



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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Senate Bill 363 (as introduced 6-3-15)  
Sponsor: Senator Tom Casperson  
Committee: Natural Resources

Date Completed: 10-13-15

### **CONTENT**

**The bill would amend Part 325 (Great Lakes Submerged Lands) of the Natural Resources and Environmental Protection Act to do the following:**

- Limit to \$10 per year the amount that the Department of Environmental Quality (DEQ) could charge a littoral property owner for a Great Lakes bottomland lease for the placement of a breakwater that formed a private harbor, if the property owner did not use the harbor for commercial purposes.**
- Require the DEQ to waive the annual charge if the littoral owner allowed public use of the harbor during storms.**

Part 325 authorizes the DEQ, after finding that the public trust in the waters of the Great Lakes will not be impaired or substantially affected, to enter into agreements to lease or deed unpatented Great Lakes bottomlands belonging to or held in trust by the State. An applicant for such an agreement must be a riparian or littoral<sup>1</sup> owner of property touching or situated opposite the unpatented land, or an occupant of that land. If the DEQ determines that it is in the public interest to grant a deed or lease to an applicant or enter into an agreement to allow use and improvements in the waters, the Department must determine the amount of consideration the applicant must pay to the State for the conveyance or lease of the land. The DEQ must forward the money to the State Treasurer to be credited to the Land and Water Management Permit Fee Fund.

Under the bill, if a private harbor formed by a breakwater erected on unpatented lake bottomlands were not used by the littoral owner for commercial purposes, the consideration for a lease for the breakwater to occupy the bottomlands and for exclusive use of the waters of the harbor could not exceed \$10 annually. The DEQ would have to waive the annual charge if the littoral owner agreed to allow the harbor to be used by the public as a harbor of refuge during storms.

MCL 324.32505

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

The bill would have a minor, but negative fiscal impact on the Department of Environmental Quality, and no fiscal impact on local units of government. In total, the DEQ has identified 26

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<sup>1</sup> Generally, "riparian" relates to land adjacent to a river or stream and "littoral" relates to land abutting an ocean, sea, or lake. Within the context of Part 325 of the Natural Resources and Environmental Protection Act, "littoral" refers to the shore of a Great Lake.

breakwaters that would be subject to the proposed \$10 fee. The DEQ currently receives about \$15,000 per year from these leases, which would be lost under the bill and replaced with up to \$260 in lease charges. Revenue from these charges is deposited into the Land and Water Management Permit Fee Fund, and would continue to be under the bill, albeit at a reduced amount.

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.