



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bills 959 and 960 (as introduced 5-27-14)
Sponsor: Senator Roger Kahn, M.D.
Committee: Appropriations

Date Completed: 5-27-14

CONTENT

Senate Bills 959 and 960 would amend the Natural Resources and Environmental Protection Act to eliminate sunsets for certain hazardous waste and liquid industrial waste fees charged by the Department of Environmental Quality (DEQ) under Parts 111 (Hazardous Waste Management) and 121 (Liquid Industrial Wastes) of the Act. These fees currently will sunset on October 1, 2014. A fee sunset is a date set in statute that prevents a State department from collecting a certain fee or fees after that date. The dollar amount of each of these fees would not be changed by the bill from the levels already established in statute. The fiscal year (FY) 2014-15 DEQ budgets passed by both the House and Senate are predicated on the extension of the fees in the bill.

MCL 324.11135 & 324.11153 (S.B. 959)
324.12103 et al. (S.B. 960)

FISCAL IMPACT

The bills would have a positive fiscal impact on the DEQ, and no fiscal impact on local units of government. While the bills would not generate any additional revenue for the DEQ, they would allow for the continued collection of approximately \$1.1 million in various hazardous waste management fees at their current levels. [Table 1](#) provides a list of the fees and the approximate revenue that they would generate during FY 2014-15.

Table 1

Bill Number	Fee	Annual Revenue
959	Hazardous waste manifest	\$470,000
959	Hazardous waste handler user charge	\$550,000
959 & 960	Hazardous waste and liquid industrial waste site ID	\$80,000
TOTAL		\$1,100,000

Source: Department of Environmental Quality

Hazardous waste user charge fees are collected from producers and handlers of hazardous waste. A one-time fee is charged for obtaining a site ID number. An annual fee is charged based on the amount of hazardous waste handled at each site, and a fee is charged for printing and processing costs of hazardous waste manifest forms. The DEQ has indicated that approximately 4,000 entities pay hazardous waste fees annually, the bulk of the entities being businesses. The bill would eliminate sunsets on these fees. [Table 2](#) provides a list of the fees that would be affected by the bills.

Table 2

Type	Description	Fee
Site ID Number User Charge (one-time)		\$50
Handler User Charges (based on amount of regulated hazardous waste activity)	Small Quantity Generator (more than 100kg and less than 1,000kg generated for the year)	\$100
	Large Quantity Generator (more than 1,000kg and less than 900,000kg generated for the year)	\$400
	Very Large Quantity Generator (900,000kg or more generated for the year)	\$1,000
	Used oil producers, re-refiners, burners, and used oil fuel marketers	\$100
	Active or inactive treatment, storage, and disposal facilities	\$2,000
Manifest Processing User Charge (per manifest)		\$6; not to exceed \$8

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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.