

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4042

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending section 1307 (MCL 324.1307), as added by 2004 PA 325.

**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 extend the processing  
4 period for a permit by not more than 20%.

5           (2) Approval of an application for a permit may be granted  
6 with conditions or modifications necessary to achieve compliance  
7 with the part or parts of this act under which the permit is  
8 issued.

9           (3) ~~(2)~~A denial of an application for a permit shall, ~~include~~

1 ~~an explanation~~ **TO THE EXTENT PRACTICAL, STATE WITH SPECIFICITY ALL**  
2 of the reasons for **THE** denial, ~~and make~~ **INCLUDING BOTH OF THE**  
3 **FOLLOWING:**

4 (A) A specific reference to provisions of this act or rules  
5 promulgated under this act providing the basis for **THE** denial.

6 (B) **TO THE EXTENT APPLICABLE, THE SCIENTIFIC INFORMATION**  
7 **PROVIDING THE BASIS FOR THE DENIAL.**

8 (4) ~~(3)~~—Except for permits described in subsection ~~(4)~~, ~~(5)~~,  
9 if the department fails to satisfy the requirements of subsection  
10 (1) with respect to an application for a permit, the department  
11 shall pay the applicant an amount equal to 15% of the greater of  
12 the following, as applicable:

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

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

19 (5) ~~(4)~~—If the department fails to satisfy the requirements of  
20 subsection (1) with respect to a permit ~~under~~ **REQUIRED BY** section  
21 11509, 11512, ~~or 30307,~~ **30304, OR 32603**, the application shall be  
22 considered to be approved and the department shall be considered to  
23 have made any determination required for approval.

24 (6) ~~(5)~~—The failure of the department to satisfy the  
25 requirements of subsection (1) or the fact that the department is  
26 required to make a payment under subsection ~~(3)~~ ~~(4)~~ or is  
27 considered to have approved a permit under subsection ~~(4)~~ ~~(5)~~ shall

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

9 **(7) IF THE DEPARTMENT FAILS TO SATISFY THE REQUIREMENTS OF**  
10 **SUBSECTION (1) WITH RESPECT TO 10% OR MORE OF THE APPLICATIONS FOR**  
11 **A PARTICULAR TYPE OF PERMIT RECEIVED DURING A QUARTER OF THE STATE**  
12 **FISCAL YEAR, THE DEPARTMENT SHALL IMMEDIATELY DEVOTE RESOURCES FROM**  
13 **THAT PROGRAM TO ELIMINATE ANY BACKLOG AND SATISFY THE REQUIREMENTS**  
14 **OF SUBSECTION (1) WITH RESPECT TO NEW APPLICATIONS FOR THAT TYPE OF**  
15 **PERMIT WITHIN THE NEXT FISCAL QUARTER.**

16 **(8)** ~~(6)~~—If the department fails to satisfy the requirements of  
17 subsection (1), the director shall notify the appropriations  
18 committees of the senate and house of representatives of the  
19 failure. The notification shall be in writing and shall include  
20 both of the following:

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

22 (b) A statement of the amount the department was required to  
23 pay the applicant under subsection ~~(3)~~ **(4)** or a statement that the  
24 department was required to consider the application to be approved  
25 under subsection ~~(4)~~, **(5)**, as applicable.