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Office of the Auditor General

Report Summary

Performance Audit

Wastewater and Groundwater Permit

Issuance and Oversight

Water Resources Division

Department of Environment, Great Lakes, and Energy (EGLE)

Report Number:

761-0180-25

Released:

October 2026

The Water Resources Division (WRD) protects and monitors Michigan's waters by establishing water quality standards and issuing permits. WRD's mission is to make Michigan's waters safe and clean for recreation, fishing, drinking, and healthy aquatic ecosystems.

WRD's Water Quality Program issues and oversees permits imposing limitations to control the discharge of pollutants into Michigan waters. WRD's municipal permits unit regulates discharges from publicly owned treatment works while the Industrial Permits Unit limits pollution from industrial discharges. WRD's groundwater permits unit regulates the discharge of treated wastewater to the ground or groundwaters of the State. WRD staff conduct periodic inspections and review required reports to ensure facilities meet permit requirements.

The Water Quality Program was appropriated \$36 million and \$37 million in fiscal years 2024 and 2025, respectively, and was authorized 232 full-time equated positions. In addition to other permit types, WRD issued 300 and 357 industrial and municipal wastewater and groundwater permits in fiscal years 2024 and 2025, respectively.

Audit Objective			Conclusion
Objective 1: To assess the <u>effectiveness</u> of WRD's efforts to process selected permit applications.			Moderately effective
Findings Related to This Audit Objective	<u>Material Condition</u>	<u>Reportable Condition</u>	<u>Agency Preliminary Response</u>
WRD did not process 74% of our sampled permit applications within statutory timeframes or perform initial completeness reviews in a timely manner for 20% of our sampled permit applications. In addition, WRD did not refund application fees or discount annual permit renewal fees when it did not process permits within statutory deadlines, as required by statute (<u>Finding 1</u>).	X		Agrees

Audit Objective			Conclusion
Objective 2: To assess the sufficiency of WRD's efforts to monitor selected permits.			Sufficient, with exceptions
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
WRD did not communicate 65% of sampled permit violations in a timely manner to permitted entities nor take enforcement action for a facility it cited for the same unapproved discharge violations in 2013 and 2023 (<u>Finding 2</u>).		X	Agrees
EGLE's website displayed only the most recent 30 occurrences out of thousands of discharges and had not published required annual reports with related information since 2021 (<u>Finding 3</u>).		X	Agrees

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