



Senate Fiscal Agency
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Senate Bill 431 (Substitute S-6 as reported)
Senate Bill 849 (Substitute S-1 as reported)
Sponsor: Senator Adam Hollier
Committee: Transportation and Infrastructure

CONTENT

Senate Bill 431 (S-6) would amend the Michigan Zoning Enabling Act to do the following:

- Prohibit a local unit of government from preventing, prohibiting, or denying a permit, approval, or authorization for the extraction by mining of natural resources from any property by a person with a right to do so if the natural resources were valuable, very serious consequences would not result from the extraction, and the person seeking to extract them provided financial assurance if required by a local unit of government.
- Specify that very serious consequences would not result from the extraction of natural resources by mining if the person seeking to extract natural resources submitted to a local unit of government a plan for the extraction that included the materials, methods, and techniques that would be used for the mining operations, among other things.
- Allow a person to demonstrate that very serious consequences would not result from the extraction of natural resources by mining if that person demonstrated so by considering the prescribed factors.
- Require financial assurance to consist of any of the security listed in the bill or allow a local unit of government to accept a statement of financial responsibility demonstrating that the applicant had sufficient financial resources to satisfy the reclamation requirements.
- Describe certain limitations on a local unit of government's regulation of a mining operation.
- Allow a local unit of government, after providing the mining operator an opportunity for a hearing, to suspend a permit, approval, or other authorization for a mining extraction of natural resources if the mining operator did not comply with an extraction plan or very serious consequences had resulted from the extraction of natural resources.

Senate Bill 849 (S-1) would amend the Natural Resources and Environmental Protection Act (NREPA) to do the following:

- Require a person who proposed to use a water withdrawal for the extraction of aggregates by mining to obtain a water withdrawal permit before making the withdrawal.
- If a person were required to obtain a permit as described above and the aggregate mining site was located adjacent to a site listed on the United States Environmental Protection Agency's Superfund national priorities list or was subject to a Superfund alternative approach agreement, require the person to notify the Department of Environment, Great Lakes and Energy (EGLE) at least 30 days before beginning installation of the well.
- Prohibit EGLE from issuing a permit unless requirements related to the proximity of the well to the Superfund site and monitoring of the well were met.
- Specify that the extraction of aggregates by mining could not pollute, impair, or destroy natural resources.

- Specify that the above prohibition would be subject to enforcement under Part 17 (Michigan Environmental Protection Act) of NREPA.
- Specify that the excavation and removal of aggregates and of associated overburden would not, of itself, constitute pollution, impairment, or destruction of those natural resources.

Senate Bill 849 is tie-barred to Senate Bill 431.

MCL 125.3205 (S.B. 431)
324.32723 et al. (S.B. 839)

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

Senate Bill 431 (S-6) would have no fiscal impact on State or local government.

Senate Bill 849 (S-1) would have an indeterminate fiscal impact on EGLE, and no fiscal impact on local units of government. The bill would require a person seeking to use a water withdrawal for the mining of aggregates to apply for a permit. This would result in an unknown increase in the number of permit applications received by EGLE, each of which would be accompanied by a \$2,000 permit application fee and an increase in administrative costs associated with processing each permit. To the extent that the permit fee exceeded the marginal cost to process each application, the bill would have a positive fiscal impact on EGLE; if costs exceeded, the opposite would be true.

Date Completed: 9-24-20

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