

## ***Legislature Increases Air Emission Fees by 33%***

The Michigan Legislature has enacted 2001 PA 49, which increases the amount of annual fees that many sources of air emissions must pay by approximately 33%. The statute amends Section 5522 of the Natural Resources and Environmental Protection Act (NREPA), M.C.L. s 324.5522, which provides for annual “air quality fees” and “emission charges” for several categories of facilities. The increases take effect for the state fiscal year beginning October 1, 2001 and will be collected during calendar year 2002.

“Category I” facilities, which include facilities that are considered “major” sources under several air quality regulatory programs, will be subject to an annual air quality fee of \$4,485, an increase of 33% over the prior air quality fee of \$3,375. “Category II” facilities, which include “minor” sources subject to either a federal National Emission Standard for Hazardous Air Pollutants (NESHAP) or a New Source Performance Standard (NSPS) under the Clean Air Act, will be subject to an annual air quality fee of \$1,795, an increase of 33% over the prior air quality fee of \$1,350.

“Category III” facilities, which include other fee-subject facilities that are neither Category I nor Category II facilities, will be subject to an annual air quality fee of \$250, an increase of 25% over the prior air quality fee of \$200.

Category I and II facilities will also be subject to an annual emission charge of \$45.25 per ton of fee-subject air pollutants emitted per year (up to a maximum of 4,000 tons), an increase of 33% over the prior emission charge of \$34.00 per ton. Category III facilities continue to be exempt from the annual emission charge under 2001 PA \_\_\_\_.

The statute also amends the charges applicable to municipal electric generating facilities. Previously, all municipal electric generating facilities were subject to a flat annual fee of \$18,675. Under 2001 PA \_\_\_\_\_, such facilities will be subject to fees ranging from \$24,816 to \$159,459 per year depending upon the number of tons of fee-subject pollutants emitted by such facilities each year.

The statute also expands the amount of information the Michigan Department of Environmental Quality (MDEQ) is required to include in its annual report to the Governor and the Legislature concerning air emission fees collected, expenditures of those fees, and the amount of revenues remaining from fees collected during prior fiscal years.

The new fees specified in 2001 PA \_\_\_\_\_ will be effective until September 30, 2005.

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