

# HOUSE BILL NO. 6122

November 14, 2024, Introduced by Reps. McKinney, Hood and Hill and referred to the Committee on Natural Resources, Environment, Tourism and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending sections 5506 and 5523 (MCL 324.5506 and 324.5523),  
section 5523 as amended by 1998 PA 245; and to repeal acts and  
parts of acts.

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

**1**       Sec. 5506. (1) After the date established ~~pursuant to~~ **under**  
**2** subsections (3) and (4)(n), if an application for an operating  
**3** permit is required to be submitted, a person shall not operate a  
**4** source that is required to obtain an operating permit under section

1 ~~502a-502(a)~~ of title V of the clean air act, ~~chapter 360, 104 Stat.~~  
2 ~~2641, 42 U.S.C. 7661a, and which is thereby~~ **42 USC 7661a, and that**  
3 **is** subject to the requirements of this section except in compliance  
4 with an operating permit issued by the department. A permit issued  
5 under this section does not convey a property right or an exclusive  
6 privilege.

7 (2) If a person who owns or operates a source has submitted a  
8 timely and administratively complete application for an operating  
9 permit, including an application for renewal of an operating  
10 permit, but final action has not been taken on the application, the  
11 source's failure to have an operating permit is not a violation of  
12 subsection (1) unless the delay in final action is due to the  
13 failure of the person owning or operating the source to submit  
14 information required or requested to process the application. A  
15 source required to have a permit under this section is not in  
16 violation of subsection (1) before the date on which the source is  
17 required to submit an application ~~pursuant to~~ **under** subsections (3)  
18 and (4)(n). Except as otherwise provided in subsection (5),  
19 expiration of an operating permit terminates a person's right to  
20 operate a source. This subsection does not waive an applicable  
21 requirement to obtain a permit under section 5505.

22 (3) A person who owns or operates a source required to have an  
23 operating permit ~~pursuant to~~ **under** this section shall submit to the  
24 department within 12 months after the date on which the source  
25 becomes subject to the requirement to obtain a permit under  
26 subsection (1), or on an earlier date specified by rule, a  
27 compliance plan and an administratively complete application for an  
28 operating permit signed by a responsible official, who shall  
29 certify the accuracy of the information submitted. The department

1 shall approve or disapprove a timely and administratively complete  
 2 application, and shall issue or deny the operating permit within 18  
 3 months after the date of receipt of the compliance plan and an  
 4 administratively complete operating application, except that the  
 5 department shall establish a phased schedule for acting on the  
 6 timely and administratively complete operating permit applications  
 7 submitted within the first full year after the operating permit  
 8 program becomes effective. The schedule ~~shall~~**must** ~~assure~~**ensure**  
 9 that at least 1/3 of the applications will be acted on by the  
 10 department annually over a period not to exceed 3 years after the  
 11 operating permit program becomes effective.

12 (4) The department shall promulgate rules to establish an  
 13 operating permit program required under title V to be administered  
 14 by the department. This permit program ~~shall~~**must** include all of  
 15 the following and, at a minimum, ~~shall~~**must** be consistent with the  
 16 requirements of title V:

17 (a) Provisions defining the categories of sources that are  
 18 subject to the operating permit requirements of this section.  
 19 Operating permits under this section are not required for any  
 20 source category that is not required to obtain an operating permit  
 21 under section 502(a) **of title V** of the clean air act, ~~title V of~~  
 22 ~~chapter 360, 104 Stat. 2641, 42 U.S.C. 42 USC~~ 7661a.

23 (b) Requirements for operating permit applications, including  
 24 standard application forms, the minimum information that must be  
 25 submitted with an administratively complete application, and  
 26 criteria for determining in a timely fashion the administrative  
 27 completeness of an application.

28 (c) A requirement that each operating permit application  
 29 include a compliance plan describing how the source will comply

1 with all applicable requirements of this part, rules promulgated  
2 under this part, and the clean air act.

3 (d) Provisions for inspection, entry, monitoring, record  
4 keeping, and reporting applicable to each operating permit issued  
5 under this section.

6 (e) Requirements and provisions for expeditiously determining  
7 when applications are technically complete, for processing  
8 applications.

9 (f) Provisions for transmitting copies of each operating  
10 permit application and proposed and final ~~permits,~~**permit,**  
11 including each modification or renewal, to the administrator of the  
12 United States ~~environmental protection agency,~~ **Environmental**  
13 **Protection Agency,** and for notifying all other states whose air  
14 quality may be affected and **that** are contiguous to this state and  
15 for providing an opportunity for those states to provide written  
16 recommendations on each operating permit application and proposed  
17 permit, ~~pursuant to~~**under** the requirements of section 505(a)-and  
18 (d) **of title V** of the clean air act, ~~title V of chapter 360, 104~~  
19 ~~Stat. 2643, 42 U.S.C. 42 USC~~ 7661d.

20 (g) Provisions for issuance of operating permits and, in  
21 accordance with this part and rules promulgated under this part,  
22 for denial, termination, modification, revocation, renewal, and  
23 revision of operating permits for cause.

24 (h) Provisions to allow for changes within a permitted source  
25 without a revision to the operating permit, if the changes are not  
26 modifications under any provision of title I of the clean air act,  
27 ~~chapter 360, 77 Stat. 392, 42 U.S.C. 42 USC~~ 7401 to 7431, 7470 to  
28 ~~7479, 7491 to 7492, 7501 to 7509a, and 7511 to 7515,~~ and the  
29 changes do not exceed the emissions allowed under the operating

1 permit, if the owner or operator of the source provides the  
 2 department and the administrator of the United States ~~environmental~~  
 3 ~~protection agency~~ **Environmental Protection Agency** with written  
 4 notification at least 7 days in advance of the proposed changes.  
 5 However, the department may provide a different time frame for an  
 6 emergency. ~~as defined in section 5527.~~ The emissions allowed under  
 7 the operating permit include any enforceable emission limitation,  
 8 standard, or other condition, including a work practice standard,  
 9 determined by the department to be required by an applicable  
 10 requirement of this part, rules promulgated under this part, or the  
 11 clean air act, or that establishes an emission limit or an  
 12 enforceable emissions cap that the source has assumed to avoid an  
 13 applicable requirement of this part, rules promulgated under this  
 14 part, or the clean air act, to which the source would otherwise be  
 15 subject. These provisions ~~shall~~ **must** include the following:

16 (i) Changes that contravene an express permit condition. ~~Such~~  
 17 **Those** changes ~~shall~~ **must** not include changes that would violate any  
 18 applicable requirement of this part, the rules promulgated under  
 19 this part, or the clean air act, or changes that would contravene  
 20 any applicable requirement for monitoring, record keeping,  
 21 reporting, or compliance certification.

22 (ii) Changes that involve emissions trading if trading has been  
 23 approved by the administrator of the United States ~~environmental~~  
 24 ~~protection agency~~ **Environmental Protection Agency** as a part of the  
 25 state implementation plan.

26 (i) Provisions to allow changes within a permitted source,  
 27 ~~pursuant to 40 C.F.R. under 40 CFR~~ 70.4(b)(14), that are not  
 28 addressed or prohibited by the operating permit, if all of the  
 29 following criteria are met:

1 (i) The change meets all applicable requirements of this part,  
2 the rules promulgated under this part, and the clean air act, and  
3 does not violate any existing emission limitation, standard, or  
4 other condition of the operating permit.

5 (ii) The change does not affect any applicable requirement of  
6 the acid rain program under title IV and is not a modification  
7 under any provision of title I of the clean air act, ~~chapter 360,~~  
8 ~~77 Stat. 392, 42 U.S.C. 42 USC 7401 to 7431, 7470 to 7479, 7491 to~~  
9 ~~7492, 7501 to 7509a, and 7511 to 7515.~~

10 (iii) The source provides prompt written notice to the  
11 department and the administrator of the United States ~~environmental~~  
12 ~~protection agency,~~ **Environmental Protection Agency**, except for  
13 changes that qualify as insignificant processes or activities  
14 ~~pursuant to~~ **under** section 5507(2).

15 (j) Provisions to allow changes within a permitted source,  
16 ~~pursuant to 40 C.F.R. under 40 CFR 70.7(e)(2),~~ that may be made  
17 immediately after the source files an application with the  
18 department, if all of the following criteria are met:

19 (i) The change does not violate any applicable requirement of  
20 this part, the rules promulgated under this part, or the clean air  
21 act.

22 (ii) The change does not significantly affect an existing  
23 monitoring, record keeping, or reporting requirement in the  
24 operating permit.

25 (iii) The change does not require or modify a case-by-case  
26 determination of an emission limitation or other standard, or a  
27 source-specific determination, for temporary sources, of ambient  
28 air impacts, or a visibility or increment analysis.

29 (iv) The change does not seek to establish or modify an

1 emission limitation, standard, or other condition of the operating  
 2 permit that the source has assumed to avoid an applicable  
 3 requirement of this part, the rules promulgated under this part, or  
 4 the clean air act, to which the source would otherwise be subject.

5 (v) The change is not a modification under any provision of  
 6 title I of the clean air act, ~~chapter 360, 77 Stat. 392, 42 U.S.C.~~  
 7 ~~7401 to 7431, 7470 to 7479, 7491 to 7492, 7501 to 7509a, and 7511~~  
 8 **42 USC 7401** to 7515.

9 (k) Provisions for expeditiously handling administrative  
 10 changes within a permitted source, ~~pursuant to 40 C.F.R.~~ **under 40**  
 11 **CFR 70.7(d)**. These changes are limited to the following:

12 (i) Correction of a typographical error.

13 (ii) A change in the name, address, or phone number of any  
 14 person identified in the permit, or other similar minor  
 15 administrative change.

16 (iii) A change that requires more frequent monitoring or  
 17 reporting by the person owning or operating the source.

18 (iv) A change in ownership or operational control of the  
 19 source, if the department determines that no other change in the  
 20 operating permit is necessary, and if a written agreement  
 21 containing a specific date for transfer of operating permit  
 22 responsibility, coverage, and liability between the current and new  
 23 owners or operators has been submitted to the department.

24 (v) Incorporation into the operating permit of the  
 25 requirements of a permit to install issued ~~pursuant to~~ **under**  
 26 section 5505, if the permit to install has met procedural  
 27 requirements that are substantially equivalent to the requirements  
 28 of this section, including the content of the permit, and the  
 29 provisions for participation by the United States ~~environmental~~

~~protection agency~~ **Environmental Protection Agency** and other affected states and participation of the public under section 5511.

(l) Provisions for including reasonably anticipated alternate operating scenarios in an operating permit, ~~pursuant to 40 C.F.R.~~ **under 40 CFR** 70.6(a) (9).

(m) Provisions to allow for the trading of emission increases and decreases within a permitted source solely for the purpose of complying with an enforceable emissions cap that is established in the permit ~~pursuant to 40 C.F.R. part~~ **under 40 CFR** 70.4(b) (12) (iii), independent of any otherwise applicable requirements of this part, the rules promulgated under this part, or the clean air act.

(n) A schedule of the dates when submittal of an application for an operating permit is required for the source categories subject to this section and a phased schedule for taking final action on those applications.

(5) Each operating permit issued under this section ~~shall~~ **must** be for a fixed term not to exceed 5 years. A permit applicant shall submit a timely application for renewal of an operating permit at least 6 months, but not more than 18 months, ~~prior to~~ **before** the expiration of the term of the existing operating permit. If a timely and administratively complete application is submitted, but the department has not approved or denied the renewal permit before the expiration of the term of the existing permit, the existing permit ~~shall~~ **must** not expire until the renewal permit is approved or denied.

(6) Each operating permit issued ~~pursuant to~~ **under** this section ~~shall~~ **must** include those enforceable emissions limitations and standards applicable to the source, if any, and other conditions necessary to ~~assure~~ **ensure** compliance with the



1 applicable requirements of this part, rules promulgated under this  
2 part, and the clean air act, a schedule of compliance, and a  
3 requirement that the owner or operator of a source submit to the  
4 department, at least every 6 months, a report summarizing the  
5 results of any required monitoring. Each operating permit issued  
6 ~~pursuant to~~**under** this section ~~shall~~**must** also include a  
7 severability clause to ensure the continued validity of the  
8 unchallenged terms and conditions of the operating permit if any  
9 portion of a permit is challenged.

10 (7) The department shall require revision of an operating  
11 permit ~~prior to~~**before** the expiration of the permit consistent with  
12 ~~section 5506(4)(g), subsection (4)(g),~~ for any of the following  
13 reasons or to do any of the following:

14 (a) To incorporate new applicable emissions limitations,  
15 standards, or rules promulgated under this part or regulations  
16 promulgated under the clean air act, issued or promulgated after  
17 the issuance of the permit, if 3 or more years remain in the term  
18 of the permit. A revision ~~shall~~**must** occur as expeditiously as  
19 practicable, but not later than 18 months after the promulgation of  
20 the emission limitation, standard, rule, or regulation. A revision  
21 is not required if the effective date of the emission limitation,  
22 standard, rule, or regulation is after the expiration date of the  
23 permit.

24 (b) To incorporate new applicable standards and requirements  
25 of the acid rain program under title IV into the operating permits  
26 of sources affected by that program.

27 (c) If the department determines that the permit contains a  
28 material mistake; that information required by this part, rules  
29 promulgated under this part, or the clean air act was omitted; or

1 that an inaccurate statement was made in establishing the emissions  
2 limitations, standards, or conditions of the permit.

3 (d) If the department determines that the permit must be  
4 revised to ~~assure~~**ensure** compliance with the applicable  
5 requirements of this part, rules promulgated under this part, or  
6 the clean air act.

7 (8) At the request of the permit holder, a permit revision  
8 under subsection (7) may be treated as a permit renewal if it  
9 complies with the applicable requirements for permit renewals of  
10 this part, rules promulgated under this part, and the clean air  
11 act.

12 (9) A person who owns or operates a source subject to an  
13 operating permit issued ~~pursuant to~~**under** this section shall  
14 promptly report to the department any deviations from the emissions  
15 limitations, standards, or conditions of the permit and shall  
16 annually certify to the department that the source has been and is  
17 in compliance with all emissions limitations, standards, and  
18 conditions of the permit, except for those deviations reported to  
19 the department, during the reporting period. A responsible official  
20 shall sign all reports submitted ~~pursuant to~~**under** this subsection.

21 (10) The department shall not approve or otherwise issue any  
22 operating permit for a source required to obtain an operating  
23 permit ~~pursuant to~~**under** section 502(a) of title V of the clean air  
24 act, ~~chapter 360, 104 Stat. 2641, 42 U.S.C. 42 USC~~ 7661a, if the  
25 administrator of the United States ~~environmental protection agency~~  
26 **Environmental Protection Agency** objects to issuance of the permit  
27 in a timely manner ~~pursuant to~~**under** section 505(b) of title V of  
28 the clean air act, ~~chapter 360, 104 Stat. 2643, 42 U.S.C. 42 USC~~  
29 7661d.

1       (11) Each operating permit ~~shall~~**must** contain a statement that  
2 compliance with an operating permit issued in accordance with this  
3 section is compliance with subsection (1). In addition, the  
4 statement ~~shall~~**must** provide that compliance with the operating  
5 permit is compliance with other applicable requirements of this  
6 part, rules promulgated under this part, and the clean air act, as  
7 of the date of permit issuance if either of the following  
8 requirements is met:

9       (a) The permit specifically includes the applicable  
10 requirement.

11       (b) The permit includes a determination that any other  
12 requirements that are specifically referred to in the determination  
13 are not applicable.

14       (12) An application for an operating permit may include a  
15 request that the permit include reference to specific requirements  
16 of this part, rules promulgated under this part, or the clean air  
17 act that the person owning or operating the source believes are not  
18 applicable to the source. The operating permit ~~shall~~**must** include a  
19 determination of applicability for the requirements included in the  
20 request.

21       (13) Subsection (11) does not apply to a change at a source  
22 made ~~pursuant to~~**under** subsection (4)(h), (i), or (j). Subsection  
23 (11) does not apply to a change in a source made ~~pursuant to~~**under**  
24 subsection (4)(k) until the change is incorporated into the  
25 operating permit.

26       (14) A person who owns or operates an existing source that is  
27 required to obtain an operating permit under this section, a  
28 general permit, or a permit to operate authorized under rules  
29 promulgated under section 5505(6) may file a petition with the

1 department for review of the denial of ~~his or her~~ **the person's**  
 2 application for such a permit, the revision of any emissions  
 3 limitation, standard, or condition, or a proposed revocation of ~~his~~  
 4 ~~or her~~ **the person's** permit. This review ~~shall~~ **must** be conducted  
 5 ~~pursuant to~~ **under** the contested case and judicial review procedures  
 6 of the administrative procedures act of 1969, ~~Act No. 306 of the~~  
 7 ~~Public Acts of 1969, being sections 24.201 to 24.328 of the~~  
 8 ~~Michigan Compiled Laws. 1969 PA 306, MCL 24.201 to 24.328.~~ Any  
 9 person may appeal the issuance or denial of an operating permit in  
 10 accordance with section 631 of the revised judicature act of 1961,  
 11 ~~Act No. 236 of the Public Acts of 1961, being section 600.631 of~~  
 12 ~~the Michigan Compiled Laws. 1961 PA 236, MCL 600.631.~~ A petition  
 13 for judicial review is the exclusive means of obtaining judicial  
 14 review of a permit and ~~shall~~ **must** be filed within 90 days after the  
 15 final permit action. ~~Such a~~ **The** petition may be filed after that  
 16 deadline only if it is based solely on grounds arising after the  
 17 deadline for judicial review and if the appeal does not involve  
 18 applicable standards and requirements of the acid rain program  
 19 under title IV. ~~Such a~~ **The** petition ~~shall~~ **must** be filed within 90  
 20 days after the new grounds for review arise.

21 (15) The failure of the department to act on a technically and  
 22 administratively complete application or renewal application for an  
 23 operating permit in accordance with a time requirement established  
 24 ~~pursuant to~~ **under** subsection (3) and rules promulgated under  
 25 subsection (4)(n) is final permit action solely for the purposes of  
 26 obtaining judicial review in a court of competent jurisdiction to  
 27 require that action be taken by the department without additional  
 28 delay on the application or renewal application.

29 (16) The department may, after notice and opportunity for

public hearing, ~~pursuant to~~**under** the requirements of section 5511, issue a general permit covering numerous similar sources, processes, or process equipment, or a permit that authorizes operation of a source at numerous temporary locations. A general permit or a permit that authorizes operation of a source at numerous temporary locations ~~shall~~**must** comply with all requirements applicable to operating permits ~~pursuant to~~**under** this section. A permit that authorizes operation of a source at numerous temporary locations ~~shall~~**must** include terms and conditions necessary to ~~assure~~**ensure** compliance with all applicable requirements of this part, rules promulgated under this part, and the clean air act, including those necessary to ~~assure~~**ensure** compliance with all applicable ambient air standards, applicable emission limits, and applicable increment and visibility requirements ~~pursuant to~~**under** part C of title I of the clean air act, ~~chapter 360, 91 Stat. 731, 42 U.S.C. 7470 to 7479 and 7491~~**42 USC 7470** to 7492, at each authorized location and ~~shall~~**must** require the owner or operator of the source to notify the department at least 10 days in advance of each change in location. A source covered by a general permit is not relieved from the obligation to file an application for a permit ~~pursuant to~~**under** subsections (3) and (5).

(17) As used in this section: ~~"technically~~

(a) **"Emergency"** means a situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, war, strike, riot, catastrophe, or other condition as to which negligence on the part of the person was not the proximate cause, that requires immediate corrective action to restore normal operation, and that causes the source to exceed a

1 technology-based emission limitation contained in an operating  
2 permit issued under this section, a permit to install or permit to  
3 operate issued under section 5505, or any rule promulgated under  
4 this part due to unavoidable increases in emissions attributable to  
5 the situation. An emergency does not include acts of noncompliance  
6 caused by improperly designed equipment, lack of preventative  
7 maintenance, careless or improper operation, or operator error.

8 (b) "Technically complete" means, for the purposes of an  
9 application for an operating permit required by this section, all  
10 of the information required for an administratively complete  
11 application and any other specific information requested by the  
12 department that may be necessary to implement and enforce all  
13 applicable requirements of this part, the rules promulgated under  
14 this part, or the clean air act, or to determine the applicability  
15 of those requirements. An application is not technically complete  
16 if it omits information needed to determine the applicability of  
17 any lawful requirement or to enforce any lawful requirement or any  
18 information necessary to evaluate the amount of the annual air  
19 quality fee for the source.

20 Sec. 5523. (1) A county in which a city with a population of  
21 750,000 or more is located may apply for a delegation from the  
22 department to issue state permits and administer and enforce the  
23 applicable provisions of this part, rules promulgated under this  
24 part, the clean air act, and the state implementation plan. After a  
25 public hearing, the department shall grant the delegation if the  
26 department finds that the county's application demonstrates all of  
27 the following:

28 (a) That the county program complies with the applicable  
29 provisions of this part, the rules promulgated under this part, the

1 clean air act, and the state implementation plan.

2 (b) That the county has, and will continue to have, the  
3 capacity to carry out the applicable provisions of this part, rules  
4 promulgated under this part, the clean air act, and the state  
5 implementation plan including, but not limited to, adequate and  
6 qualified staff to do all of the following:

7 (i) Monitor ambient air at locations specified by the  
8 department using equipment and procedures specified by the  
9 department.

10 (ii) Process and review applications for installation permits,  
11 operating permits, tax exemptions, and construction waivers  
12 ~~pursuant to~~ **under** sections 5505 and 5506, part 59, and the clean  
13 air act, demonstrating a thorough knowledge of permit  
14 applicability, procedures, and regulations by developing permits  
15 that are free of significant errors and inaccuracies as defined in  
16 the performance standards section of the annual contract between  
17 the department and participating counties.

18 (iii) Perform necessary sampling and laboratory analyses.

19 (iv) Conduct regular and complete inspections and record  
20 reviews of all significant sources of air pollution.

21 (v) Respond to citizen complaints related to air pollution.

22 (vi) Notify sources of identified violations of applicable  
23 provisions of this part, rules promulgated under this part, the  
24 clean air act, and the state implementation plan, and conduct  
25 appropriate enforcement, up to and including administrative, civil,  
26 and criminal enforcement.

27 (vii) Perform dispersion modeling analyses, collect emissions  
28 release information, and develop necessary state implementation  
29 plan demonstrations.

(viii) Carry out other activities required by this part, rules promulgated under this part, the clean air act, and the state implementation plan.

(c) That the county has adequate funding to carry out the applicable provisions of this part, rules promulgated under this part, the clean air act, and the state implementation plan. This ~~shall~~**demonstration must** include identification of funding from air quality fees and any federal, state, or county funds ~~along with an~~ **and** identification of the activities that are funded by each funding source. The county funding ~~shall~~**must** be sufficient to provide the required grantee match for any federal air pollution grant.

(d) That the county has performed in accordance with the terms of the most recent contract, if any, between ~~the~~**this** state and the county that describes the work activities and program to be carried out by the county. This ~~shall~~**must** be demonstrated through state audit reports and the county's prompt and permanent correction of any deficiencies identified in state audit reports.

(e) That the county program contains provisions for public notice and public participation consistent with this part, the rules promulgated under this part, and the clean air act.

(f) That the county has the capacity to administer the state air quality fee program in the manner prescribed in section 5522 for all fee-subject facilities subject to this part, located within the county, and subject to the delegated program of the county. This ~~shall~~**capacity must** include an ability to identify fee-subject facilities, calculate and assess fees, implement collections, maintain a dedicated account, and process fee challenges.

(2) A delegation under this section ~~shall~~**must** be for a term



1 of not more than 5 years and not less than 2 years, and may be  
2 renewed by the department. The delegation ~~shall~~**must** be in the form  
3 of a written contract that does all of the following:

4 (a) Describes the activities the county shall carry out during  
5 the term of the delegation.

6 (b) Provides for the delegated program to be consistent with  
7 implementation of ~~the~~**this** state's air program, using state  
8 procedures, forms, databases, and other means.

9 (c) Provides for ongoing communication between the county and  
10 state to ~~assure~~**ensure** consistency under subdivision (b).

11 (3) One hundred eighty days ~~prior to~~**before** the expiration of  
12 the term of delegation, the county may submit an application to the  
13 department for renewal of ~~their~~**the** delegation of authority. The  
14 department shall hold a public hearing and following the public  
15 hearing make its decision on a renewal of delegation at least 60  
16 days ~~prior to~~**before** the expiration of the term of the delegation.  
17 The department shall deny the renewal of a delegation of authority  
18 upon a finding that the county no longer meets the criteria  
19 described in subsection (1) or provisions of the delegation  
20 contract. The county may appeal a finding under subsection (1) or  
21 this subsection to a court of competent jurisdiction.

22 (4) A county delegated authority under this section annually  
23 shall submit a report to the department that documents the county's  
24 ability to meet the criteria described in subsection (1) and the  
25 delegation contract during the past 12 months.

26 (5) In addition to the report of the county under subsection  
27 (4), the auditor general of ~~the~~**this** state shall annually submit to  
28 the governor, the legislature, and the department an independent  
29 report regarding whether a county meets the criteria provided in

1 subsection (1) and a review of the fiscal integrity of a county  
 2 delegated authority under this section. The auditor general's  
 3 report ~~shall~~**must** also determine the county's pro rata share of ~~the~~  
 4 **this** state's support services for title V programs that are  
 5 attributable to and payable by a county.

6 (6) Within 60 days after a county delegated authority under  
 7 this section submits its annual report as required under subsection  
 8 (4), the department shall notify the county, in writing, whether  
 9 the report of the county meets the requirements of this section, ~~or~~  
 10 ~~states,~~**stating** with particularity, ~~the~~**any** deficiencies in that  
 11 report or any findings in the auditor general's report that render  
 12 the county in noncompliance with the criteria in subsection (1).  
 13 The county ~~shall have~~**has** 90 days to correct any stated  
 14 deficiencies. If the department finds that the deficiencies have  
 15 not been corrected by the county, the department shall notify the  
 16 county, in writing, within 30 days ~~of~~**after** the submission of the  
 17 county's corrections and may terminate a county's delegation. The  
 18 county ~~shall have~~**has** 21 days from receipt of the decision of  
 19 termination in which to appeal the department's decision to a court  
 20 of competent jurisdiction. If the department fails to notify the  
 21 county within 60 days, the report ~~shall be~~**is** considered  
 22 satisfactory for the purposes of this subsection.

23 (7) Notwithstanding any other statutory provision, rule, or  
 24 ordinance, a county delegated authority under this section to  
 25 administer and enforce this part shall issue state permits and  
 26 implement its responsibilities only in accordance with its  
 27 delegation, the delegation contract, this part, rules promulgated  
 28 under this part, the clean air act, and the applicable provisions  
 29 of the state implementation plan. State permits issued by a county

1 that is delegated authority under this section have the same force  
 2 and effect as permits issued by the department, and if such a  
 3 county issues a state permit ~~pursuant to~~**under** section 5505 or  
 4 5506, no other state or county permit is required ~~pursuant to~~**under**  
 5 section 5505 or 5506, respectively.

6 (8) Upon receipt of a permit application, ~~prior to~~**before**  
 7 taking final action to issue a state permit or entering into a  
 8 consent order, the county shall transmit to the department a copy  
 9 of each administratively complete permit application, application  
 10 for a permit modification or renewal, proposed permit, or proposed  
 11 consent order. The county shall transmit to the department a copy  
 12 of each state permit issued by the county and consent order entered  
 13 within 30 days ~~of~~**after** issuance of the state permit or entry of  
 14 the consent order.

15 (9) Notwithstanding a delegation under this part, the  
 16 department retains the authority to bring any appropriate  
 17 enforcement action under sections 5515, 5516, 5518, 5526, ~~5527,~~  
 18 5528, 5529, 5530, 5531, and 5532 as authorized under this part and  
 19 the rules promulgated under this part to enforce this part and the  
 20 rules promulgated under this part. The department may bring any  
 21 appropriate action to enforce a state permit issued or a consent  
 22 order entered into by a county to which authority is delegated.

23 (10) Notwithstanding any other provision of this part, ~~in a~~  
 24 county that has been delegated authority under this section, ~~that~~  
 25 ~~county~~ shall impose and collect fees in the manner prescribed in  
 26 section 5522 on all fee-subject facilities subject to this part and  
 27 located within the corporate boundaries and subject to the  
 28 delegated program of the county. The department shall not levy or  
 29 collect an annual air quality fee from the owner or operator of a

1 fee-subject facility who pays fees ~~pursuant to~~**under** this section.

2 A county that is delegated authority under this section shall not  
3 assess a fee for a program or service other than as provided for in  
4 this part or title V or assess a fee covered by this part or title  
5 V greater than the fees set forth in section 5522. A county that is  
6 delegated authority under this section shall pay to ~~the~~**this** state  
7 the pro rata share of ~~the~~**this** state's support services for title V  
8 programs attributable to the county.

9 (11) Fees imposed and collected by a county with delegated  
10 authority under this section ~~shall~~**must** be paid to the county  
11 treasury.

12 (12) The county treasurer of a county delegated authority  
13 under this section shall create a clean air implementation account  
14 in the county treasury, and the county treasurer shall deposit all  
15 fees received ~~pursuant to~~**under** the delegation authorized under  
16 this section in the account. The fees ~~shall~~**must** be expended only  
17 in accordance with section ~~5521(6)~~**, 5521(4)**, the rules promulgated  
18 under this part, and the clean air act.

19 Enacting section 1. Section 5527 of the natural resources and  
20 environmental protection act, 1994 PA 451, MCL 324.5527, is  
21 repealed.