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BILL ANALYSIS



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Senate Bill 1133 (Substitute S-4 as reported by the Committee of the Whole)

Sponsor: Senator Patricia L. Birkholz

Committee: Natural Resources and Environmental Affairs

## **CONTENT**

The bill would create the "V. Harry Adrounie Laboratory Data Quality Assurance Act" as Part 205 of the Natural Resources and Environmental Protection Act (NREPA) to require the Department of Environmental Quality (DEQ) to implement a Laboratory Data Quality Recognition Program to identify commercial laboratories qualified to generate data for submission to the DEQ. The bill is tie-barred to Senate Bill 1135 (which would create the Laboratory Data Quality Assurance Advisory Council).

Senate Bill 1133 (S-4) provides that participation in the Program would be voluntary; a lab could not be prohibited from generating analytical data for submission to the DEQ under NREPA based on nonparticipation or unsuccessful participation in the Program. Successful participation in the Program would be mandatory, however, for labs wishing to perform testing associated with a State-funded project or program, unless these services were not available from any lab that had successfully participated in the Program.

To participate, a lab would have to grant the DEQ access to its records without prior notice, and pay the Department a fee to cover its costs of administering the Program, but not more than \$750 for an initial application or \$500 for a renewal application. Program recognition would be valid for two years.

In addition, the bill would require the Auditor General to conduct performance audits covering the quality of the analytical data generated by the DEQ's environmental laboratory, the costs of operating the DEQ's lab relative to the costs of operating comparable private laboratories, and the adequacy of the Program fees.

Proposed MCL 324.20501 et al.

Legislative Analyst: Claire Layman

## **FISCAL IMPACT**

The bill would necessitate 1.0 FTE position, at a cost of \$85,000 (according to DEQ estimates), based on the proposed responsibilities for the Department. Revenue from the commercial laboratory fee would depend on the number of participants in the Program. There are about 60 commercial laboratories and up to \$45,000 would be generated if 100% of the laboratories participated and paid an initial application fee of \$750. On a continuing basis, revenue of up to \$30,000 could be generated from a \$500 renewal application fee. Since the quality recognition designation would be valid for two years, annual revenue could be \$15,000.

The bill would result in additional costs to the Legislative Auditor General depending on the number of hours required to perform the audit. The cost of performance audits ranges from \$50,000 to \$75,000.

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Analysis available @ <http://www.michiganlegislature.org>

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