

# HOUSE BILL NO. 6550

December 07, 2022, Introduced by Rep. Meerman and referred to the Committee on Natural Resources and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending sections 3120 and 3122 (MCL 324.3120 and 324.3122),  
section 3120 as amended by 2021 PA 91 and section 3122 as amended  
by 2019 PA 79.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 3120. (1) Until October 1, 2025, an application for a new  
2       permit, a reissuance of a permit, or a modification of an existing  
3       permit under this part authorizing a discharge into surface water,

1 other than a storm water discharge, must be accompanied by an  
2 application fee as follows:

3 (a) For an EPA major facility permit, \$750.00.

4 (b) For an EPA minor facility individual permit, a CSO permit,  
5 or a wastewater stabilization lagoon individual permit, \$400.00.

6 (c) For an EPA minor facility general permit, \$75.00.

7 (2) Within ~~180~~90 days after receipt of a complete application  
8 for a new or increased use permit, the department shall either  
9 grant or deny the permit, unless the applicant and the department  
10 agree to extend this time period.

11 (3) By September 30 of the year following the submittal of a  
12 complete application for reissuance of a permit, the department  
13 shall either grant or deny the permit, unless the applicant and the  
14 department agree to extend this time period.

15 (4) If the department fails to make a decision on an  
16 application within the applicable time period under subsection (2)  
17 or (3), all of the following apply:

18 (a) The department shall return to the applicant the  
19 application fee submitted under subsection (1).

20 (b) The applicant is not subject to an application fee.

21 (c) The applicant shall receive a 15% annual discount on an  
22 annual permit fee required for a permit issued based on that  
23 application.

24 (5) Until October 1, 2025, a person ~~who~~**that** receives a permit  
25 under this part authorizing a discharge into surface water, other  
26 than a stormwater discharge, is subject to an annual permit fee as  
27 follows:

28 (a) For an industrial or commercial facility that is an EPA  
29 major facility, \$8,700.00.

(b) For an industrial or commercial facility that is an EPA minor facility, the following amount:

(i) For a general permit for a low-flow facility, \$150.00.

(ii) For a general permit for a high-flow facility, \$400.00.

(iii) For an individual permit for a low-flow facility, \$1,650.00.

(iv) For an individual permit for a high-flow facility, \$3,650.00.

(c) For a municipal facility that is an EPA major facility, the following amount:

(i) For an individual permit for a facility discharging 500 MGD or more, \$213,000.00.

(ii) For an individual permit for a facility discharging 50 MGD or more but less than 500 MGD, \$20,000.00.

(iii) For an individual permit for a facility discharging 10 MGD or more but less than 50 MGD, \$13,000.00.

(iv) For an individual permit for a facility discharging less than 10 MGD, \$5,500.00.

(d) For a municipal facility that is an EPA minor facility, the following amount:

(i) For an individual permit for a facility discharging 10 MGD or more, \$3,775.00.

(ii) For an individual permit for a facility discharging 1 MGD or more but less than 10 MGD, \$3,000.00.

(iii) For an individual permit for a facility discharging less than 1 MGD, \$1,950.00.

(iv) For a general permit for a high-flow facility, \$600.00.

(v) For a general permit for a low-flow facility, \$400.00.

1 (e) For a municipal facility that is a CSO facility,  
2 \$6,000.00.

3 (f) For an individual permit for a wastewater stabilization  
4 lagoon, \$1,525.00.

5 (g) For an individual or general permit for an agricultural  
6 purpose, \$600.00, unless either of the following applies:

7 (i) The facility is an EPA minor facility and would qualify for  
8 a general permit for a low-flow facility, in which case the fee is  
9 \$150.00.

10 (ii) The facility is an EPA major facility that is not a  
11 farmers' cooperative corporation, in which case the fee is  
12 \$8,700.00.

13 (h) For a facility that holds a permit issued under this part  
14 but has no discharge and is connected to and is authorized to  
15 discharge only to a municipal wastewater treatment system, an  
16 annual permit maintenance fee of \$100.00. However, if a facility  
17 does have a discharge or at some time is no longer connected to a  
18 municipal wastewater treatment system, the annual permit fee must  
19 be the appropriate fee as otherwise provided in this subsection.

20 (6) If the person required to pay an application fee under  
21 subsection (1) or an annual permit fee under subsection (5) is a  
22 municipality, the municipality may pass on the application fee or  
23 the annual permit fee, or both, to each user of the municipal  
24 facility.

25 (7) The department shall send invoices for annual permit fees  
26 under subsection (5) to all permit holders by December 1 of each  
27 year. A fee must be based on the status of the facility as of  
28 October 1 of that year. A person subject to an annual permit fee  
29 shall pay the fee not later than January 15 of each year. Failure

1 by the department to send a person an invoice by December 1, or  
2 failure of a person to receive an invoice, does not relieve that  
3 person of the obligation to pay the annual permit fee. If the  
4 department does not send invoices by December 1, the annual permit  
5 fee is due not later than 45 days after the permittee receives an  
6 invoice. The department shall forward annual permit fees received  
7 under this section to the state treasurer for deposit into the  
8 national pollutant discharge elimination system fund created in  
9 section 3121.

10 (8) The department shall assess a penalty on all annual permit  
11 fee payments submitted under this section after the due date. The  
12 penalty is 0.75% of the payment due for each month or portion of a  
13 month the payment remains past due.

14 (9) Following payment of an annual permit fee, if a permittee  
15 wishes to challenge its annual permit fee under this section, the  
16 owner or operator shall submit the challenge in writing to the  
17 department. The department shall not process the challenge unless  
18 it is received by the department by March 1 of the year the payment  
19 is due. A challenge must identify the facility and state the  
20 grounds upon which the challenge is based. Within 30 calendar days  
21 after receipt of the challenge, the department shall determine the  
22 validity of the challenge and provide the permittee with  
23 notification of a revised annual permit fee and a refund, if  
24 appropriate, or a statement setting forth the reason or reasons why  
25 the annual permit fee was not revised. If the owner or operator of  
26 a facility desires to further challenge its annual permit fee, the  
27 owner or operator of the facility has an opportunity for a  
28 contested case hearing as provided for under the administrative  
29 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

1           (10) The attorney general may bring an action for the  
2 collection of the annual permit fee imposed under this section.

3           (11) As used in this section:

4           (a) "Agricultural purpose" means the agricultural production  
5 or processing of those plants and animals useful to human beings  
6 produced by agriculture and includes, but is not limited to,  
7 forages and sod crops, grains and feed crops, field crops, dairy  
8 animals and dairy products, poultry and poultry products, cervidae,  
9 livestock, including breeding and grazing, equine, fish and other  
10 aquacultural products, bees and bee products, berries, herbs,  
11 fruits, vegetables, flowers, seeds, grasses, nursery stock, trees  
12 and tree products, mushrooms, and other similar products, or any  
13 other product, as determined by the commission of agriculture and  
14 rural development, that incorporates the use of food, feed, fiber,  
15 or fur. Agricultural purpose includes an operation or facility that  
16 produces wine.

17           (b) "Combined sewer overflow" means a discharge from a  
18 combined sewer system that occurs when the flow capacity of the  
19 combined sewer system is exceeded at a point before the headworks  
20 of a publicly owned treatment works during wet weather conditions.

21           (c) "Combined sewer system" means a sewer designed and used to  
22 convey both storm water runoff and sanitary sewage, and that  
23 contains lawfully installed regulators and control devices that  
24 allow for delivery of sanitary flow to treatment during dry weather  
25 periods and divert stormwater and sanitary sewage to surface waters  
26 during storm flow periods.

27           (d) "CSO facility" means a facility whose discharge is solely  
28 a combined sewer overflow.

29           (e) "EPA major facility" means a major facility as defined in

1 40 CFR 122.2.

2 (f) "EPA minor facility" means a facility that is not an EPA  
3 major facility.

4 (g) "Farmers' cooperative corporation" means a farmers'  
5 cooperative corporation organized within the limitations of section  
6 98 of 1931 PA 327, MCL 450.98.

7 (h) "General permit" means a permit suitable for use at  
8 facilities meeting eligibility criteria as specified in the permit.  
9 With a general permit, the discharge from a specific facility is  
10 acknowledged through a certificate of coverage issued to the  
11 facility.

12 (i) "High-flow facility" means a facility that discharges 1  
13 MGD or more.

14 (j) "Individual permit" means a permit developed for a  
15 particular facility, taking into account that facility's specific  
16 characteristics.

17 (k) "Industrial or commercial facility" means a facility that  
18 is not a municipal facility.

19 (l) "Low-flow facility" means a facility that discharges less  
20 than 1 MGD.

21 (m) "MGD" means 1,000,000 gallons per day.

22 (n) "Municipal facility" means a facility that is designed to  
23 collect or treat sanitary wastewater, is either publicly or  
24 privately owned, and serves a residential area or a group of  
25 municipalities.

26 (o) "Wastewater stabilization lagoon" means a treatment system  
27 constructed of ponds or basins designed to receive, hold, and treat  
28 sanitary wastewater for a predetermined amount of time through a  
29 combination of physical, biological, and chemical processes.

1       Sec. 3122. (1) Until October 1, 2023, the department may levy  
2   and collect an annual groundwater discharge permit fee from  
3   facilities or municipalities that discharge wastewater to the  
4   ground or groundwater of this state pursuant to section 3112. The  
5   fee is as follows:

6       (a) For a group 1 facility, \$3,650.00.

7       (b) For a group 2 facility or a municipality of 1,000 or fewer  
8   residents, \$1,500.00.

9       (c) For a group 2a facility, \$250.00.

10      (d) For a group 3 facility, \$200.00.

11      (2) Within ~~180~~90 days after receipt of a complete application  
12   for a permit to discharge wastewater to the ground or to  
13   groundwater, the department shall grant or deny a permit, unless  
14   the applicant and the department agree to extend this time period.  
15   If the department fails to make a decision on an application within  
16   the time period specified or agreed to under this subsection, an  
17   applicant subject to an annual groundwater discharge permit fee  
18   shall receive a 15% annual discount on the annual groundwater  
19   discharge permit fee.

20      (3) If the person required to pay the annual groundwater  
21   discharge permit fee under subsection (1) is a municipality, the  
22   municipality may pass on the annual groundwater discharge permit  
23   fee to each user of the municipal facility.

24      (4) As used in this section, "group 1 facility", "group 2  
25   facility", "group 2a facility", and "group 3 facility" do not  
26   include a municipality with a population of 1,000 or fewer  
27   residents.