

**SFA**

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

• (517) 373-5383

House Bills 5549, 5550, and 5551 (as reported without amendment)

Sponsor: Representative Gary L. Randall

House Committee: Conservation, Recreation, and Environment

Senate Committee: Natural Resources and Environmental Affairs

Date Completed: 5-21-90

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**RATIONALE**

Both the Solid Waste Management Act and the Hazardous Waste Management Act require the Department of Natural Resources (DNR) to promulgate rules to establish permit fees for the construction of solid waste disposal facilities, and hazardous waste disposal facilities, respectively. Because these fees were established by rule they could be raised by the adoption of new rules. Though rules must be submitted to and approved by the Joint Committee on Administrative Rules, there is no provision for rules to be approved by the full Legislature. Since some people believe that the construction permit fees are a form of a tax, it has been suggested that the fees be placed in statute so that if ever they needed to be altered the entire Legislature would have the opportunity to review and vote on proposed changes, as it has the responsibility to do on any other proposed tax. Further, Public Act 245 of 1929 requires the Water Resources Commission to establish, by rule, water pollution surveillance fees to provide for the monitoring of water quality. The provision in the Act that established the fees only allowed the fees to be collected through September 30, 1984. It has been suggested that the language be deleted.

**CONTENT**

**House Bill 5549** would amend the Solid Waste Management Act to place in statute the construction permit application fee schedule for solid waste disposal facilities that currently exists in administrative rules.

**House Bill 5550** would amend the Hazardous Waste Management Act to place in statute the option of calculating construction permit application fees based

on the actual cost of construction permit review according to procedures established by rule, and place into statute the construction permit application fee system for hazardous waste disposal facilities that currently exists in administrative rules.

**House Bill 5551** would repeal a section of Public Act 245 of 1929 that requires the Water Resources Commission to establish, by rule, water pollution surveillance fees in order to provide for surveillance, investigation, monitoring, and other activities necessary to ensure greater protection of the State's water quality.

The fees that House Bills 5549 and 5550 would codify are indicated below.

**House Bill 5549**

The construction permit application fee schedule for solid waste disposal facilities is as follows:

<u>Fee Type</u>	<u>Amount</u>	
	<u>New Permit</u>	<u>Renewal Permit</u>
Landfills		
Site Size		
--less than five acres	\$100	\$ 25
--five to 19 acres	\$170	\$100
--20 to 79 acres	\$240	\$150
--80 acres or more	\$320	\$230
Estimated Daily Waste Volume		
--less than 50 cubic yards	\$ 60	\$ 15
--50 to 100 cubic yards	\$ 80	\$ 30
--101 to 700 cubic yards	\$100	\$ 50
--more than 700 cubic yards	\$130	\$100

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Nature of the Waste		
--residential	\$100	\$ 50
--industrial or combination residential and industrial	\$125	\$ 75

Hydrogeological Characteristics		
--natural soil	\$ 40	\$ 10
--compacted clay	\$ 70	\$ 30
--synthetic liner	\$100	\$ 70

#### Transfer Facilities

Site Size		
--less than five acres	\$ 50	\$ 15
--five acres or more	\$100	\$ 75

Building Size		
--less than 500 square feet	\$ 50	\$ 20
--500 to 1,000 square feet	\$100	\$ 60
--more than 1,000 square feet	\$150	\$100

Nature of the Waste		
--residential	\$100	\$ 30
--industrial or combination residential and industrial	\$150	\$ 90

Site Characteristics		
--high, dry site with no water problems	\$ 50	\$ 10
--surface water on site	\$ 75	\$ 30

Estimated Daily Waste Volume		
--less than 50 cubic yards	\$ 50	\$ 25
--50 to 500 cubic yards	\$100	\$ 75
--more than 500 cubic yards	\$150	\$125

#### House Bill 5550

The construction permit application fee schedule for hazardous waste disposal facilities is as follows:

<u>Fee Type</u>	<u>Amount</u>
Type of Facility	
--landfill, surface impoundment, land treatment or waste pile facility	\$9,000
--incinerator or treatment facility other than a treatment facility listed above	\$7,200
--storage facility, other than storage associated with treatment or disposal activities regulated under a single permit	\$ 500

Site Size	
--landfill, surface impoundment, land treatment, or waste pile facility (except waste piles meeting Federal rules requirements)	
--less than five acres	\$ 100
--five to 19 acres	\$ 170
--20 to 79 acres	\$ 240
--80 acres or more	\$ 320

--treatment or storage facility other than those listed above	
--less than five acres	\$ 50
--five to 19 acres	\$ 100
--20 to 79 acres	\$ 100
--80 acres or more	\$ 100

Projected Daily Waste Volume	
--landfill, surface impoundment, land treatment, or waste pile facility	
--less than 50 cubic yards or 10,000 gallons	\$ 60
--50 to 100 cubic yards or 10 to 20,000 gallons	\$ 80
--101 to 700 cubic yards or 20 to 140,000 gallons	\$ 100
--more than 700 cubic yards or 140,000 gallons	\$ 130

--treatment or storage facility other than those listed directly above	
--less than 50 cubic yards or 10,000 gallons	\$ 50
--50 to 100 cubic yards or 10,000 to 20,000 gallons	\$ 100
--101 to 700 cubic yards or 20,000 to 140,000 gallons	\$ 100
--more than 700 cubic yards or 140,000 gallons	\$ 150

Hydrogeological Characteristics	
--landfill, surface impoundment, land treatment, or certain waste pile facilities	
--natural clay	\$ 40
--natural sand	\$ 60
--compacted clay	\$ 70
--artificially lined (other materials)	\$ 100
--any combination of the above	\$ 100
--surface water in a treatment or storage facility, other than facilities listed directly above	\$ 75

MCL 299.410 (H.B. 5549)  
299.518 (H.B. 5550)  
323.13 (H.B. 5551)

## **FISCAL IMPACT**

The bills would have no fiscal impact on State or local government.

## **ARGUMENTS**

### **Supporting Argument**

Ultimately, the Legislature is held accountable for fees and the programs that fees help implement. In the establishment of construction permit fee levels under the Solid Waste Management Act and the Hazardous Waste Management Act, however, the full legislative body does not have the amount of input that it should have. Some consider mandatory fees to be just like taxes, and believe that the Legislature should be responsible for increasing or decreasing these types of fees. House Bills 5549 and 5550 would place the responsibility for establishment and regulation of fees where it belongs, with the Legislature as a whole. In addition, House Bill 5551 would delete obsolete language that addresses fees that were rescinded in 1984.

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### **H8990/S5549A**

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.