



Senate Fiscal Agency  
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## BILL ANALYSIS



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House Bill 6465 (as reported without amendment)  
Sponsor: Representative Dan Lauwers  
House Committee: Commerce and Trade  
Senate Committee: Natural Resources

**CONTENT**

The bill would amend Part 31 (Water Resources Protection) of the Natural Resources and Environmental Protection Act to delete the current ballast water discharge requirements for oceangoing vessels that engage in port operations in Michigan, and adopt Federal regulations for ballast water management.

Under the bill, the Department of Environmental Quality (DEQ) could issue a permit for an oceangoing vessel only if the applicant could demonstrate that the vessel complied with the "Federal Aquatic Nuisance Rule" (33 CFR Part 151, Subpart C, "Ballast Water Management for Control of Nonindigenous Species in the Great Lakes...", and applicable requirements of other Federal regulations).

If the Rule were amended after the bill's date of enactment, and the DEQ Director determined that the amended version of the Rule was less protective of the waters of the State from aquatic nuisance species, the applicant would have to demonstrate that the oceangoing vessel complied with the Rule as in effect immediately before the effective date of the amendment to it. If, pursuant to a compact of Great Lakes states of which Michigan is a part, the State adopted standards more protective of the waters of Michigan than the version of the Federal Aquatic Nuisance Rule otherwise applicable under these provisions, the standards adopted pursuant to the compact would apply.

MCL 324.3112

Legislative Analyst: Nathan Leaman

**FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on the Department of Environmental Quality and no fiscal impact on local units of government. Under the bill, the DEQ would have to use Federal aquatic nuisance standards used by the U.S. Coast Guard when issuing a port operations permit to the operator of an oceangoing vessel. It is unknown whether this new requirement would affect the amount of work, and hence the cost, associated with permit issuance. It is also unknown how the change would affect demand for the permits. Those seeking a permit currently pay a \$75 application fee as well as an annual renewal fee of \$150, which would remain unchanged under the bill. To the extent that the fees would be sufficient to cover the cost of permit issuance under the bill, any increase in demand for permits that could result from the bill would have a positive fiscal impact on the DEQ. The opposite is also true; if current permit fees were not sufficient to cover the costs of permit issuance, any increase in demand would have a negative fiscal impact.

Date Completed: 12-17-18

Fiscal Analyst: Josh Sefton

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