



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 277 (Substitute S-1 as reported)

Sponsor: Senator Dave Hildenbrand

Committee: Economic Development

CONTENT

The bill would add Part 27 (Program Review) to the Natural Resources and Environmental Protection Act to require the Department of Environmental Quality (DEQ) to complete process improvement of one major program by February 1, 2012, and two major programs each year after that until the Department completed process improvement for all major programs. The DEQ would not have to repeat process improvement for a program if process improvement had been completed for that program before the bill's effective date. "Program" would mean a permit program or regulatory program administered by the DEQ under the Act.

Process improvement would have to use process mapping, and be conducted by a team that included at least two certified facilitators, a representative of people regulated by the program, and a representative of members of the general public affected by the program. The DEQ would have to consider using peer reviews by other EPA Region 5 states and benchmark analyses as part of process improvement. The DEQ would have to post on its website a description of the process improvements made for each major program.

The DEQ would have to develop metrics for environmental impacts, process performance, and a review of service practices affecting regulated people and the general public. For a permit program, process performance would have to include a calculation of the DEQ's per-permit cost to administer the program, and a review of the timeliness of the permit process from receipt to approval or denial of a permit application. The DEQ would have to post the metrics on its website.

For each division of the DEQ, the Department would have to survey people regulated by that division and the general public concerning the division's service practices. The DEQ would have to complete the surveys by February 1, 2012, and post aggregate survey results for each division on the Department website. The DEQ could not post information identifying a survey respondent.

Proposed MCL 324.2701-324.2707

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The overall fiscal impact of this bill on State finances is indeterminate. The bill would require the DEQ to complete process improvements for each of its programs over a period of time. This would likely lead to increased administrative costs for the Department in the short term as it performed these processes. To the extent that process improvements made the DEQ more efficient, it is possible that long-term savings could be larger than the short-term costs. Additionally, each division would be required to develop, administer, and post surveys of those regulated by that division as well as the general public. Administrative costs would be increased by an unknown amount as a result.

Date Completed: 5-4-11

Fiscal Analyst: Josh Sefton