

Legislative Analysis



SUNSET EXTENSIONS: GROUNDWATER DISCHARGE AND SEWER EXPEDITED PERMIT FEES

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<http://www.house.mi.gov/hfa>

House Bill 4891 as introduced
Sponsor: Rep. John D. Cherry
Committee: Appropriations
Complete to 9-3-19

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4891 would amend Part 31 of the Natural Resources and Environmental Protection Act (NREPA) by extending the current groundwater discharge permit fee sunset from September 30, 2019, to September 30, 2023. The bill would also amend Part 41 by extending the sewer expedited permit fee sunset from September 30, 2019, to September 30, 2023.

The groundwater discharge permit fee is paid by facilities or municipalities that discharge wastewater to the ground or groundwater. This fee is collected by the Department of Environment, Great Lakes, and Energy (EGLE) and credited to the Groundwater Discharge Permit Fees Fund. Revenue from this fund supports EGLE's Groundwater Discharge Program, which regulates Michigan's groundwater resources and protects them from hazardous and solid waste contamination. The fee structure was established in FY 2003-04 and revised by 2015 PA 247; rates vary between \$200 and \$3,650 based on facility size. The fee sunset was extended in 2015 to September 30, 2019.

The sewer expedited permit fee is paid by persons requesting an expedited review of an application for a conventional gravity sewer extension of 10,000 feet or less of sewer line, a simple pumping station and force main, or a small diameter pressure sewer and grinder pumping station. Fee revenue is collected by EGLE and credited to the Infrastructure Construction Fund. The department uses this fund to support expedited water and wastewater permit processing. The fee was established in FY 2006-07 at the rates of \$1,000 to \$4,000 based on project scope. The fee sunset was extended in 2015 to September 30, 2019.

MCL 324.3122 and 324.4112

FISCAL IMPACT:

House Bill 4891 would maintain the current level of fee revenue collected by EGLE by extending the sunset on the groundwater discharge permit and sewer expedited permit fees, which otherwise would expire September 30, 2019. These permits generated \$1.2 million and \$31,800, respectively, in FY 2017-18 revenue and are projected to continue at similar levels in future fiscal years.

Fiscal Analyst: Austin Scott

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