARTMENT SHALL ALLOW INTERESTED PARTIES TO PROVIDE WRITTEN COMMENTS AND RECOMMENDATIONS TO THE SUPERVISOR PERTAINING TO THE APPLICATION. THE SUPERVISOR SHALL CONSIDER ALL SUCH COMMENTS AND RECOMMENDATIONS IN REVIEWING THE APPLICATION.

(6) AS USED IN THIS SECTION, "HYDRAULIC FRACTURING" MEANS

- 1 INJECTING FOAM OR FLUID IN A WELL UNDER PRESSURE TO CREATE
- 2 FRACTURES IN A FORMATION AND THEREBY ENHANCE PRODUCTION OF
- 3 HYDROCARBONS.