

GROUNDWATER DISCHARGE PERMITS

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House Bill 4192 (H-1) as reported from committee

Sponsor: Rep. Greg VanWoerkom

Committee: Natural Resources and Tourism

Complete to 6-11-25

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4192 would amend the Natural Resources and Environmental Protection Act (NREPA) to place mobile home parks and campgrounds that have fewer than 1,000 residents or campsites, respectively, and that would otherwise be considered a group 1 facility in the same fee category as a group 2 facility for purposes of determining the amount paid for obtaining an annual groundwater discharge permit.

Presently, the permit fee for a group 1 facility is \$7,500. Under the bill, mobile home parks and campgrounds that fall under the 1,000 thresholds for residents or campsites, respectively, would pay the same fee, \$1,800, as a group 2 facility. These mobile home parks and campgrounds would not be considered group 2 facilities under the bill but would pay the same fee amount.

MCL 324.3122

BRIEF DISCUSSION:

According to committee testimony, House Bill 4192 was introduced as the result of certain mobile home parks and campgrounds being reclassified by 2023 PA 140, which amended groundwater discharge permit fees issued under section 3122 of NREPA.¹ For the types of mobile home parks and campgrounds specified in the bill, one operator testified that 2023 PA 140 increased their permit fee from approximately \$3,500 annually to \$7,500. This increase caused financial hardship for operators, who believe that it was inappropriate for them to be lumped in with larger entities, such as municipalities, who discharge much more treated wastewater from their facilities.

Prior to the changes made by 2023 PA 140, the top groundwater discharge fee that was levied was \$3,650. According to testimony provided by EGLE in opposition to the bill, the fee increases were the result of no fee adjustment having been made to fund the groundwater discharge program since 2004. Without reauthorization, that fee would have expired on October 1, 2023.

As introduced, House Bill 4192 addressed mobile home parks as described above, and House Bill 4193 addressed campgrounds. The House Natural Resources and Tourism committee adopted and reported an H-1 substitute for House Bill 4192 that combines the substance of both bills.

¹ <https://www.legislature.mi.gov/documents/2023-2024/billanalysis/House/pdf/2023-HLA-5007-D8AD7EBB.pdf>

FISCAL IMPACT:

House Bill 4192 is likely to alter EGLE revenues by amending the definition of which facilities are subject to varying levels of the groundwater discharge permit fee. Fee revenue generates about \$1.2 million in annual revenue. The department estimates that the bill would reduce this revenue by \$188,100 with respect to mobile home parks and by \$28,500 with respect to campgrounds. This fee revenue primarily supports the water quality programs appropriation in EGLE's Water Resources Division. These programs include water quality monitoring as well as permitting processes for groundwater, stormwater, and wastewater operations. These efforts are supported by \$37.4 million Gross (\$11.3 million GF/GP) and 232.0 FTE positions in FY 2024-25, which includes the aforementioned groundwater discharge permit fee revenue. The bills are unlikely to affect EGLE costs, local government revenues, or local government costs.

POSITIONS:

The Michigan Manufactured Housing, RV, and Campground Association testified in support of the bill. (5-21-25)

The Department of Environment, Great Lakes, and Energy testified in opposition to the bill. (5-21-25)

The following entities indicated opposition to the bill:

- Huron River Watershed Council (6-4-25)
- Michigan Environmental Council (5-21-25)
- Sierra Club Michigan (5-21-25)

Legislative Analyst: Josh Roesner
Fiscal Analyst: Austin Scott

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.