

Summary
FY 2002-03 Department of Environmental Quality
SB 1104, CR-2

	FTEs	Gross	IDG/IDT	Federal	Local	Private	State Restricted	GF/GP
2001-02 YTD	1,678.7	\$459,746,130	\$17,809,000	\$131,277,500	\$1,133,400	\$433,700	\$225,478,830	\$83,613,700
Executive	1,596.7	404,825,600	14,042,900	131,531,600	0	435,700	184,155,300	74,660,100
Senate	1,596.7	404,907,300	14,042,900	131,521,400	0	435,700	184,157,100	74,750,200
House	1,596.7	408,107,300	14,042,900	131,521,400	0	435,700	187,357,200	74,750,100
Conference	1,596.7	404,819,600	14,042,900	131,521,400	0	435,700	189,377,100	69,442,500
Conference Change to Year to Date	(82.0)	(\$54,926,530)	(\$3,766,100)	\$243,900	(1,133,400)	\$2,000	(\$36,101,730)	(\$14,171,200)

OVERVIEW

The Department of Environmental Quality is responsible for the protection, maintenance, and improvement of Michigan's environmental quality. Special attention is given to programs that protect public health and natural resources. The department was formed in 1995 when its functions were separated from the Department of Natural Resources. Its programs include water and air quality control, environmental health and public water supply protection, storage tank and contaminated site cleanup, brownfield redevelopment, and pollution prevention services.

Major Budget Changes from FY 2001-02 YTD
Appropriations:

		<u>Executive</u>	<u>Senate</u>	<u>House</u>	<u>Conference</u>
1. Water Quality Monitoring: Lake St. Clair	Gross	\$0	\$0	\$2,500,100	\$2,500,100
	Restr	0	0	2,500,100	2,500,100
Added Cleanup and Redevelopment Fund for a grant to St. Clair County to monitor waters flowing into Lake St. Clair.	GF/GP	\$0	\$0	\$0	\$0
2. General Fund Reductions: Pending Gas Tax Increase	Gross	\$0	\$0	\$0	(\$990,000)
	Restr	0	0	\$0	2,000,000
Conference Committee reduced several programs to cover possible revenue shortfalls if the proposes \$.35 increase in the cigarette tax is not approved:	GF/GP	\$0	\$0		(\$2,990,000)
Funding Shift to Waste Red. Fees	\$2,000,000				
Hazardous Substance Res. Center	250,000				
Soil Erosion Sedimentation control	140,000				
Finance and Business Services	500,000				
Great Lakes Shorelands	100,000				

Major Budget Changes from FY 2001-02 YTD**Appropriations:**

		<u>Executive</u>	<u>Senate</u>	<u>House</u>	<u>Conference</u>
3. Early Retirement Savings		\$0	\$0	(\$100)	(\$1,481,000)
Line item established to reflect expected General Fund savings from the 2002 Early Retirement Program.		\$0	\$0	(\$100)	(\$1,481,000)
4. Department-wide General Fund Savings		\$0	\$0	\$0	(\$746,600)
Line item established to reflect mandatory General Fund savings.		\$0	\$0	\$0	(\$746,600)
5. Oil and Gas Orphan Well Plugging and Cleanup	Gross	\$682,700	\$682,700	\$682,700	\$682,700
	Restr	682,700	682,700	682,700	682,700
Oil and gas Orphan Well Fund revenue was added to increase the number of abandoned wells, which can be plugged each year.	GF/GP	\$0	\$0	\$0	\$0
6. Oil and Gas Program Field Staff	Gross	\$144,000	\$144,000	\$144,000	\$144,000
	Restr	144,000	144,000	144,000	144,000
Oil and gas surveillance fee revenue was added to support two additional field geologist positions to monitor and regulate oil and gas development activities.	GF/GP	\$0	\$0	\$0	\$0
7. Department of Information Technology	Gross	\$0	\$0	\$0	\$0
	GF/GP	\$0	\$0	\$0	\$0
Funds have been set-aside for the new Department of Information Technology. These appropriations [gross: \$7.3 million; GF/GP: 2.9 million] are established as interdepartmental grants.					
8. Restricted and Federal Fund Adjustments	Gross	(\$11,843,000)	(\$11,843,000)	(\$11,843,000)	(\$11,843,000)
	Federal	(748,200)	(748,200)	(748,200)	(748,200)
	Local	(1,133,400)	(1,133,400)	(1,133,400)	(1,133,400)
Deducts have been reduced to reflect expected available revenue.	Restr	(9,961,400)	(9,961,400)	(9,961,400)	(9,961,400)
	GF/GP	\$0	\$0	\$0	\$0
9. Environmental Response Fund Funding Switch	Gross	\$0	\$0	\$0	\$0
	Restr	8,500,000	8,500,000	8,500,000	8,500,000
Replaced general fund support for environmental cleanup programs with responsible party and court settlement revenue.	GF/GP	(\$8,500,000)	(\$8,500,000)	(\$8,500,000)	(\$8,500,000)
10. Remove Clean Michigan Initiative One-Time Grants	Gross	(\$61,014,000)	(\$61,014,000)	(\$61,014,000)	(\$61,014,000)
	Restr	(61,014,000)	(61,014,000)	(61,014,000)	(61,014,000)
Deletes Clean Michigan Initiative Bond funding for one-time site cleanup and storage tank projects.	GF/GP	\$0	\$0	\$0	\$0
11. Arsenic Testing and Education	Gross	\$0	\$0	\$500,000	\$500,000
	Restr	0	0	500,000	500,000
Added funds to support an arsenic testing program.	GF/GP	\$0	\$0	\$0	\$0
12. Scrap Tire Demonstration Project	Gross	(\$200,000)	(\$200,000)	\$0	\$0
	Restr	(200,000)	(200,000)	0	0
Restored funds included in FY 2001-2002 to demonstrate recycling options for scrap tires.	GF/GP	\$0	\$0	\$0	\$0
13. Low Income Community Wastewater Assistance	Gross	\$0	\$90,000	\$90,000	\$0
	GF/GP	\$0	\$90,000	\$90,000	\$0
The Senate restored funding for this program.					
14. Early Retirement Terminal Sick Leave Payments and Lump Sum Pay Adjustments	Gross	(\$885,300)	(\$885,300)	(\$885,300)	(\$885,300)
	Restr	(458,700)	(458,700)	(458,700)	(458,700)
Reduction to partially cover the cost of economic adjustments [gross: \$2.7 million; GF/GP: \$1.5 million].	GF/GP	(\$426,600)	(\$426,600)	(\$426,600)	(\$426,600)

Major Boilerplate Changes from FY 2001-02:

GENERAL

Sec. 220. Environmental Response Fund Revenue

Added reporting requirement of fund balance of the Environmental Response Fund.

DEPARTMENT SUPPORT SERVICES

Sec. 301. Lease Cancellations: Knapps Center, Strohs Place, & Shiawassee Field Office

Added language canceling the private lease for space occupied by department.

GEOLOGICAL SURVEY

Sec. 401. Atlas of Publicly Owned Critical Sand Dunes

Added requirement to include publicly owned in the Atlas of Critical Dunes.

SURFACE WATER QUALITY

Sec. 602. Beach Water Quality Information

Added requirement to post signs at public beaches informing users where information on the most recent water quality tests might be found.

Sec. 604. Greening Governments Report

Added requirement to report findings included in the recently published Greening Governments study.

ENVIRONMENTAL ASSISTANCE

Sec. 1003. Toxic Substance Reclamation

Added requirement to study options to be considered as toxic material removal techniques that might be used by auto recyclers.

GRANTS

Sec. 1204. Loans to Communities to Comply with Federal Arsenic Standards

Added provision allowing the department to make loans to communities to assist efforts to comply with arsenic drinking water standards.

Sec. 1205. Grant to St. Clair County: Water Quality Monitoring

Added funds to establish a comprehensive water quality monitoring program for watersheds feeding into Lake St. Clair.

INFORMATION TECHNOLOGY

Sec. 1301. Schedule of Rates, User Fees, and Other Charges

Department of Information Technology to establish rates and service charges for FY 2002-2003 interdepartmental charges by October 1, 2002.

Sec. 1202. Information Technology Appropriation-Work Project Status

Work project status given to the Information Technology appropriation.