



Senate Fiscal Agency
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Senate Bill 1066 (S-1 as reported) Draft 2
Committee: Appropriations

FY 2003-04 Year-to-Date Gross Appropriation	\$371,407,375
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Changes from FY 2003-04 Year-to-Date:

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| 1. State Revolving Loan Program Matching Funds. The State must provide a 20% match to Federal funding for the Water Pollution Control and Drinking Water Revolving Loan Programs. The Governor recommends using the proceeds from a one-day revenue bond supported with fund interest earnings to support the State match. This would result in a one-time fund shift by replacing \$16,300,000 GF/GP with the revenue bond proceeds. The Senate concurs. | 0 |
| 2. Elimination of New Cleanup Projects. Due to declining revenues in the Environmental Protection and the Environmental Response Funds, the Governor recommends providing no funding for new cleanup projects. In lines supporting emergency cleanup activities and staff site investigations, these funds are replaced with revenue from the Cleanup and Redevelopment Fund. The Senate concurs. | (21,715,000) |
| 3. Real-Time Water Quality Monitoring. The Senate adds \$250,000 GF/GP for a pilot project in the City of Algonac for real-time water quality monitoring. | 250,000 |
| 4. Value-Added Scrap Tire Processing. The Senate includes two \$100 placeholders for an appropriation into the Scrap Tire Development Fund and grant for a scrap tire processing plant. | 200 |
| 5. Aquifer Protection Program. This is the first year of an appropriation from the Aquifer Protection Revolving Fund, which is used for program activities. | 450,000 |
| 6. Human Resources Consolidation. A statewide consolidation of human resource functions in the Department of Civil Service would result in a small savings and the loss of 2.0 FTEs for the Department of Environmental Quality and \$59,100 would be provided to the Department of Civil Service in an interdepartmental grant. | (39,000) |
| 7. Environmental Heath Fees. The Senate proposes to support the Recreational Resources, the Manufactured Housing, and the Septage Waste programs with new or increased fees. The fees will offset a reduction in GF/GP support. The Septage Waste program would also increase by \$174,900. | 174,900 |
| 8. Travel Reduction. The Senate places all funding for travel in one line for each division and reduces the amount available by half. | (617,300) |
| 9. Other issues. Adjustments are made to reflect decreasing revenue to the Environmental Response and Environmental Protection Funds and the removal of one-time appropriations in FY 2003-04. Some program reductions and fund shifts are recommended by the Governor and a Federal grant is expected to increase. The Senate includes a fund shift in the Air Quality Division. | (15,569,975) |
| 10. Employee-Related Savings. The budget includes the elimination of 5% of funding for salaries. This would remove \$854,400 GF/GP, \$4,098,200 Gross, and 31.5 FTEs. | (4,098,200) |
| 11. Economic Adjustments. Funding is provided for adjustments to salaries and wages, workers' compensation, building occupancy, retirement, insurance, and information technology. This increase includes \$1,940,900 GF/GP. | 10,172,800 |
| 12. Comparison to Governor's Recommendation. The Subcommittee's recommendation has a difference of (\$192,200) Gross and (\$2,192,300) GF/GP from the Governor's recommendation. | |
| Total Changes..... | (30,991,575) |

FY 2004-05 Senate Appropriations Subcommittee Gross Appropriation	\$340,415,800
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Changes from FY 2003-04 Year to Date:

1. The Senate restores language removed by the Governor regarding the hiring freeze, a report on restricted fund balances, retention of reports, public meeting on water diversion requests, and reporting requirements for grant and loan programs, travel expenditures, air quality expenditures, the Great Lakes Water Quality bond, inspections out-of-state waste, and the NPDES Fund.
2. The Senate concurs with the Governor in the removal of sections on a privatization project plan, an information technology rate schedule, designation of funding for a recycling coordinator, collection of bottomland fees, waiver of certain permit fees, cleanup site listing, NPL municipal landfill funding, Ruddiman Creek watershed, groundwater modeling, statewide groundwater inventory and map, training of enforcement personnel, drinking water project loans, and the dredging of St. Clair canals.
3. **Buy American Intent.** The Senate removes a section included by the Governor directing the Department to buy American made goods and products if competitively priced and of comparable quality.
4. **Contingency Funds.** The Senate does not include a section added by the Governor authorizing contingency fund transfers pursuant to the DMB Act, which requires approval by the Senate and House Appropriations Committees.
5. **MI Youth Conservation Council.** The Governor eliminates a section designating \$5,000 of Part 1 appropriations for the MI Youth Conservation Council. The Senate retains this section. (Sec. 213)
6. **Travel Limitations.** The Senate includes a section prohibiting travel outside the State and limiting travel expenditures to 50% of such expenses in FY 2003-04. (Sec. 216)
7. **Contractual Laboratory Services.** The Senate directs the Department to contract lab services with accredited, commercial labs where feasible. (Sec. 502)
8. **Oil and Gas Regulatory Fund.** The Senate adds language of intent that the Fund be used only for activities in the Department of Environmental Quality. (Sec. 601)
9. **Value-Added Scrap Tire Processing.** The Senate adds a section describing two placeholders in Part 1, one as an appropriation into the Scrap Tire Development Fund and the other for a grant for a scrap tire processing plant. (Sec. 803).
10. **Composting Activities.** The Senate includes a section directing the Department to work cooperatively with entities in Zeeland for the expansion of composting activities and facilities. (Sec. 804)
11. **Safe Drinking Water Technical Assistance.** The Senate adds a section require the Department to allocate the full 2% of Federal safe drinking water funding available for technical assistance. (Sec. 902)
12. **Real-Time Water Quality Monitoring.** The Senate designates funding of \$250,000 in Part 1 as a grant to the City of Algonac for a pilot project in real-time water quality monitoring. (Sec. 903)
13. **Inspection of Imported Solid Waste.** The Senate restores a section removed by the Governor requiring inspections of imported solid waste. (Sec. 1001)

Date Completed: 3-18-04

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