STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING

RICK SNYDER
GOVERNOR

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DIRECTOR

ENROLLED BILL ANALYSIS

BILL NUMBER: House Bill 4448, As Enrolled

TOPIC: Land and Water Permit Fee Sunset Extensions

SPONSOR: Representative Roger Victory

CO-SPONSORS: None

COMMITTEE: Appropriations

ANALYSIS DONE BY: Maggie Pallone, Director of Legislative Affairs
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DATE OF COMPLETED ANALYSIS: June 1, 2015

REVIEWED BY: **SD** **DA**

SHORT SUMMARY/HIGHLIGHTS OF THE BILL

This bill extends the sunset on the ordinary high water mark establishment fee, submerged lands application fee, Great Lakes shoreline permit fee, pre-application meeting fee, and inland lakes and streams application fee from October 1, 2015 to October 1, 2019. The fees generate approximately $2.1 million annually to support costs associated with the permit review process. The fees range from $50 to $2,000 depending on the type of project.

ADMINISTRATION POSITION

Support

PROBLEM/BACKGROUND

Existing law only allows the fees to be collected until October 1, 2015. Without an extension of the sunset date, approximately $2.1 million of revenue would no longer be collected preventing the DEQ from being able to support costs associated with the permit review process.

DESCRIPTION OF BILL

The bill allows the state to continue to collect approximately $2.1 million annually through October 1, 2019 to offset costs associated with the permit review process for construction projects on Michigan's waterways.

Fee	Fee Amount
Ordinary High Water Mark Establishment Fee	$500 service fee
Submerged Lands Application Fee	$50 - $2,000 permit fee
Great Lakes Shoreline Permits	$50 - $500 permit fee
Pre-application Meeting	$100 - $1,000 fee
Inland Lakes and Streams Application Fee	$50 - $2,000 permit fee

The floodplain application fee is included in House Bill 4441. The five fees above along with the floodplain application fee are all deposited in the land and water permit fee fund.

SUMMARY OF ARGUMENTS

Pro

The bill maintains existing revenue levels and supports the fiscal year 2016 budget target agreement. The bill also supports permit review costs.

Con

None

FINAL PASSAGE VOTE

House: 107-3

Senate: 23-15

FISCAL/ECONOMIC IMPACT

Are there revenue or budgetary implications in the bill to the –

(a) Department

Budgetary: Neutral
Revenue: Neutral
Comments: Without support for this bill, the DEQ would lose approximately $2.1 million of annual revenue.

(b) State

Budgetary: Neutral
Revenue: Neutral
Comments: Without support for this bill, the state would lose approximately $2.1 million of annual revenue.

(c) Local Government

Comments: None

OTHER STATE DEPARTMENTS

None

ANY OTHER PERTINENT INFORMATION

None

ADMINISTRATIVE RULES IMPACT

None