



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 596 (as introduced 6-24-03)
Sponsor: Senator Bob Emerson
Committee: Appropriations

Date Completed: 6-24-03

CONTENT

The bill would amend the Public Health Code to restructure the application fees for permits to apply chemicals to waters of the State for the control of aquatic nuisance species, raise the application fees, and eliminate a sunset on the fees.

Currently, the application fees for an annual permit to apply chemicals to waters of the State for the control of aquatic nuisances for the suppression of swimmers' itch, and other nuisance-producing organisms, including aquatic plants, are divided into two categories depending upon the size of the treatment area. A fee of \$50 is required for treatment of areas between ½ acre and two acres and a fee of \$150 is required for treatment of areas greater than two acres. No permit is required for the treatment of areas less than ½ acre or for water bodies in single ownership. A permit expires on December 31 of the calendar year in which it was issued.

Under the bill, application fees would be assessed based on the size of the area of impact of the chemicals instead of the size of the treatment area. Since the wind and water transport the chemicals from the initial treatment area, the area of impact can be much larger than the treatment area. Six categories of permits would be created:

Proposed Aquatic Nuisance Fees	
Permit Category	Permit Fee
General Permit Certificate of Coverage	\$75
Area of Impact less than ½ acre	75
Area of Impact between ½ and 5 acres	200
Area of Impact between 5 and 20 acres	400
Area of Impact between 20 and 100 acres	800
Area of Impact greater than 100 acres	1,500

According to the applicable administrative rules, a Certificate of Coverage under a General Permit would be applicable to water retention ponds and other water bodies for which the application of chemicals would have minor adverse environmental impacts. Application fees for permits for all other projects would be based on the size of the area of impact. The bill would eliminate the permit exemption for treatment of areas less than ½ acre and single ownership water bodies. The permit application fees are scheduled to sunset on October 1, 2003. The bill would eliminate the sunset.

Pursuant to Section 12561, the Department of Environmental Quality has promulgated administrative rules regarding aquatic nuisance species. Relevant definitions included in those rules are:

- "Area of impact" means the area within a waterbody where target organisms may be adversely affected or destroyed.
- "Certificate of coverage" means written authorization from the Department to implement a project under a general permit.
- "General permit" means a permit for a category of activities that the Department deems will not negatively impact human health and will have no more than minimal short-term adverse impacts on the natural resources and environment.

MCL 333.12562

FISCAL IMPACT

According to the Department of Environmental Quality, the current fee structure generates approximately \$110,000 in fee revenue and the aquatic nuisance program is supplemented with \$100,000 General Fund. The Governor's proposed budget for FY 2003-04 includes additional fee revenue \$225,000 to reflect the changes proposed in this bill and also uses the fee revenue to offset a reduction of the current General Fund appropriation, for a total increase of \$125,000 for the aquatic nuisance control permit program. The Senate-passed bill includes the additional revenue and fund shift as proposed by the Governor. The House-passed bill does not appropriate increased fee revenue and reduces the General Fund appropriation by 15% to \$85,000.

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