



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 6668 (Substitute H-2 as discharged)
Sponsor: Representative John Pastor
House Committee: Natural Resources, Great Lakes, Land Use, and Environment
Senate Committee: Natural Resources and Environmental Affairs

CONTENT

The bill would amend Part 41 (Sewerage Systems) of the Natural Resources and Environmental Protection Act to do the following:

- Require the DEQ, by October 1, 2007, to establish an expedited application review process for certain sewerage system construction projects in counties with a population of between 750,000 and 1.0 million (i.e., Macomb County) and any contiguous county with a population over 160,000.
- Require the expedited review process to be available through September 30, 2010.
- Create the "Infrastructure Construction Fund" within the State Treasury, and require the DEQ to spend Fund money to administer Part 41 and the Safe Drinking Water Act.
- Require the DEQ to submit to the Governor and the Legislature an annual report detailing the DEQ's administration of the expedited review process during the previous fiscal year, for three years.
- Require the DEQ to submit to the Legislature quarterly summary reports for the first three years of the expedited review process.
- Allow the DEQ verbally to approve a minor modification to a sewerage system.
- Allow the DEQ to request the Attorney General to commence a civil action for appropriate relief for a violation of Part 41.
- Prescribe civil penalties, and revise criminal fines, for a violation of Part 41.
- Authorize a law enforcement officer to issue and serve an appearance ticket for a minor offense (i.e., a permit violation that did not functionally impair the operation or capacity of a sewerage system).

The following projects would be eligible for expedited review:

- A conventional gravity sewer extension of 10,000 feet or less of sewer line.
- A simple pumping station and force main.
- A small diameter pressure sewer and grinder pumping station.

Depending on the project, the fee for an expedited review would range from \$1,000 to \$4,000. The DEQ would have to transmit the fees collected under the bill to the State Treasurer for deposit into the Infrastructure Construction Fund.

The bill is tie-barred to House Bill 6577. House Bill 6577 (H-1) would amend the Safe Drinking Water Act to do the following:

- Require the Department of Environmental Quality (DEQ) to establish an expedited application review process for certain waterworks projects located in the specified counties.
- Require a water supplier to obtain written approval from the DEQ for a modification to a waterworks system, and allow the DEQ verbally to approve a minor modification.
- Authorize a law enforcement officer to issue an appearance ticket for a minor offense.

MCL 324.4101 et al.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the State. An expedited permit review process would require additional staff time, and the bills would provide for fees and penalties to cover those additional program costs. The fee would be deposited into the proposed Infrastructure Construction Fund. The exact cost of implementing the program is unknown, so the revenue collected from the assessed fees could be greater than or less than the increased costs.

The bill also would establish civil fines ranging from \$500 to \$10,000 for violations of Part 41. The amount of revenue collected would be determined by the number of violations and the fines imposed by a court.

Date Completed: 12-14-06

Fiscal Analyst: Jessica Runnels

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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.