

## SEPTAGE WASTE SERVICING

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**House Bill 4874 (reported without amendment)**

**Sponsor: Rep. Ken Goike**

**Committee: Natural Resources**

**Complete to 6-2-14**

### **A SUMMARY OF HOUSE BILL 4874 AS REPORTED BY COMMITTEE 5-13-14**

The bill would amend Part 117 of the Natural Resources and Environmental Protection Act (NREPA) by repealing several provisions relating to the removal and transport of septage waste.

Part 117 of the Natural Resources and Environmental Protection Act deals with septage waste servicers. "Service" or "servicing" means cleaning, removing, transporting, or disposing, by application to land or otherwise, of septage waste (for example, from septic tanks). The bill would amend septage waste servicing provisions in two ways.

**(1) *Exception for Servicers with Storage Facilities—Eliminate Sunset***

Currently, a person who is engaged in servicing in a *receiving facility service area* must dispose of the septage waste at that receiving facility or another receiving facility within the service area that the person is engaged in servicing.

There is an exception to this requirement for a person engaged in servicing that owns a storage facility with a capacity of 50,000 gallons or more, if that facility was constructed, or authorized by the Department of Environmental Quality to be constructed, before the location where the person is engaged in servicing was included in a receiving facility service area under an approved operating plan. This exception applies only until the 2025 state fiscal year. House Bill 4874 would remove the 2025 date. This means servicers with storage tanks would be exempt indefinitely from the requirement they must take septage waste to a receiving facility within the service area.

A "receiving facility service area" or "service area" means, generally, the territory for which a receiving facility has the capacity and is available to receive and treat septage waste. The geographic service area of a receiving facility cannot extend more than 25 radial miles from the receiving facility.

A "receiving facility" in the act is a structure that is designed to receive septage waste for treatment at a wastewater treatment plant or at a certain research, development, and demonstration projects to which the structure is directly connected, and that is available for that purpose as provided for in an ordinance of the local unit of government where the structure is located or in an operating plan.

***(2) Eliminate Local Ordinances that Impose Stricter Requirements***

Part 117 also says that it does not preempt an ordinance of a governmental unit that prohibits the application of septage waste to land within that governmental unit "*or otherwise imposes stricter requirements than this part.*" House Bill 4874 would strike the highlighted language. [This would, for example, prevent a local unit of government from requiring that septage waste be taken to a specific receiving facility if another facility was available.]

**BACKGROUND AND DISCUSSION:**

The bill sponsor stated during testimony that the intent of the bill is to allow residents with septic tanks to seek more competitive pricing by repealing the service areas requirement in current law for treating septage waste. Several officials from local governments in and around Grand Traverse County testified in opposition to the bill, saying that it would negatively affect their ability to pay off a recently opened sewage treatment facility which was built with more capacity than needed due to incorrect estimates during the planning process. To pay for the excess capacity, the rate for taking septage to the facility is almost three times the state average, according to some estimates. The officials worry that by eliminating the service areas, and thus allowing servicers to use other treatment facilities, they may have to pay for the facility out of their respective municipality's local general funds.

**POSITIONS:**

**Support:** Michigan Septic Tank Association

**Oppose:** Michigan Townships Association and Michigan Association of Counties

**FISCAL IMPACT:**

House Bill 4874 would have minimal significant fiscal impact on the Department of Environmental Quality. The fiscal impact to local units of government is indeterminate.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.