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BILL ANALYSIS

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House Bill 4617 (Substitute S-1 as reported)  
Sponsor: Representative John Moolenaar  
House Committee: Government Operations  
Senate Committee: Appropriations

## **CONTENT**

The bill would amend Part 201 (Environmental Response) of the Natural Resources and Environmental Protection Act to require the designation of a "facility" to be based on testing or an agreement among the property owner, the State, and the person liable for contamination; exclude a "remediated site" from designation as a facility; and require that peer-reviewed studies and criteria be incorporated into remedial action plans.

Under the bill, a parcel of property or portion of a parcel would be considered a "facility" containing a hazardous substance as determined by testing conducted according to scientifically accepted methods on soil or water samples collected from the parcel. In the absence of testing, a parcel of property could be considered a facility if the owner of the property, the Department of Environmental Quality (DEQ), and the person liable for any contamination on the property agreed to the designation in writing based on the presence of hazardous substances in the vicinity.

The bill also would exclude remediated sites from being designated as a facility. "Remediated site" would mean a parcel of property at which all response activities required by the DEQ to meet applicable closure standards have been met. If a new release occurred on the property after the completion date of previously required response activities, then the site could be considered a facility.

In addition, when the DEQ developed a site-specific remedial action plan instead of using generic cleanup criteria, the DEQ would have to incorporate area-wide or site-specific cleanup criteria from peer-reviewed bioavailability studies, peer-reviewed site-specific human exposure data, and any other peer-reviewed scientifically based risk assessment studies that were available and relevant. A liable party could submit to the DEQ other relevant information that could assist in the development of the remedial action plan. (Less than 5% of contaminated sites have individual remedial action plans.)

MCL 324.20101 et al.

## **FISCAL IMPACT**

The bill would cost the State an indeterminate amount. It could require additional soil and water sample testing at a cleanup site in order for the DEQ to designate a parcel of property as a facility. According to the DEQ, soil sampling costs range from \$1,000 to \$10,000 and groundwater wells range from \$6,000 to \$80,000. The costs would depend on the number of cleanup sites and the number and complexity of the potential contaminants. Potential facilities that are residential with small parcels would require more sampling and higher costs. The requirement for peer-reviewed studies for site-specific remedial action plans would increase the cleanup costs of some contaminated sites; however, this cost would be borne by the liable party.

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Bill Analysis @ [www.senate.michigan.gov/sfa](http://www.senate.michigan.gov/sfa)

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