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SFA



BILL ANALYSIS

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House Bill 4257 (S-1, as passed by the Senate)

Committee: Appropriations

FY 2000-01 Year-to-Date Gross Appropriation	\$410,010,800
Changes from FY 2000-01 Year-to-Date:	
1. Soil Erosion Control. The Governor and Senate included GF/GP support for expanded Department responsibilities for monitoring and certifying local efforts. The House included \$100,000 GF/GP less.	350,000
2. Great Lakes Water Use. The Governor, House, and Senate included new GF/GP dollars for Department compliance with Great Lakes Charter water use reporting requirements.	100,000
3. Septage Waste Fees. Funding from increased and restructured fees was included.	1,550,000
4. Safe Drinking Water Act. Federal funds are included for training and certifying small community public water supply operators.	1,000,000
5. Submerged Log Recovery Program. Restricted funds are included for the new program.	100,000
6. Department Relocation. The budget includes a net increase in restricted and General Fund appropriations for the cost of new Department office space.	1,856,800
7. Groundwater Use Reporting. The Senate reduced Great Lakes Protection Fund dollars included by the House by half, and required an equal local cash or in-kind match.	75,000
8. Water Quality Research. The Senate did not include \$300,000 GF/GP provided by the House for a new initiative.	0
9. Scrap Tire Demonstration Project. The House and Senate included waste reduction fees for this project that was proposed originally by the Governor, but not adopted in FY 2000-01.	200,000
10. Budgetary Savings. The House included a greater GF/GP savings appropriation than that of the Governor. The Senate supported the Governor's proposal and applied it to line items.	(519,300)
11. Items of Difference. The Senate increased or reduced by \$100 all line items that were not 100% Federal funding or that had not otherwise been changed from the House budget.	(200)
12. Local Reimbursements from Settlements. The Senate included a line item to which 5% of amounts from responsible parties and legal settlements would be transferred.	100
13. Environmental Technology Research Grant. The Senate included an appropriation for a grant to the Michigan Biotechnology Institute.	100
14. Volunteer Lake, River, Stream, and Creek Cleanup Program. The House and Senate increased funding to \$100,000 GF/GP and \$95,000 GF/GP respectively.	45,000
15. Economic Adjustments. Economic adjustments, including \$9,700 for unclassified salaries, were included.	3,349,500
16. Other Changes. Adjustments to reflect the availability of various Federal and State restricted sources of financing and mandated inflationary adjustments were made.	(1,241,200)
17. Comparison to Governor's Recommendation. The Senate budget exceeds the Governor's original budget by \$320,000 Gross. \$45,000 GF/GP.	
Total Changes	\$6,865,800
FY 2001-02 Senate Gross Appropriation	\$416,876,600

Changes from FY 2000-01 Year to Date:

1. **Directional Drilling.** House language prohibits the Department from issuing permits for directional drilling in the Great Lakes bottomlands until the Natural Resources Commission has accepted and approved recommendations of the 2001 Working Group on Oil and Gas Leasing Procedures. Senate language prohibits expenditures for issuing permits for directional drilling in the Great Lakes bottomlands unless certain conditions and standards are met. (Sec. 223)
2. **Fee Waiver.** The Senate modified House language requiring the Department to waive permit fees for nonprofit entities conducting approved stream habitat improvement projects to allow the Department to waive fees. (Sec. 303)
3. **Groundwater Use Reporting.** House language allocates funding to development of a database for modeling the demand for domestic water use of groundwater supplies. The Senate requires a 100% cash or in-kind match. (Sec. 601)
4. **Kalamazoo River Cleanup Plan.** The Senate modified House language requiring the Department to allocate staff and resources to the timely submission of a plan to treat or remove contaminated sediments from the Kalamazoo River superfund site to require a progress report on the preparation of a plan only. (Sec. 704)
5. **Tire Derived Fuels.** The Governor and Senate deleted, the House modified current year language requiring the development of a strategy for expanding the use of tire-derived fuels to require the Department to implement the strategy.
6. **Imported Waste Inspection.** The House and Senate require periodic inspection of imported solid waste. (Sec. 1102)
7. **Wetlands Inventory.** The Senate deleted House language requiring the Department to provide a copy of the wetlands inventory that was to have been conducted under section 302 of the FY 2000-01 budget act.
8. **Areas of Concern Program.** The Senate modified House language requiring the allocation of staff to the Federal Areas of Concern Program, to require a report on the status of the Program. (Sec. 503)
9. **Local Reimbursements from Settlements.** The Senate included language that appropriates not less than 5% of responsible party and settlement revenue for reimbursement of local governments affected by the actions resulting in settlements, and prohibits spending until a legislative transfer is approved. (Sec. 1204)
10. **Cleanup Site Listing.** The Senate included language prohibiting spending from the environmental cleanup and redevelopment program and leaking underground storage tank cleanup program appropriations until site lists are submitted to the Appropriations Subcommittees on Environmental Quality. (Sec. 706 and 804)
11. **Prior Year Cleanup Appropriations.** The Senate included language authorizing spending from prior year unexpended and unencumbered environmental cleanup appropriations balances, in addition to funds appropriated for environmental cleanup and redevelopment, on legislatively approved sites. (Sec. 225)
12. **Environmental Technology Research Grant.** Senate language conditions grant to the Michigan Biotechnology Institute (MBI) on MBI receipt of Federal matching funds, and requires a report. (Sec. 1205)
13. **Stormwater Control.** New Senate language requires that projects funded with appropriations in the bill involving construction within 500 feet of a water body, include state-of-the-art stormwater control mechanisms. (Sec. 226)
14. **Reporting.** The Governor, House, and Senate retained reporting requirements concerning grant and loan programs, environmental response and cleanup actions and spending, and on MUSTFA balances, spending and projects (Sec. 211, 215, 802). The Governor deleted, the House and Senate retained reporting requirements on restricted fund balances, settlement revenue, implementation of Michigan Environmental Science Board recommendations concerning environmental standards for protecting children's health, air quality program revenues and spending, and the impact of nonnative species on the environment. (Sec. 212, 213, 218, 401, 502) The House and Governor deleted, the Senate retained reporting on water testing fees. The Senate deleted House language requiring a report on spending and accomplishments of the Clean Michigan Initiative. The Senate modified House language requiring a report on Department enforcement and permitting programs, to instead require a report on the Department's progress in automating enforcement and permitting data. (Sec. 1103)
15. **Common Language.** Language included in most FY 2000-01 budget bills deleted by the Governor, but retained in some form by the House and Senate include sections requiring that businesses in depressed and deprived communities be given opportunities to compete for contracts (Sec. 210); requiring the Department to retain copies of all reports funded with Department appropriations (Sec. 220); requiring submission of privatization plans prior to implementation (Sec. 207); giving preference to the purchase of State or American goods over foreign products (Sec. 209).

Date Completed: 6-11-01

Fiscal Analyst: P. Graham

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.