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BILL ANALYSIS

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House Bill 6577 (Substitute H-1 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 the Safe Drinking Water Act to do the following:

- Require the Department of Environmental Quality (DEQ), by October 1, 2007, to establish an expedited application review process for certain waterworks projects located in a county 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.
- 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 (i.e., a permit violation that did not functionally impair the operation or capacity of a waterworks system or the level of public health protection it provided).

A request for an expedited review would be limited to projects consisting solely of installation of new water mains of less than or equal to 10,000 feet. The expedited permit application review fee would be as follows:

- \$1,000 for water main projects with total lengths under 1,000 feet.
- \$1,500 for water main projects with total lengths of 1,000 feet or more but less than 3,000 feet.
- \$2,000 for water main projects with total lengths over 3,000 feet but not more than 10,000 feet.

The DEQ would have to review and make a decision on an application submitted for expedited review within the following number of days: until September 30, 2008, 20 business days; from October 1, 2008, through September 30, 2009, 15 business days; and from October 1, 2009, through September 30, 2010, 10 business days.

Expedited permit application review fees would have to be deposited into the Infrastructure Construction Fund (which House Bill 6668 (H-2) would establish).

The bill is tie-barred to House Bill 6668. House Bill 6668 (H-2) would amend Part 41 (Sewerage Systems) of the Natural Resources and Environmental Protection Act to establish an expedited application review process for certain sewerage system construction projects in the specified counties; create the "Infrastructure Construction Fund", and require the DEQ to spend Fund money to administer Part 41 and the Safe Drinking Water Act; 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; and authorize a law enforcement officer to issue and serve an appearance ticket for a minor offense under a Part 41 permit.

MCL 324.1004 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 bill would provide for fees and penalties to cover those additional program costs. The fees 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.

Date Completed: 12-15-06

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.