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BILL ANALYSIS

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House Bill 5876 (Substitute H-2 as reported without amendment)

Sponsor: Representative Fulton Sheen

House Committee: Agriculture and Resource Management

Senate Committee: Economic Development, Small Business and Regulatory Reform

### **CONTENT**

The bill would amend the Natural Resources and Environmental Protection Act to establish a process for the issuance of permits (and operating licenses) required by specific sections of the Act; and establish requirements for the particular department or agency responsible for approving or denying a specific permit. The bill would do the following:

- Require the department, upon request, to provide a person with a permit application form, necessary instructions, and an explanation of the permit review process; and post the documents on its website.
- Provide that a permit application would be considered administratively complete unless the department, within 30 days after receiving the application, notified the applicant in writing or electronically that the application was not administratively complete or that a fee was required.
- Require the department to approve or deny the application by the last day of the processing period, which would range from 30 days to 150 days, depending on the permit.
- Provide that (except as specified below), if the department failed to meet the deadline, it would have to pay the applicant an amount equal to 15% of the greater of the following: 1) the application fee, or 2) the amount of the first periodic charge of an assessment or other fee charged annually or periodically to a person holding the permit for which the application was submitted.
- Specify that an application for a disposal area construction permit, a solid waste disposal area license, or a wetland permit would be considered approved if the department failed to meet the deadline.
- Require the department to notify the Senate and House Appropriations Committees if it failed to meet the deadline.
- Specify that the department's failure to satisfy these requirements could not be used by the department as the basis for discriminating against the applicant; and if the department were required to make a payment, the application would have to be processed in sequence with other applications for the same type of permit, based on the date the processing period began.
- Provide that, if a person applied for more than one type of permit for a particular development or project, the department or departments would have to process the applications in a coordinated fashion to the extent feasible.
- Require the department director, by December 1, 2005, and each subsequent year, to report on its compliance with these requirements to the appropriate House and Senate standing committees and Appropriations subcommittees.
- Delete existing time frames for the issuance of specific permits.

## **FISCAL IMPACT**

The bill would cost the State an indeterminate amount. If the department issuing the permit were unable to meet the processing deadlines proposed in the bill, it would have to pay applicants 15% of the application fee or first periodic charge, whichever was greater. The total amount paid would depend on the number and type of applications that were processed after the deadline. The department potentially would need to hire additional employees to process permit applications within the processing period. In FY 2002-03, the average cost of a Department of Environmental Quality employee was \$73,320, including salary and benefits.

Date Completed: 7-2-04

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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.