Act No. 520
Public Acts of 2002
Approved by the Governor*
July 25, 2002

Filed with the Secretary of State
July 25, 2002

EFFECTIVE DATE: July 25, 2002

*Item Vetoes

Sec. 108. DRINKING WATER PROTECTION AND RADIOLOGICAL HEALTH
Arsenic testing and public education program................................ $ 500,000 (Page 5)

Sec. 602.
Entire Section. (Page 13)

STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002

Introduced by Senators Bennett, Gast and North

ENROLLED SENATE BILL No. 1104

AN ACT to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2003; to provide for the expenditure of those appropriations; to create certain funds and accounts; to require certain reports; to prescribe the powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of environmental quality for the fiscal year ending September 30, 2003, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF ENVIRONMENTAL QUALITY			
Full-time equated unclassified positions	6.0		
Full-time equated classified positions	1,590.7		
GROSS APPROPRIATION		$	404,819,600
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers		$	14,042,900
ADJUSTED GROSS APPROPRIATION		$	390,778,700
Federal revenues:			
Total federal revenues			131,521,400
Special revenue funds:			
Total local revenues			0
Total private revenues			435,700
Total other state restricted revenues			189,377,100
State general fund/general purpose		$	69,442,500
FUND SOURCE SUMMARY:			
GROSS APPROPRIATION		$	404,819,600
Interdepartmental grant revenues:			
IDG-MDCH, local public health operations			10,472,500
IDG-MDSP			632,200

	For Fiscal Year Ending Sept. 30, 2003
IDG, Michigan transportation fund	$ 884,800
IDT, interdivisional charges	2,053,400
Total interdepartmental grants and intradepartmental transfers	14,042,900
ADJUSTED GROSS APPROPRIATION	$ 390,776,700
Federal revenues:	
DOC-NOAA, federal	3,063,500
DOD, federal	455,300
DOI, federal	457,800
EPA-GWDW	4,740,700
EPA-LUST trust	1,977,500
EPA-UST	238,000
EPA, federal	27,805,400
EPA, radon	323,500
EPA, superfund	7,057,800
Federal revenues	85,000,000
FEMA, federal	401,900
Total federal revenues	131,521,400
Special revenue funds:	
Private funds	435,700
Total private revenues	435,700
Aboveground storage tank fees	717,500
Air emissions fees	11,577,000
CESARS service fee	26,300
Clean Michigan initiative - administration	2,885,700
Clean Michigan initiative - clean water fund	3,020,000
Cleanup and redevelopment fund	12,700,000
Community pollution prevention fund	250,000
Drinking water revolving fund	6,059,500
Environmental education fund	184,500
Environmental pollution prevention fund	330,300
Environmental protection fund	15,542,700
Environmental response fund	17,933,900
Environmental training revenue	295,800
Fees and collections	818,700
Financial instruments	5,000,000
Great Lakes protection fund	2,151,100
Hazardous materials transportation permit fund	87,800
Land and water permit fees	3,111,300
Landfill maintenance trust fund	47,200
Metallic mining surveillance fee revenue	68,200
Michigan underground storage tank financial assurance fund	62,455,700
Mineral well regulatory fee revenue	215,300
Oil and gas regulatory fund	7,792,900
Orphan well fund	2,002,000
Public utility assessments	786,100
Public water supply fees	4,451,000
Publication revenue	103,200
Saginaw Bay and River restoration revenue	154,500
Sand extraction fee revenue	188,300
Scrap tire regulatory fund	1,821,500
Septage waste license fees	1,752,400
Settlement funds	3,402,100
Sewage sludge land application fee	742,500
Soil erosion and sedimentation control training fund	101,300
Solid waste program fees	1,319,900
Stormwater permit fees	1,364,000
Submerged log recovery fund	101,600
Underground storage tank fees	4,245,400

		For Fiscal Year Ending Sept. 30, 2003
Waste reduction fee revenue	$	7,826,700
Wastewater operator training fees		168,400
Water analysis fees		2,600,400
Water pollution control revolving fund		2,884,300
Water quality protection fund		25,000
Water use reporting fees		65,100
Total other state restricted revenues		189,377,100
State general fund/general purpose	$	69,442,500

Sec. 102. EXECUTIVE

Full-time equated unclassified positions 6.0		
Full-time equated classified positions 15.0		
Unclassified salaries—6.0 FTE positions	$	505,000
Executive direction—8.0 FTE positions		1,057,700
Office of the Great Lakes—7.0 FTE positions		773,200
GROSS APPROPRIATION	$	2,335,900
Appropriated from:		
Federal revenues:		
DOI, federal		51,900
EPA, federal		101,100
Special revenue funds:		
Environmental education fund		184,500
Environmental response fund		43,200
Great Lakes protection fund		101,100
Oil and gas regulatory fund		89,600
Settlement funds		210,700
State general fund/general purpose	$	1,553,800

Sec. 103. DEPARTMENT SUPPORT SERVICES

Full-time equated classified positions 75.0		
Financial and business services—32.0 FTE positions	$	1,182,800
Field operations support—20.0 FTE positions		1,427,300
Automated data processing		2,053,400
Office of special environmental projects—6.0 FTE positions		592,900
Personnel—13.0 FTE positions		781,500
Administrative hearings—4.0 FTE positions		404,700
Building occupancy charges		8,572,500
Rent-privately owned property		1,836,900
Environmental support projects		5,000,000
GROSS APPROPRIATION	$	21,852,000
Appropriated from:		
Interdepartmental grant revenues:		
IDT, interdivisional charges		2,053,400
Federal revenues:		
EPA, superfund		57,800
Special revenue funds:		
Aboveground storage tank fee revenue		25,600
Air emissions fees		401,800
Clean Michigan initiative - administration		162,600
Environmental pollution prevention fund		62,900
Environmental response fund		1,297,000
Fees and collections		99,400
Financial instruments		5,000,000
Land and water permit fees		107,500
Michigan underground storage tank financial assurance fund		333,300
Oil and gas regulatory fund		598,100
Public utility assessments		12,300
Public water supply fees		528,100

		For Fiscal Year Ending Sept. 30, 2003
Scrap tire regulatory fund	$	88,400
Settlement funds		170,600
Solid waste program fees		69,600
Stormwater permit fees		50,500
Waste reduction fee revenue		54,700
Water analysis fees		187,700
Water pollution control revolving fund		14,900
Water use reporting fees		8,400
Underground storage tank fees		206,600
State general fund/general purpose	$	10,260,800
Sec. 104. GEOLOGICAL SURVEY		
Full-time equated classified positions 70.5		
Services to oil and gas programs—61.0 FTE positions	$	6,756,100
Well plugging - orphan wells—2.5 FTE positions		2,002,000
Coal and sand dune management—3.0 FTE positions		594,200
Mineral wells management—3.0 FTE positions		215,300
Metallic mining reclamation program—1.0 FTE positions		68,200
GROSS APPROPRIATION	$	9,635,800
Appropriated from:		
Federal revenues:		
DOI, federal		405,900
Special revenue funds:		
Environmental response fund		75,900
Metallic mining surveillance fee revenue		68,200
Mineral well regulatory fee revenue		215,300
Oil and gas regulatory fund		6,444,500
Orphan well fund		2,002,000
Publication revenue		103,200
Sand extraction fee revenue		188,300
State general fund/general purpose	$	132,500
Sec. 105. LAND AND WATER MANAGEMENT		
Full-time equated classified positions 150.0		
Land and water program direction—11.0 FTE positions	$	896,900
Field permitting and project assistance—85.0 FTE positions		7,160,800
Water management—24.0 FTE positions		2,378,300
Great Lakes shorelands—30.0 FTE positions		2,860,900
Submerged log recovery program		101,600
GROSS APPROPRIATION	$	13,398,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG, Michigan transportation fund		838,500
Federal revenues:		
EPA, federal		666,300
DOC-NOAA, federal		1,537,900
FEMA, federal		401,900
Special revenue funds:		
Land and water permit fees		2,897,100
Soil erosion and sedimentation control training fund		101,300
Submerged log recovery fund		101,600
State general fund/general purpose	$	6,853,900
Sec. 106. AIR QUALITY		
Full-time equated classified positions 244.5		
Air quality programs—244.5 FTE positions	$	20,778,400
GROSS APPROPRIATION	$	20,778,400

		For Fiscal Year Ending Sept. 30, 2003
Appropriated from:		
Federal revenues:		
EPA, federal	$	3,777,100
Special revenue funds:		
Air emissions fees		10,034,100
Environmental response fund		89,200
State general fund/general purpose	$	6,878,000

Sec. 107. SURFACE WATER QUALITY

Full-time equated classified positions 206.5		
Compliance and permits—109.0 FTE positions	$	9,338,400
Surface water surveillance program—36.5 FTE positions		7,932,800
Watershed management and nonpoint source—40.0 FTE positions		3,550,900
Fish contaminant monitoring contracts		321,000
Sewage sludge land application program—6.5 FTE positions		742,500
Stormwater discharge program—14.5 FTE positions		1,233,500
GROSS APPROPRIATION	$	23,119,100
Appropriated from:		
Federal revenues:		
EPA, federal		7,474,300
Special revenue funds:		
CESARS service fee		26,300
Clean Michigan initiative - administration		577,000
Clean Michigan initiative - clean water fund		3,020,000
Environmental response fund		147,800
Saginaw Bay and River restoration revenue		154,500
Septage waste license fees		227,400
Sewage sludge land application fee		742,500
Stormwater permit fees		1,227,000
Water pollution control revolving fund		590,300
State general fund/general purpose	$	8,932,000

Sec. 108. DRINKING WATER PROTECTION AND RADIOLOGICAL HEALTH

Full-time equated classified positions 203.7		
Environmental health—34.0 FTE positions	$	3,241,500
Laboratory services administration—67.0 FTE positions		5,959,000
Drinking water—86.2 FTE positions		12,423,600
Radiological protection—16.5 FTE positions		1,604,400
Groundwater use reporting		150,000
Arsenic testing and public education program		500,000
GROSS APPROPRIATION	$	23,878,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MSP		632,200
Federal revenues:		
EPA, federal		1,128,600
EPA-GWDW		4,075,700
EPA, radon		233,500
Special revenue funds:		
Drinking water revolving fund		3,369,600
Environmental protection fund		500,000
Fees and collections		719,300
Great Lakes protection fund		150,000
Public water supply fees		2,257,600
Settlement funds		285,200
Water analysis fees		2,257,300
Water use reporting fees		56,700
State general fund/general purpose	$	8,212,800

		For Fiscal Year Ending Sept. 30, 2003
Sec. 109. LOW-LEVEL RADIOACTIVE WASTE AUTHORITY		
Full-time equated classified positions 2.0		
Low-level radioactive waste authority—2.0 FTE positions	$	769,700
GROSS APPROPRIATION	$	769,700
Appropriated from:		
Special revenue funds:		
Public utility assessments		769,700
State general fund/general purpose	$	0
Sec. 110. ENVIRONMENTAL RESPONSE		
Full-time equated classified positions 245.0		
Environmental cleanup and redevelopment program	$	16,544,700
Contaminated site investigations, cleanup, and revitalization—195.0 FTE positions		15,928,100
State cleanup (part 201 of 1994 PA 451)		3,027,900
Emergency cleanup actions		2,000,000
Federal cleanup project management—50.0 FTE positions		5,025,000
Superfund cleanup		7,000,000
GROSS APPROPRIATION	$	49,525,700
Appropriated from:		
Federal revenues:		
DOD, federal		455,300
EPA, federal		2,818,700
EPA, superfund		7,000,000
Special revenue funds:		
Private funds		135,700
Clean Michigan initiative - administration		1,472,800
Cleanup and redevelopment fund		7,234,000
Environmental protection fund		14,973,700
Environmental response fund		13,449,400
Landfill maintenance trust fund		47,200
Settlement funds		1,938,900
State general fund/general purpose	$	0
Sec. 111. STORAGE TANKS		
Full-time equated classified positions 108.5		
MI underground storage tank financial assurance program—34.5 FTE positions	$	61,635,700
Underground storage tank program—37.0 FTE positions		4,102,900
Aboveground storage tank program—9.0 FTE positions		691,900
Leaking underground storage tank cleanup program		5,316,000
Emergency cleanup actions		2,000,000
Leaking underground storage tank program—28.0 FTE positions		3,700,200
GROSS APPROPRIATION	$	77,446,700
Appropriated from:		
Federal revenues:		
EPA-LUST trust		1,977,500
EPA-UST		238,000
Special revenue funds:		
Aboveground storage tank fees		691,900
Clean Michigan initiative - administration		590,900
Cleanup and redevelopment fund		2,966,000
Environmental response fund		2,439,000
Michigan underground storage tank financial assurance fund		61,635,700
Underground storage tank fees		3,864,900
State general fund/general purpose	$	3,042,800
Sec. 112. WASTE MANAGEMENT		
Full-time equated classified positions 149.0		
Administration and technical support—19.0 FTE positions	$	1,526,800
Compliance and enforcement—72.0 FTE positions		5,250,500

		For Fiscal Year Ending Sept. 30, 2003
Hazardous waste permits—28.0 FTE positions	$	2,637,700
Groundwater permits—18.0 FTE positions		1,275,800
Solid waste program—12.0 FTE positions		1,061,000
Hazardous waste program support		515,000
GROSS APPROPRIATION	$	12,266,800
Appropriated from:		
Federal revenues:		
EPA, federal		2,929,400
Special revenue funds:		
Environmental pollution prevention fund		267,400
Environmental response fund		262,700
Hazardous materials transportation permit fund		87,800
Scrap tire regulatory fund		915,000
Solid waste program fees		1,190,300
Waste reduction fee revenue		3,224,300
State general fund/general purpose	$	3,389,900

Sec. 113. ENVIRONMENTAL ASSISTANCE DIVISION

Full-time equated classified positions 99.0		
Municipal assistance—32.5 FTE positions	$	2,908,200
Pollution prevention—34.0 FTE positions		3,010,800
Environmental services—12.0 FTE positions		1,847,100
Pollution prevention outreach		300,000
Technical assistance—20.5 FTE positions		3,028,200
GROSS APPROPRIATION	$	11,094,300
Appropriated from:		
Federal revenues:		
EPA, federal		664,600
EPA-GWDW		665,000
Special revenue funds:		
Private funds		300,000
Air emissions fees		654,200
Clean Michigan initiative - administration		82,400
Drinking water revolving fund		1,274,300
Environmental training revenue		295,800
Settlement funds		67,800
Stormwater permit fees		86,500
Waste reduction fee revenue		4,162,900
Wastewater operator training fees		168,400
Water pollution control revolving fund		2,159,300
State general fund/general purpose	$	513,100

Sec. 114. CRIMINAL INVESTIGATIONS

Full-time equated classified positions 22.0		
Environmental investigations—22.0 FTE positions	$	1,904,900
GROSS APPROPRIATION	$	1,904,900
Appropriated from:		
Federal revenues:		
EPA, federal		129,900
Special revenue funds:		
MUSTFA fund		111,700
Oil and gas regulatory fund		116,500
Scrap tire regulatory fund		36,800
State general fund/general purpose	$	1,510,000

Sec. 115. GRANTS

Grants to counties—air pollution	$	85,000
Water pollution control and drinking water revolving fund		102,353,500
Noncommunity water grants		1,400,000

		For Fiscal Year Ending Sept. 30, 2003
Land and water management grants	$	1,800,000
Federal - nonpoint source water pollution grants		6,500,000
Federal - Great Lakes remedial action plan grants		700,000
Grants to counties - water quality monitoring		2,500,000
Great Lakes research and protection grants		1,900,000
Pollution prevention local grants		250,000
Radon grants		135,000
Septage waste compliance grants		1,525,000
Scrap tire grants		700,000
Drinking water revolving fund implementation		1,330,000
Local health department operations		10,472,500
Volunteer river, stream, and creek cleanup		25,000
GROSS APPROPRIATION	$	131,676,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDCH, local public health operations		10,472,500
Federal revenues:		
DOC-NOAA, federal		1,500,000
EPA, federal		7,500,000
EPA, radon		90,000
Federal revenues		85,000,000
Special revenue funds:		
Cleanup and redevelopment fund		2,500,000
Community pollution prevention fund		250,000
Drinking water revolving fund		1,330,000
Great Lakes protection fund		1,900,000
Public water supply fees		1,400,000
Scrap tire regulatory fund		700,000
Septage waste license fees		1,525,000
Water quality protection fund		25,000
State general fund/general purpose	$	17,483,500

Sec. 116. INFORMATION TECHNOLOGY

Information technology services and projects	$	7,364,900
GROSS APPROPRIATION	$	7,364,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG, Michigan transportation fund		46,300
Federal revenues:		
DOC-NOAA, federal		25,600
EPA, federal		615,400
Special revenue funds:		
Air emissions fees		486,900
Drinking water revolving fund		85,600
Environmental protection fund		69,000
Environmental response fund		129,700
Land and water permit fees		106,700
Michigan underground storage tank financial assurance fund		375,000
Oil and gas regulatory fund		544,200
Public utility assessments		4,100
Public water supply fees		265,300
Scrap tire regulatory fund		81,300
Settlement funds		728,900
Solid waste program fees		60,000
Underground storage tank fees		173,900
Waste reduction fee revenue		384,800
Water analysis fees		155,400
Water pollution control revolving fund		119,800
State general fund/general purpose	$	2,907,000

		For Fiscal Year Ending Sept. 30, 2003
Sec. 117. EARLY RETIREMENT AND BUDGETARY SAVINGS		
Early retirement savings	$	(1,481,000)
Budgetary savings		(746,600)
GROSS APPROPRIATION	$	(2,227,600)
Appropriated from:		
State general fund/general purpose	$	(2,227,600)

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is $258,819,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is $15,547,500.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY		
GRANTS		
Grants to counties - air pollution	$	85,000
Local health department operations		10,472,500
Septage waste compliance program		1,525,000
Scrap tire grants		700,000
Noncommunity water grants		1,400,000
Radon grants		35,000
Drinking water grants		1,330,000
TOTAL	$	15,547,500

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

(a) “CESARS” means chemical evaluation search and retrieval system.

(b) “Department” means the department of environmental quality.

(c) “DOC” means the United States department of commerce.

(d) “DOC-NOAA” means the DOC national oceanic and atmospheric administration.

(e) “DOD” means the United States department of defense.

(f) “DOE” means the United States department of energy.

(g) “DOI” means the United States department of interior.

(h) “EPA” means the United States environmental protection agency.

(i) “EPA-GWDW” means the EPA groundwater drinking water.

(j) “EPA-LUST trust” means the EPA leaking underground storage tank trust fund.

(k) “EPA, radon” means the EPA radon grants.

(*l*) “EPA-UST” means the EPA underground storage tank.

(m) “FEMA” means the federal emergency management agency.

(n) “FTE” means full-time equated.

(o) “IDG” means interdepartmental grant.

(p) “IDT” means intradepartmental transfer.

(q) “MDCH” means the Michigan department of community health.

(r) “MDSP” means the Michigan department of state police.

(s) “MI” means Michigan.

(t) “NPL” means the federal national priority list.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to the hiring freeze described in subsection (1) when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified in this act, the department shall use the internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an internet or intranet site.

Sec. 209. Funds appropriated in part 1 should not be used for the purchase of foreign goods or services, or both, if competitively priced American goods or services, or both, of comparable quality are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value.

Sec. 210. The director shall take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. (1) From funds appropriated under part 1, the department shall prepare a report that lists all of the following regarding grant or loan or grant and loan programs administered by the department for the fiscal year ending on September 30, 2003:

(a) The name of each program.

(b) The goals of the program, the criteria, eligibility, process, filing fees, nominating procedures, and deadlines for each program.

(c) The maximum and minimum grant and loan available and whether there is a match requirement for each program.

(d) The amount of any required match, and whether in-kind contributions may be used as part or all of a required match.

(e) Information pertaining to the application process, timeline for each program, and the contact people within the department.

(f) The source of funds for each program, including the citation of pertinent authorizing acts.

(g) Information regarding plans for the next fiscal year for the phaseout, expansion, or changes for each program.

(h) A listing of all recipients of grants or loans awarded by the department by type and amount of grant or loan.

(2) The reports required under this section shall be submitted to the state budget office, the senate and house appropriations committees, and senate and house fiscal agencies by January 1, 2003.

Sec. 212. By February 15, 2003, the department shall provide the state budget director, the subcommittees on natural resources and environmental quality of the senate and house appropriations committees, and the senate and house fiscal agencies with an annual report on restricted fund balances, projected revenues, and expenditures for the fiscal years ending September 30, 2002 and September 30, 2003.

Sec. 213. The department shall provide an annual report on the total amount of funds received from responsible parties and legal settlements, and the disposition of these funds. Included in the report shall be a listing of the individual settlement cases, the location of the facilities involved, the type of violation committed, and the amount of funds received.

Sec. 214. The department shall notify the legislature and shall provide a public meeting and public comment opportunity with respect to any request received by the state of Michigan to divert water from the Great Lakes pursuant to the water resources development act of 1986, Public Law 99-662, 100 Stat. 4082.

Sec. 215. (1) The department shall report all of the following information relative to allocations made in part 1 for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

(a) The name and location of the site for which an allocation is made.

(b) The nature of the problem encountered at the site.

(c) A brief description of how the problem will be resolved if the allocation is made for a response activity.

(d) The estimated date that site closure activities will be completed.

(e) The amount of the allocation, or the anticipated financing for the site.

(f) A summary of the sites and the total amount of funds expended at the sites at the conclusion of the fiscal year.

(g) The number of sites that would qualify as brownfields that were redeveloped.

(2) The report prepared under subsection (1) shall also include all of the following:

(a) The status of all state-owned facilities that are on the list compiled under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

(b) The report shall include the total amount of funds expended during the fiscal year and the total amount of funds awaiting expenditure.

(c) The total amount of bonds issued for the environmental protection bond program pursuant to part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306, and bonds issued pursuant to the clean Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

(3) The report shall be made available by March 31 of each year.

Sec. 216. Of the money appropriated from the environmental education fund in part 1, $5,000.00 shall be allocated to Michigan State University Extension Service - 4-H Youth Programs to fund the Michigan Youth Conservation Council.

Sec. 217. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Sec. 218. (1) In addition to the funds appropriated in part 1 for the environmental cleanup and redevelopment program and the leaking underground storage tank cleanup program, the department of environmental quality is authorized to expend amounts remaining from prior fiscal year appropriations to meet funding needs of legislatively approved sites.

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 1989 PA 180, 1990 PA 55, 1990 PA 194, 1991 PA 31, 1991 PA 160, 1993 PA 74, 1993 PA 353, 1994 PA 442, 1996 PA 353, and 1997 PA 114 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(3) Unexpended and unencumbered amounts remaining from appropriations from the cleanup and redevelopment fund and unclaimed bottle deposits fund contained in 1996 PA 319, 1997 PA 113, 1997 PA 114, 1998 PA 292, 1999 PA 125, 2000 PA 275, and 2001 PA 43 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 1999 PA 111, 2000 PA 52, 2000 PA 506, and 2001 PA 120 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

Sec. 220. The department shall report to the state budget office, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies at the end of each fiscal quarter the fund balance in the environmental response fund.

DEPARTMENT SUPPORT SERVICES

Sec. 301. Due to the consolidation of the department of environmental quality operations for the purpose of increasing agency efficiencies, effective October 1, 2002, the department of environmental quality shall not expend any of the funds appropriated in part 1 for rental payments or operational expenses for the leased premises located at the following locations:

(a) 300 South Washington, Lansing, Michigan.

(b) 300 Stroh River Place, Detroit, Michigan.

(c) Shiawassee District Office at 10650 South Bennett Road, Morrice, Michigan.

LAND AND WATER MANAGEMENT

Sec. 403. The department shall collect Great Lakes bottomland permit fees uniformly and fairly from commercial and noncommercial users of the Great Lakes bottomlands.

Sec. 404. The department may waive permit fees for nonprofit organizations conducting approved stream habitat improvement projects.

AIR QUALITY

Sec. 501. The department shall report quarterly, via the department's internet website, on air quality program expenditures and revenues. The report shall include expenditures and revenues by fund source and by program function.

SURFACE WATER QUALITY

Sec. 601. Of the funds appropriated in part 1 for surface water surveillance, a minimum of $250,000.00 shall be designated for grants to local organizations for water quality monitoring activities.

Sec. 602. Of the funds appropriated in section 107 for water quality monitoring, $20,000.00 may be provided, on a 50:50 cost-sharing basis, to erect signs at beaches owned by governmental entities. These signs will inform the public where the most recent beach water quality information may be found.

Sec. 604. The department shall review the 2002 report, "Greening the Governments", and present its analysis to the house and senate subcommittees on environmental quality on October 30, 2002. This analysis shall address specific findings of the "Greening the Governments" report that Michigan had the best water quality in 1999, as measured by the number of tons of toxic material released per $1,000,000.00 in industry gross state product. The analysis shall include specific recommendations on how Michigan can improve its environmental performance in these and other areas to be competitive with the other Great Lakes states.

DRINKING WATER

Sec. 701. The funds appropriated in part 1 for groundwater use reporting shall be awarded as a grant for the development of a groundwater database needed to model the demands for domestic water uses of groundwater supplies.

ENVIRONMENTAL RESPONSE

Sec. 801. The unexpended funds appropriated in part 1 for the state cleanup program, environmental cleanup and redevelopment program, emergency cleanup action, contaminated site investigations, cleanup and revitalization, and superfund cleanup projects are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.

(b) The projects will be accomplished by contract.

(c) The total estimated cost of all projects is identified in each line-item appropriation.

(d) The tentative completion date is September 30, 2007.

Sec. 802. Of the funds appropriated in part 1 as state match for the superfund cleanup program, an amount not to exceed $250,000.00 shall be expended as the state match for the hazardous substance research center.

Sec. 803. The funds appropriated in part 1 for the environmental cleanup and redevelopment program shall be used to fund redevelopment and cleanup activities on the following sites:

Allegan	Saugatuck Twp. Contamination
Berrien	Coloma DCPA Site
Calhoun	Verona Well Field
Calhoun	Residential Wells Tekonsha - North Plume
Cass	Cass St. Area Edwardsburg
Cass	Sundstrand Heat Transfer
Charlevoix	East Jordan Laundromat
Charlevoix	Former Boyne City Chemical
Eaton	916 S. Main Street, Eaton Rapids
Gladwin	Buckeye Oil Field
Gratiot	Gratiot County Landfill
Hillsdale	Haischer Oil
Hillsdale	Wickens Oil
Hillsdale	Penland Oil
Jackson	Spring Arbor Wash & Dry
Kalamazoo	North 34th St. Area Richland
Kalamazoo	Schoolcraft Area Organics
Livingston	Main Street, Gregory
Monroe	Zieman Grames Rd. Dump
Muskegon	Ruddiman Creek Drum Dump
Oakland	Lapeer Road Residential Wells
Oakland	Waterford Hills Sanitary Landfill
Oscoda	Hoskins Manufacturing

Ottawa	Fenske Landfill Ottawa Co.
St. Joseph	SW Sturgis TCE
Van Buren	Commercial Street Industrial Area, Paw Paw
Wayne	Plymouth Industrial Holding Company
Wayne	General Oil Co.
Wayne	Standard Tube of Detroit
Wayne	CYB Tool
Wexford	AAR Cadillac Mfg.
Wexford	Yuma Tar

Sec. 804. Of the funds appropriated in part 1 for the environmental cleanup and redevelopment program, an amount not to exceed $2,000,000.00 shall be expended for the NPL municipal landfill match grants.

STORAGE TANKS

Sec. 901. (1) The funds appropriated in part 1 from the Michigan underground storage tank financial assurance fund for the purpose of carrying out the duties and responsibilities as specified in part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551, are considered work project appropriations and any unencumbered funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects to be carried forward is to carry out the responsibilities of part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551.

(b) The projects will be accomplished by contract and state employees.

(c) The total estimated cost is identified in a line-item appropriation.

(d) The tentative completion date is September 30, 2007.

(2) The Michigan underground storage tank financial assurance policy board shall allocate the amount of the underground storage tank financial assurance fund to be distributed to the department. If the amount recommended by the board is less than that appropriated in part 1, expenditures shall be adjusted accordingly.

(3) Included in the funds appropriated in part 1 from the Michigan underground storage tank financial assurance fund are funds sufficient to pay debt service costs on the bonds or notes issued pursuant to part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551.

Sec. 902. The department shall report to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies not later than October 31, 2003 on the Michigan underground storage tank financial assurance fund. The report shall include the fund balance, estimate of available revenues, number and dollar value of claims processed through September 30, 2002, and total estimated claims liability through December 22, 2004.

Sec. 903. The unexpended funds appropriated in part 1 for the leaking underground storage tank cleanup program are considered work project appropriations and any unencumbered or unallotted funds are carried over into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects to be carried over is to provide for redevelopment and contaminated site cleanup.

(b) These projects will be accomplished by contract.

(c) The total estimated costs of all projects is identified in each line-item appropriation.

(d) The tentative completion date for these projects is September 30, 2007.

Sec. 904. The funds appropriated in part 1 for the leaking underground storage tank cleanup program shall be used to fund redevelopment and cleanup activities on the following sites:

Alger	Melstrand General Store
Eaton	5-Star Pizza
Eaton	Keweenaw Party Store
Jackson	Vandy's Party Store
Monroe	Mike's Quality Meats (former)
Montmorency	Stoddard's A-1 Party Mart
Newaygo	Up North Gift Co.

ENVIRONMENTAL ASSISTANCE

Sec. 1002. The appropriation in part 1 for environmental assistance includes $200,000.00 to support research and technology demonstration projects which encourage scrap tire recycling and reuse.

Sec. 1003. If the department participates, consults, or collaborates on a study regarding removal of automobile components in 2002, it shall review other removal options for similar components by September 30, 2003 including, but not limited to, removal from other than end-of-life vehicles.

CRIMINAL INVESTIGATIONS

Sec. 1101. From funds appropriated in part 1, the department shall conduct periodic inspections of imported solid waste at disposal facilities to mitigate the unpermitted disposal of waste at Michigan disposal sites.

Sec. 1102. With funds appropriated in part 1, the department shall provide training in support of local efforts to regulate solid waste disposal. Department environmental conservation officers shall be directed to help train law enforcement officers and other enforcement personnel to develop community partnerships to combat illegal dumping at the local level.

GRANTS

Sec. 1201. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11719, then the department may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 1202. Of the funds appropriated in part 1 for scrap tire grants, $100,000.00 shall be available for grants to communities to cover scrap tire fire suppression costs, provided owner liability bonds and other available funding sources have been exhausted.

Sec. 1204. From the funds appropriated in section 115 for the drinking water revolving loan program, the department shall provide low-interest loans for public water supply systems found to be out of compliance with federal arsenic standards.

Sec. 1205. The money appropriated in section 115 for grants to counties—water quality monitoring shall be used to establish and operate a comprehensive monitoring program to protect and manage the environmental quality of the St. Clair River, Lake St. Clair, and the Clinton River watershed.

INFORMATION TECHNOLOGY

Sec. 1301. The department of information technology shall establish a schedule of rates, user fees, and charges or assessments for standard services and information system support requirements to be made to departments for technology related services and projects. This schedule, as well as copies of related interagency agreements, shall be provided to the state budget office and the house and senate committees on appropriations before October 1, 2002.

Sec. 1302. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support department of environmental quality technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

EARLY RETIREMENT AND BUDGETARY SAVINGS

Sec. 1501. (1) The negative appropriation for early retirement savings in part 1 shall be satisfied by savings realized from not filling all of the positions lost due to the early retirement plan for state employees enacted in 2002 PA 93 amendments to the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(2) The negative appropriation for budgetary savings in part 1 shall be satisfied by savings from the hiring freeze imposed under section 205, efficiencies, and other savings identified by the department director and approved by the state budget director.

(3) Appropriation authorization adjustments required due to negative appropriations for early retirement savings and budgetary savings shall be made only after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 1502. (1) Subject to subsection (2), in addition to the amounts appropriated under part 1, the following amounts are appropriated for the fiscal year ending September 30, 2003:

(a) $250,000.00 is appropriated to superfund cleanup from the state general fund.

(b) $2,000,000.00 is appropriated to waste management, compliance, and enforcement from the state general fund. The appropriation from waste reduction fee revenue for this purpose is reduced by $2,000,000.00.

(c) $140,000.00 is appropriated to field permitting and project assistance from the state general fund.

(d) $500,000.00 is appropriated to financial support services from the state general fund.

(e) $100,000.00 is appropriated to Great Lakes shorelands from the state general fund.

(2) The appropriations in subsection (1) shall become effective only if the tax on cigarettes under the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, is increased by 30 cents or more per pack of cigarettes on or before September 30, 2002.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Gary L Randall

Clerk of the House of Representatives.

Approved ....

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Governor.