

Legislative Analysis



CHANGE ENVIRONMENTAL STANDARDS FOR PORT OPERATIONS PERMIT

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

House Bill 5095 as introduced
Sponsor: Rep. Dan Lauwers
Committee: Commerce and Trade
Complete to 10-23-17

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

SUMMARY:

HB 5095 would amend the Natural Resources and Environmental Protection Act (NREPA) to adopt U.S. Coast Guard standards as the basis for issuing permits to oceangoing vessels engaged in port operations in Michigan. These standards would take the place of existing DEQ standards that are designed to prevent the introduction of aquatic nuisance species into state waters.

Currently under Part 31 (Water Resources Protection) of NREPA, oceangoing vessels engaged in port operations in Michigan are required to obtain a permit from the Michigan Department of Environmental Quality (DEQ). DEQ issues a permit only if the applicant can demonstrate that the vessel will not discharge aquatic nuisance species or, if the vessel discharges ballast water or other waste or waste effluent, that the vessel will use environmentally sound technology and methods, as determined by DEQ, to prevent the discharge of aquatic nuisance species.¹

Under HB 5095, a permit would still be required, but DEQ would issue a permit only if the applicant could demonstrate that the vessel complies with 33 CFR Part 151, Subpart C.²

Currently, DEQ also must cooperate with other entities, including Great Lakes states and Canadian provinces, to ensure the development of standards for the control of aquatic nuisance species that are protective of waters of the state and other natural resources. HB 5095 would delete this requirement.

MCL 324.3112

FISCAL IMPACT:

House Bill 5095 would have an indeterminate fiscal impact on the Department of Environmental Quality. The bill would require the DEQ to employ US Coast Guard standards for issuing surface water discharge permits to oceangoing vessels engaged in

¹ For more information on the DEQ permitting process, see the "Ballast Water Control" webpage, available online: http://www.michigan.gov/deq/0,4561,7-135-3313_71618_3682_3713-153446--,00.html

² For text of 33 CFR Part 151, Subpart C ("Ballast Water Management for Control of Nonindigenous Species in the Great Lakes and Hudson River") see <https://www.ecfr.gov/cgi-bin/text-idx?SID=7701e74135f60ea5878d137945943a3d&mc=true&node=pt33.2.151&rgn=div5#sp33.2.151.c>

port operations rather than the current DEQ-specific standards. It is unclear whether these new standards would affect the costs realized by the department in the enforcement of the NREPA-required water protection. It is also unclear whether these new standards would affect Ballast Water Control General (BWCG) Permit revenue. These permit fees include a \$75 application fee effective for 5 years as well as a \$150 annual renewal fee. A BWCG Permit is just one type of Surface Water Discharge Permit, which collectively generate approximately \$2.8 million in annual revenue for the DEQ. This revenue is deposited to the National Pollutant Discharge Elimination System (NPDES) Fund which supports the NPDES Nonstormwater Program to protect Michigan's surface waters from pollution discharges. This fee is scheduled to sunset October 1, 2019.

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