

## **SUNSET EXTENSIONS: STORMWATER DISCHARGE, SURFACE WATER DISCHARGE, AND LAND AND WATER PERMIT FEES**

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**Senate Bill 447 (S-1) as passed by the Senate**  
**Sponsor: Sen. Curtis Hertel, Jr.**  
**House Committee: Appropriations**  
**Senate Committee: Appropriations**  
**Complete to 9-10-19**

### **SUMMARY:**

Senate Bill 447 (S-1) would amend Part 31 of the Natural Resources and Environmental Protection Act (NREPA) by extending the current stormwater discharge fee, surface water discharge fee, and land and water permit fee sunsets from October 1, 2019, to October 1, 2023.

The stormwater discharge fee is paid by persons initiating or continuing activities that discharge stormwater into Michigan's surface waters. This fee is collected by the Department of Environment, Great Lakes, and Energy (EGLE) and credited to the Storm Water Fund. Revenue from this fund primarily supports EGLE's Surface Water Program, which administers the National Pollution Elimination Discharge System (NPDES) in Michigan, monitors surface water quality, controls aquatic nuisance species, and regulates sewage sludge on agricultural land. The fee structure was established in FY 2003-04 and includes a one-time \$400 construction fee as well as annual fees ranging from \$260 to \$7,000 based on population served by the local municipal storm water system. The fee sunset was last extended in 2015 to October 1, 2019.

The surface water discharge fee is paid by persons initiating or continuing activities that will discharge substances other than stormwater into the state's surface waters. Fee revenue is collected by EGLE and credited to the NPDES Fund. The department uses this fund to support the NPDES Nonstormwater Program, which issues NPDES permits to facilities that discharge wastewater into Michigan's surface waters. The fee structure was established in FY 2003-04 and includes an application fee ranging from \$75 to \$750 as well as annual fees ranging from \$150 to \$213,000 based on facility type. The fee sunset was last extended in 2015 to October 1, 2019.

Land and water permit fees are paid by persons applying for infrastructure or construction projects on Michigan's waterways. Fee revenue is collected by EGLE and credited to the Land and Water Permit Fund. The department uses this fund to support the Land and Water Interface Permit Program, which provides flood safety guidance, administers the permit process for construction, and enforces compliance enforcement for lakes, streams, wetlands, Great Lakes, flood plains, and sand dunes areas, including the Great Lakes Shorelands Program. The four land and water permit fees included in the bill are the inland lakes and streams application fee (\$50 - \$2,000), the ordinary high-water mark

establishment fee (\$500), the Great Lakes shoreline permit fee (\$50 - \$500), and the submerged lands application fee (\$50 - \$2,000). These fees' sunsets were last extended in 2015 to October 1, 2019.

MCL 324.3118 et seq.

**FISCAL IMPACT:**

Senate Bill 447 (S-1) would maintain the current level of fee revenue collected by EGLE by extending the sunsets on the stormwater discharge fee, surface water discharge fee, and land and water permit fees, which otherwise would expire October 1, 2019. These fees generated \$1.6 million, \$2.8 million, and \$2.1 million, respectively, in FY 2017-18 revenue and are projected to continue at similar levels in future fiscal years.

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