

# HOUSE BILL NO. 4474

April 18, 2019, Introduced by Reps. Sowerby, Pohutsky, Brenda Carter, Garza, Robinson, Chirkun, Ellison, Stone, Gay-Dagnogo, Clemente, Liberati, Sneller, Hope, Wittenberg, Rabhi and Bolden and referred to the Committee on Energy.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 1301 and 61525 (MCL 324.1301 and 324.61525), section 1301 as amended by 2018 PA 451 and section 61525 as amended by 2004 PA 325.

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

- 1           Sec. 1301. As used in this part:
- 2           (a) "Application period" means the period beginning when an
- 3 application for a permit is received by the state and ending when



1 the application is considered to be administratively complete under  
2 section 1305 and any applicable fee has been paid.

3 (b) "Department" means the department, agency, or officer  
4 authorized by this act to approve or deny an application for a  
5 particular permit. As used in sections 1315 to 1317, "department"  
6 means the department of environmental quality.

7 (c) "Director" means the director of the state department  
8 authorized under this act to approve or deny an application for a  
9 particular permit or the director's designee. As used in sections  
10 1313 to 1317, "director" means the director of the department of  
11 environmental quality.

12 (d) "Environmental permit review commission" or "commission"  
13 means the environmental permit review commission established under  
14 section 1313(1).

15 (e) "Environmental permit panel" or "panel" means a panel of  
16 the environmental permit review commission, appointed under section  
17 1315(2).

18 (f) "Permit", except as provided in subdivision (g), means a  
19 permit, operating license, or registration required by any of the  
20 following sections or by rules promulgated ~~thereunder~~, **under any of**  
21 **the following sections**, or, in the case of section 9112, by an  
22 ordinance referred to in that section:

- 23 (i) Section 3104, floodplain alteration permit.
- 24 (ii) Section 3503, permit for use of water in mining iron ore.
- 25 (iii) Section 4105, sewerage system construction permit.
- 26 (iv) Section 6516, vehicle testing license.
- 27 (v) Section 6521, motor vehicle fleet testing permit.
- 28 (vi) Section 8310, restricted use pesticide dealer license.
- 29 (vii) Section 8310a, agricultural pesticide dealer license.



1           (viii) Section 8504, license to manufacture or distribute  
2 fertilizer.

3           (ix) Section 9112, local soil erosion and sedimentation control  
4 permit.

5           (x) Section 11509, solid waste disposal area construction  
6 permit.

7           (xi) Section 11512, solid waste disposal area operating  
8 license.

9           (xii) Section 11542, municipal solid waste incinerator ash  
10 landfill operating license amendment.

11           (xiii) Section 11702, septage waste servicing license or septage  
12 waste vehicle license.

13           (xiv) Section 11709, septage waste site permit.

14           (xv) Section 30104, inland lakes and streams project permit.

15           (xvi) Section 30304, state permit for dredging, filling, or  
16 other activity in wetland. Permit includes an authorization for a  
17 specific project to proceed under a general permit issued under  
18 section 30312.

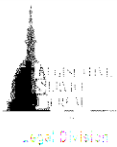
19           (xvii) Section 31509, dam construction, repair, or removal  
20 permit.

21           (xviii) Section 32312, flood risk, high risk, or environmental  
22 area permit.

23           (xix) Section 32512, permit for dredging and filling  
24 bottomland.

25           (xx) Section 32603, permit for submerged log removal from Great  
26 Lakes bottomlands.

27           (xxi) Section 35304, department permit for critical dune area  
28 use.



- 1           (xxii) Section 36505, endangered species permit.
- 2           (xxiii) Section 41329, nonnative aquatic species sales  
3 registration.
- 4           (xxiv) Section 41702, game bird hunting preserve license.
- 5           (xxv) Section 42101, dog training area permit.
- 6           (xxvi) Section 42501, fur dealer's license.
- 7           (xxvii) Section 42702, game dealer's license.
- 8           (xxviii) Section 44513, charter boat operating permit under  
9 reciprocal agreement.
- 10          (xxix) Section 44516, boat livery operating permit.
- 11          (xxx) Section 45902, game fish propagation license.
- 12          (xxxi) Section 45906, game fish import license.
- 13          (xxxii) Section 48705, permit to take amphibians and reptiles  
14 for scientific or educational use.
- 15          (xxxiii) Section 61525, oil or gas well drilling permit.
- 16          (xxxiv) Section 62509, brine, storage, or waste disposal well  
17 drilling or conversion permit or test well drilling permit.
- 18          (xxxv) Section 63103a, ferrous mineral mining permit.
- 19          (xxxvi) Section 63514 or 63525, surface coal mining and  
20 reclamation permit or revision of the permit, respectively.
- 21          (xxxvii) Section 63704, sand dune mining permit.
- 22          (xxxviii) Section 72108, use permits for a Pure Michigan Trail.
- 23          (xxxix) Section 76109, sunken aircraft or watercraft abandoned  
24 property recovery permit.
- 25          (xxxx) Section 76504, Mackinac Island motor vehicle and land  
26 use permits.
- 27          (xxxxi) Section 80159, buoy or beacon permit.
- 28          (g) "Permit", as used in sections 1313 to 1317, means any



1 permit or operating license that meets both of the following  
2 conditions:

3 (i) The applicant for the permit or operating license is not  
4 this state or a political subdivision of this state.

5 (ii) The permit or operating license is issued by the  
6 department of environmental quality under this act or the rules  
7 promulgated under this act.

8 (h) "Processing deadline" means the last day of the processing  
9 period.

10 (i) "Processing period", subject to section 1307(2) and (3),  
11 means the following time period after the close of the application  
12 period, for the following permit, as applicable:

13 (i) Twenty days, **unless a hearing is held**, for a permit under  
14 section 61525 or 62509.

15 (ii) Thirty days for a permit under section 9112 or 44516.

16 (iii) Thirty days after the department consults with the  
17 underwater salvage and preserve committee created under section  
18 76103, for a permit under section 76109.

19 (iv) Sixty days, for a permit under section 30104 for a minor  
20 project established under section 30105(7) or 32512a(1), or an  
21 authorization for a specific project to proceed under a general  
22 permit issued under section 30105(8) or 32512a(2), or for a permit  
23 under section 32312 or 41329, **or, if a hearing is required, for a**  
24 **permit under section 61525 or 62509.**

25 (v) Sixty days or, if a hearing is held, 90 days for a permit  
26 under section 35304.

27 (vi) Sixty days or, if a hearing is held, 120 days for a permit  
28 under section 30104, other than a permit or authorization described



1 in subparagraph (ii) or (iv), or for a permit under section 31509.

2 (vii) Ninety days for a permit under section 11512, a revision  
3 of a surface coal mining and reclamation permit under section  
4 63525, or a permit under section 72108.

5 (viii) Ninety days or, if a hearing is held, 150 days for a  
6 permit under section 3104 or 30304, or a permit under section 32512  
7 other than a permit described in subparagraph (iv).

8 (ix) Ninety days after the close of the review or comment  
9 period under section 32604, or if a public hearing is held, 90 days  
10 after the date of the public hearing for a permit under section  
11 32603.

12 (x) One hundred twenty days for a permit under section 11509,  
13 11542, 63103a, 63514, or 63704.

14 (xi) One hundred fifty days for a permit under section 36505.  
15 However, if a site inspection or federal approval is required, the  
16 150-day period is tolled pending completion of the inspection or  
17 receipt of the federal approval.

18 (xii) For any other permit, 150 days or, if a hearing is held,  
19 90 days after the hearing, whichever is later.

20 Sec. 61525. (1) A person shall not drill or begin the drilling  
21 of any well for oil or gas, for secondary recovery, or a well for  
22 the disposal of salt water, or brine produced in association with  
23 oil or gas operations or other oil field wastes, or wells for the  
24 development of reservoirs for the storage of liquid or gaseous  
25 hydrocarbons, except as authorized by a permit to drill and operate  
26 the well issued by the supervisor of wells pursuant to part 13 and  
27 unless the person files with the supervisor a bond as provided in  
28 section 61506. The permittee shall post the permit in a conspicuous  
29 place at the location of the well as provided in the rules and



1 requirements or orders issued or promulgated by the supervisor. An  
2 application for a permit ~~shall~~**must** be accompanied by a fee of  
3 \$300.00. A permit to drill and operate ~~shall~~**must** not be issued to  
4 an owner or his or her authorized representative who does not  
5 comply with the rules and requirements or orders issued or  
6 promulgated by the supervisor. A permit ~~shall~~**must** not be issued to  
7 an owner or his or her authorized representative who has not  
8 complied with or is in violation of this part or any of the rules,  
9 requirements, or orders issued or promulgated by the supervisor or  
10 the department.

11 (2) The supervisor shall forward all fees received under this  
12 section to the state treasurer for deposit in the fund.

13 (3) The supervisor shall make available to any person, upon  
14 request, not less often than weekly, the following information  
15 pertaining to applications for permits to drill and operate:

16 (a) Name and address of the applicant.

17 (b) Location of proposed well.

18 (c) Well name and number.

19 (d) Proposed depth of the well.

20 (e) Proposed formation.

21 (f) Surface owner.

22 (g) Whether hydrogen sulfide gas is expected.

23 **(h) Whether the well will be used for hydraulic fracturing.**

24 (4) The supervisor shall provide the information under  
25 subsection (3) to the county ~~in which an oil or gas well is~~  
26 ~~proposed to be located~~ and to the city, village, or township in  
27 which the oil or gas well is proposed to be located. ~~if that city,~~  
28 ~~village, or township has a population of 70,000 or more.~~ A city,  
29 village, township, or county in which an oil or gas well is



1 proposed to be located may provide written comments and  
2 recommendations to the supervisor pertaining to applications for  
3 permits to drill and operate. The supervisor shall consider all  
4 such comments and recommendations in reviewing the application.

5 (5) In addition to the requirements of subsection (4), if the  
6 department receives a request from the city, village, or township  
7 in which the oil or gas well is or would be located or from any  
8 person who is or may be adversely impacted by the hydraulic  
9 fracturing operation, including any person whose water supply may  
10 be adversely impacted by the hydraulic fracturing operation, the  
11 department shall hold a public hearing in the city, village, or  
12 township in which the oil or gas well is located before issuing a  
13 permit or authorizing the use of an oil or gas well for hydraulic  
14 fracturing. At the public hearing, interested parties may provide  
15 written comments and recommendations to the supervisor pertaining  
16 to the application. The supervisor shall consider all such comments  
17 and recommendations in reviewing the application.

18 (6) As used in this section, "hydraulic fracturing" means  
19 injecting foam or fluid into a well under pressure to create  
20 fractures in a formation and thereby enhance production of  
21 hydrocarbons.

22 Enacting section 1. This amendatory act takes effect 90 days  
23 after the date it is enacted into law.

