

SUBSTITUTE FOR  
SENATE BILL NO. 744

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending section 1307 (MCL 324.1307), as amended by 2011 PA 236.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1307. (1) By the processing deadline, the department  
2 shall approve or deny an application for a permit. If requested by  
3 the permit applicant, the department ~~may~~**SHALL** extend the  
4 processing period for a permit by not more than ~~20%~~**120 DAYS, AS**  
5 **SPECIFIED BY THE APPLICANT. IF REQUESTED BY THE PERMIT APPLICANT,**  
6 **THE DEPARTMENT MAY EXTEND THE PROCESSING PERIOD BEYOND THE**  
7 **ADDITIONAL 120 DAYS. HOWEVER, A PROCESSING PERIOD SHALL NOT BE**  
8 **EXTENDED UNDER THIS SUBSECTION TO A DATE LATER THAN 1 YEAR AFTER**  
9 **THE APPLICATION PERIOD ENDS.**

10       (2) Approval of an application for a permit may be granted

1 with conditions or modifications necessary to achieve compliance  
2 with the part or parts of this act under which the permit is  
3 issued.

4 (3) A denial of an application for a permit shall, to the  
5 extent practical, ~~state with specificity~~ **SPECIFY** all of the reasons  
6 for the denial, including both of the following:

7 (a) ~~A specific reference to~~ **THE** provisions of this act or  
8 rules promulgated under this act providing the basis for the  
9 denial.

10 (b) To the extent applicable, the scientific information  
11 providing the basis for the denial.

12 (4) Except for permits described in subsection (5), if the  
13 department fails to satisfy the requirements of subsection (1) with  
14 respect to an application for a permit, the department shall pay  
15 the applicant an amount equal to 15% of the greater of the  
16 following, as applicable:

17 (a) The amount of the application fee for that permit.

18 (b) If an assessment or other fee is charged on an annual or  
19 other periodic basis by the department to a person holding the  
20 permit for which the application was submitted, the amount of the  
21 first periodic charge of that assessment or other fee for that  
22 permit.

23 (5) If the department fails to satisfy the requirements of  
24 subsection (1) with respect to a permit required by section 11509,  
25 11512, 30304, or 32603, the application shall be considered to be  
26 approved and the department shall be considered to have made any  
27 determination required for approval.

1           (6) The failure of the department to satisfy the requirements  
2 of subsection (1) or the fact that the department is required to  
3 make a payment under subsection (4) or is considered to have  
4 approved a permit under subsection (5) shall not be used by the  
5 department as the basis for discriminating against the applicant.  
6 If the department is required to make a payment under subsection  
7 (4), the application shall be processed in sequence with other  
8 applications for the same type of permit, based on the date on  
9 which the processing period began, unless the director determines  
10 on an application-by-application basis that the public interest is  
11 best served by processing in a different order.

12           (7) If the department fails to satisfy the requirements of  
13 subsection (1) with respect to 10% or more of the applications for  
14 a particular type of permit received during a quarter of the state  
15 fiscal year, the department shall immediately devote resources from  
16 that program to eliminate any backlog and satisfy the requirements  
17 of subsection (1) with respect to new applications for that type of  
18 permit within the next fiscal quarter.

19           (8) If the department fails to satisfy the requirements of  
20 subsection (1), the director shall notify the appropriations  
21 committees of the senate and house of representatives of the  
22 failure. The notification shall be in writing and shall include  
23 both of the following:

24           (a) An explanation of the reason for the failure.

25           (b) A statement of the amount the department was required to  
26 pay the applicant under subsection (4) or a statement that the  
27 department was required to consider the application to be approved

1 under subsection (5), as applicable.