

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 1066

A bill to make appropriations for the department of environmental quality for the fiscal year ending September 30, 2005; 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:**

1

PART 1

2

LINE-ITEM APPROPRIATIONS

3

Sec. 101. Subject to the conditions set forth in this act, the

4

amounts listed in this part are appropriated for the department of

5

environmental quality for the fiscal year ending September 30, 2005,

6

from the funds indicated in this part. The following is a summary of

Senate Bill No. 1066 (H-1) as amended June 9, 2004

1 the appropriations in this part:

2 DEPARTMENT OF ENVIRONMENTAL QUALITY

3 FUND SOURCE SUMMARY:

4	Full-time equated unclassified positions.....	5.0	
5	Full-time equated classified positions.....	[1,572.2]	
6	GROSS APPROPRIATION.....	\$	[336,009,500]
7	Interdepartmental grant revenues:		
8	IDG-MDCH local public health operations.....		10,472,500
9	IDG from MDA.....		106,200
10	IDG from MDOT-Michigan transportation fund.....		958,200
11	IDG from MSP.....		672,700
12	IDT-interdivisional charges.....		2,053,400
13	Total interdepartmental grants and intradepartmental		
14	transfers.....		14,263,000
15	ADJUSTED GROSS APPROPRIATION.....	\$	[321,746,500]
16	Federal revenues:		
17	DHS-federal.....		225,700
18	DOC-NOAA, federal.....		3,194,200
19	DOD-federal.....		485,600
20	DOI-federal.....		542,600
21	EPA-brownfield cleanup revolving loan fund.....		1,000,000
22	EPA-multiple.....		[127,552,700]
23	FEMA-federal.....		892,900
24	Total federal revenues.....		[133,893,700]
25	Special revenue funds:		
26	Total local revenues.....		0
27	Private funds.....		445,900

## Senate Bill No. 1066 (H-1) as amended June 9, 2004

1	Total local and private revenues.....	445,900
2	Aboveground storage tank fees.....	752,600
3	Air emissions fees.....	12,089,000
4	Aquifer protection revolving fund.....	450,000
5	CESARS service fee.....	27,700
6	Clean Michigan initiative fund - administration.....	3,081,600
7	Clean Michigan initiative fund - clean water fund...	3,129,000
8	Clean Michigan initiative fund - response activities	2,455,600
9	Cleanup and redevelopment fund.....	25,171,100
10	Commercial laboratory fee.....	100
11	Community pollution prevention fund.....	250,000
12	Drinking water revolving fund.....	6,163,200
13	Environmental education fund.....	186,400
14	Environmental pollution prevention fund.....	1,516,100
15	Environmental protection fund.....	613,300
16	Environmental response fund.....	[4,549,400]
17	Fees and collections.....	1,152,400
18	Financial instruments.....	5,000,000
19	Great Lakes protection fund.....	2,416,800
20	Groundwater discharge permit fees.....	1,846,700
	[Hazardous material transportation permit fund.....	94,300]
21	Land and water permit fees.....	3,364,300
22	Landfill maintenance trust fund.....	50,600
23	Manufactured housing commission fees.....	621,200
24	Medical waste emergency response fund.....	250,400
25	Metallic mining surveillance fee revenue.....	68,800
26	Mineral well regulatory fee revenue.....	222,200
27	NPDES fees.....	3,092,400

## Senate Bill No. 1066 (H-1) as amended June 9, 2004

1	Oil and gas regulatory fund.....	8,632,700
2	Orphan well fund.....	2,015,300
3	Public utility assessments.....	793,900
4	Public water supply fees.....	4,449,500
5	Publication revenue.....	109,900
6	Retired engineers technical assistance fund.....	1,500,000
7	Revolving loan revenue bonds.....	16,300,000
8	Saginaw Bay and River restoration revenue.....	162,300
9	Sand extraction fee revenue.....	188,000
10	Scrap tire development fund.....	100
11	Scrap tire regulatory fund.....	4,697,400
12	Septage waste license fees.....	2,060,400
13	Settlement funds.....	3,541,500
14	Sewage sludge land application fees.....	804,200
15	Soil erosion and sedimentation control training fund	106,300
16	Solid waste program fees.....	[3,889,000]
17	State water pollution control revolving fund.....	2,946,900
18	Strategic water quality initiatives fund.....	10,007,600
19	Stormwater permit fees.....	2,576,000
20	Underground storage tank fees.....	4,335,800
21	Waste reduction fee revenue.....	4,619,500
22	Wastewater operator training fees.....	174,800
23	Water analysis fees.....	3,084,200
24	Water quality protection fund.....	25,000
25	Water use reporting fees.....	135,000
26	Total other state restricted revenues.....	[155,770,500]
27	State general fund/general purpose..... \$	[31,636,400]

1	<b>Sec. 102. EXECUTIVE</b>		
2	Full-time equated unclassified positions.....	5.0	
3	Full-time equated classified positions.....	15.0	
4	Director--1.0 FTE positions.....		\$ 119,300
5	Assistant to the director--1.0 FTE positions.....		114,400
6	Senior policy advisor--1.0 FTE positions.....		118,600
7	Press secretary--1.0 FTE positions.....		68,000
8	Executive assistant--1.0 FTE positions.....		41,400
9	Executive direction--8.0 FTE positions.....		883,600
10	Office of the Great Lakes--7.0 FTE positions.....		<u>852,900</u>
11	GROSS APPROPRIATION.....		\$ 2,198,200
12	Appropriated from:		
13	Federal revenues:		
14	DOI, federal.....		127,700
15	EPA-multiple.....		107,600
16	Special revenue funds:		
17	Great Lakes protection fund.....		516,800
18	Environmental education fund.....		186,400
19	Environmental response fund.....		45,100
20	Oil and gas regulatory fund.....		93,900
21	Settlement funds.....		224,300
22	State general fund/general purpose.....		\$ 896,400
23	<b>Sec. 103. DEPARTMENT SUPPORT SERVICES</b>		
24	Full-time equated classified positions.....	70.0	
25	Financial and business services--32.0 FTE positions.		\$ 1,632,300
26	Field operations support--20.0 FTE positions.....		1,389,100
27	Automated data processing.....		2,053,400

1	Office of special environmental projects--3.0 FTE	
2	positions.....	427,800
3	Personnel--11.0 FTE positions.....	655,500
4	Human resources optimization user charges.....	59,100
5	Administrative hearings--4.0 FTE positions.....	379,000
6	Environmental support projects.....	5,000,000
7	Building occupancy charges.....	7,274,200
8	Rent-privately owned property.....	<u>1,836,900</u>
9	GROSS APPROPRIATION..... \$	20,707,300
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDT-interdivisional charges.....	2,053,400
13	Federal revenues:	
14	EPA, multiple.....	62,100
15	Special revenue funds:	
16	Aboveground storage tank fees.....	27,400
17	Air emissions fees.....	559,100
18	Clean Michigan initiative fund - administration.....	174,700
19	Cleanup and redevelopment fund.....	1,042,100
20	Environmental pollution prevention fund.....	58,600
21	Environmental response fund.....	1,444,100
22	Fees and collections.....	91,900
23	Financial instruments.....	5,000,000
24	Groundwater discharge permit fees.....	46,700
25	Land and water permit fees.....	105,900
26	NPDES fees.....	84,800
27	Public utility assessments.....	11,600

1	Public water supply fees.....	510,000
2	Oil and gas regulatory fund.....	768,200
3	Scrap tire regulatory fund.....	97,800
4	Sewage sludge land application fees.....	36,300
5	Solid waste program fees.....	64,900
6	Stormwater permit fees.....	207,700
7	Underground storage tank fees.....	194,200
8	Waste reduction fee revenue.....	51,700
9	Water analysis fees.....	345,700
10	Water pollution control revolving fund.....	13,700
11	Water use reporting fees.....	7,700
12	Settlement funds.....	184,100
13	State general fund/general purpose..... \$	7,462,900
14	<b>Sec. 104. AIR QUALITY</b>	
15	Full-time equated classified positions.....242.0	
16	Air quality programs--242.0 FTE positions..... \$	<u>22,360,000</u>
17	GROSS APPROPRIATION..... \$	22,360,000
18	Appropriated from:	
19	Federal revenues:	
20	EPA-multiple.....	5,009,800
21	Special revenue funds:	
22	Fees and collections.....	368,900
23	Environmental response fund.....	96,000
24	Air emissions fees.....	10,347,500
25	State general fund/general purpose..... \$	6,537,800
26	<b>Sec. 105. ENVIRONMENTAL SCIENCE AND SERVICES</b>	
27	<b>DIVISION</b>	

1	Full-time equated classified positions.....	190.0	
2	Environmental services--26.5 FTE positions.....		\$ 2,448,100
3	Laboratory services--76.0 FTE positions.....		6,105,800
4	Laboratory quality recognition program.....		200
5	Pollution prevention outreach programs.....		300,000
6	Retired engineers technical assistance program.....		1,500,000
7	Revitalization revolving loan fund.....		1,000,000
8	Municipal assistance--35.5 FTE positions.....		4,988,300
9	Pollution prevention and technical assistance--52.0		
10	FTE positions.....		<u>4,803,400</u>
11	GROSS APPROPRIATION.....		\$ 21,145,800
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from MDA.....		106,200
15	Federal revenues:		
16	EPA-brownfield cleanup revolving loan fund.....		1,000,000
17	DOC-NOAA, federal.....		323,900
18	EPA-multiple.....		2,256,300
19	Special revenue funds:		
20	Private funds.....		300,000
21	Air emissions fees.....		695,500
22	Clean Michigan initiative fund - administration.....		153,600
23	Clean Michigan initiative fund - response activities		1,655,600
24	Commercial laboratory fee.....		100
25	Drinking water revolving fund.....		1,325,300
26	Environmental protection fund.....		62,900
27	Environmental response fund.....		265,800

1	Public water supply fees.....		231,600
2	Retired engineers technical assistance fund.....		1,500,000
3	Settlement revenue.....		385,900
4	State water pollution control revolving fund.....		2,193,500
5	Strategic water quality initiatives fund.....		207,600
6	Stormwater permit fees.....		89,800
7	Waste reduction fee revenue.....		4,116,100
8	Wastewater operator training fees.....		174,800
9	Water analysis fees.....		2,583,100
10	State general fund/general purpose.....	\$	1,518,200
11	<b>Sec. 106. GEOLOGICAL SURVEY AND LAND MANAGEMENT</b>		
12	<b>DIVISION</b>		
13	Full-time equated classified positions.....	192.0	
14	Program direction--8.0 FTE positions.....		\$ 826,500
15	Field permitting and project assistance--69.0 FTE		
16	positions.....		6,152,000
17	Services to oil and gas programs--57.0 FTE positions		6,887,600
18	Well plugging-orphan wells--2.0 FTE positions.....		2,015,300
19	Great Lakes shorelands--28.0 FTE positions.....		2,491,800
20	Water management--21.0 FTE positions.....		2,693,400
21	Coal and sand dune management--3.0 FTE positions....		602,900
22	Mineral wells management--3.0 FTE positions.....		222,200
23	Metallic mining reclamation program--1.0 FTE		
24	positions.....		<u>68,800</u>
25	GROSS APPROPRIATION.....	\$	21,960,500
26	Appropriated from:		
27	Interdepartmental grant revenues:		

Senate Bill No. 1066 (H-1) as amended June 9, 2004

1	IDG from MDOT-Michigan transportation fund.....	907,900
2	Federal revenues:	
3	DOC-NOAA, federal.....	1,344,700
4	DOI, federal.....	414,900
5	EPA-multiple.....	470,800
6	FEMA-federal.....	892,900
7	Special revenue funds:	
8	Land and water permit fees.....	2,705,500
9	Metallic mining surveillance fee revenue.....	68,800
10	Mineral well regulatory fee revenue.....	222,200
11	Oil and gas regulatory fund.....	6,777,700
12	Orphan well fund.....	2,015,300
13	Publication revenue.....	109,900
14	Sand extraction fee revenue.....	188,000
15	State general fund/general purpose..... \$	5,841,900
16	<b>Sec. 107. REMEDIATION AND REDEVELOPMENT</b>	
17	Full-time equated classified positions.....297.5	
18	Environmental cleanup and redevelopment program..... \$	20,000
19	Federal cleanup project management--67.0 FTE	
20	positions.....	7,505,000
21	Superfund cleanup.....	4,000,000
22	Contaminated site investigations, cleanup and	
23	revitalization--230.5 FTE positions.....	20,884,800
24	Emergency cleanup action.....	4,000,000
25	State cleanup (Part 201 of Public Act 451 of 1994)..	3,027,900
26	Dioxin bio-availability study.....	800,000
	[White Lake nutrient study.....	36,000
	Little Black Creek.....	100]
27	GROSS APPROPRIATION..... \$	[40,273,800]

Senate Bill No. 1066 (H-1) as amended June 9, 2004

1	Appropriated from:	
2	Federal revenues:	
3	DOD-federal.....	485,600
4	EPA-multiple.....	9,037,400
5	Special revenue funds:	
6	Private funds.....	145,900
7	Clean Michigan initiative fund - administration.....	2,189,500
8	[Clean Michigan initiative fund - response activities.....	800,000]
8	Cleanup and redevelopment fund.....	23,029,000
9	Environmental protection fund.....	550,400
10	Environmental response fund.....	[2,036,100]
11	Landfill maintenance trust fund.....	50,600
12	Settlement funds.....	1,949,300
13	State general fund/general purpose..... \$	0
14	<b>Sec. 108. WASTE AND HAZARDOUS MATERIALS DIVISION</b>	
15	Full-time equated classified positions.....[183.5]	
16	[Hazardous waste management--61.0 FTE positions.....	\$5,621,500]
16	Low level radioactive waste authority--2.0 FTE	
17	positions..... \$	778,200
18	Medical waste program.....	250,400
19	Radiological protection--16.5 FTE positions.....	1,565,000
20	Scrap tire program--11.0 FTE positions.....	955,800
21	Solid waste management program--50.0 FTE positions..	4,046,600
22	Underground storage tank program--35.0 FTE positions	4,216,100
23	Aboveground storage tank program--8.0 FTE positions.	725,200
24	Scrap tire development fund.....	100
25	Value added scrap tire processing.....	<u>100</u>
26	GROSS APPROPRIATION..... \$	[18,159,000]
27	Appropriated from:	

## Senate Bill No. 1066 (H-1) as amended June 9, 2004

1	Interdepartmental grant revenues:	
2	IDG-MSP.....	672,700
3	Federal revenues:	
4	EPA-multiple.....	[3,828,000]
5	Special revenue funds:	
6	Aboveground storage tank fees.....	725,200
7	Solid waste program fees.....	[3,764,100]
8	Environmental pollution prevention fund.....	1,457,500
9	[Hazardous material transportation permit fund.....	94,300]
9	Medical waste emergency response fund.....	250,400
10	Public utility assessments.....	778,200
11	Scrap tire development fund.....	100
12	Scrap tire regulatory fund.....	955,800
13	Underground storage tank fees.....	3,967,700
14	Waste reduction fee revenue.....	66,900
15	State general fund/general purpose..... \$	[1,598,300]
16	<b>Sec. 109. WATER DIVISION</b>	
17	Full-time equated classified positions.....360.2	
18	Drinking water--84.2 FTE positions..... \$	12,994,700
19	Environmental health--30.0 FTE positions.....	3,022,800
20	Surface water--96.1 FTE positions.....	14,705,700
21	NPDES nonstormwater program--121.4 FTE positions....	9,473,000
22	Groundwater discharge--22.0 FTE positions.....	1,916,400
23	Sewage sludge land application program--6.5 FTE	
24	positions.....	767,900
25	Aquifer protection program.....	650,000
26	Fish contaminant monitoring contracts.....	<u>316,100</u>
27	GROSS APPROPRIATION..... \$	43,846,600

1	Appropriated from:	
2	Federal revenues:	
3	EPA-multiple.....	13,486,300
4	Special revenue funds:	
5	Aquifer protection revolving fund.....	450,000
6	CESARS service fee.....	27,700
7	Clean Michigan initiative fund - administration.....	563,800
8	Clean Michigan initiative fund - clean water fund...	3,129,000
9	Drinking water revolving fund.....	3,422,300
10	Environmental response fund.....	155,100
11	Fees and collections.....	691,600
12	Groundwater discharge permit fees.....	1,800,000
13	Land and water permit fees.....	446,200
14	NPDES fees.....	3,007,600
15	Manufactured housing commission fees.....	621,200
16	Public water supply fees.....	2,042,600
17	Saginaw Bay and River restoration revenue.....	162,300
18	Septage waste license fees.....	535,400
19	Sewage sludge land application fees.....	767,900
20	Soil erosion and sedimentation control training fund	106,300
21	State water pollution control revolving fund.....	619,900
22	Stormwater permit fees.....	2,278,500
23	Water use reporting fees.....	127,300
24	State general fund/general purpose..... \$	9,405,600
25	<b>Sec. 110. CRIMINAL INVESTIGATIONS</b>	
26	Full-time equated classified positions.....22.0	
27	Environmental investigations--22.0 FTE positions.... \$	<u>2,126,400</u>

1	GROSS APPROPRIATION.....	\$	2,126,400
2	Appropriated from:		
3	Federal revenues:		
4	DHS-federal.....		225,700
5	EPA-multiple.....		139,700
6	Special revenue funds:		
7	Environmental response fund.....		100,100
8	Oil and gas regulatory fund.....		120,900
9	Scrap tire regulatory fund.....		62,500
10	State general fund/general purpose.....	\$	1,477,500
11	<b>Sec. 111. GRANTS</b>		
12	Water pollution control and drinking water revolving		
13	funds.....	\$	112,153,500
14	Noncommunity water grants.....		1,400,000
15	Grants to counties--air pollution.....		83,700
16	Coastal zone management grants.....		1,800,000
17	Federal - nonpoint source water pollution grants....		6,500,000
18	Federal - Great Lakes remedial action plan grants...		700,000
19	Great Lakes research and protection grants.....		1,900,000
20	Real-time water quality monitoring.....		250,000
21	Drinking water revolving fund implementation.....		1,330,000
22	Local health department operations.....		10,472,500
23	Pollution prevention local grants.....		250,000
24	Septage waste compliance grants.....		1,525,000
25	Scrap tire grants.....		3,500,000
26	Volunteer lake, river, stream, and creek cleanup....		<u>25,000</u>
27	GROSS APPROPRIATION.....	\$	141,889,700

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG-MDCH local public health operations.....		10,472,500
4	Federal revenues:		
5	DOC-NOAA, federal.....		1,500,000
6	EPA-multiple.....		92,500,000
7	Special revenue funds:		
8	Community pollution prevention fund.....		250,000
9	Drinking water revolving fund.....		1,330,000
10	Great Lakes protection fund.....		1,900,000
11	Public water supply fees.....		1,400,000
12	Revolving loan revenue bonds.....		16,300,000
13	Scrap tire regulatory fund.....		3,500,000
14	Septage waste license fees.....		1,525,000
15	Strategic water quality initiatives fund.....		9,800,000
16	Water quality protection fund.....		25,000
17	State general fund/general purpose.....	\$	1,387,200
18	<b>Sec. 112. INFORMATION TECHNOLOGY</b>		
19	Information technology services and projects.....	\$	<u>6,759,100</u>
20	GROSS APPROPRIATION.....	\$	6,759,100
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG from MDOT-Michigan transportation fund.....		50,300
24	Federal revenues:		
25	DOC-NOAA, federal.....		25,600
26	EPA-multiple.....		654,700
27	Special revenue funds:		

1	Air emissions fees.....	486,900
2	Cleanup and redevelopment fund.....	1,100,000
3	Drinking water revolving fund.....	85,600
4	Environmental response fund.....	407,100
5	Land and water permit fees.....	106,700
6	Oil and gas regulatory fund.....	872,000
7	Public utility assessments.....	4,100
8	Public water supply fees.....	265,300
9	Scrap tire regulatory fund.....	81,300
10	Settlement funds.....	797,900
11	Solid waste program fees.....	60,000
12	Underground storage tank fees.....	173,900
13	Waste reduction fee revenue.....	384,800
14	Water analysis fees.....	155,400
15	State water pollution control revolving fund.....	119,800
16	State general fund/general purpose..... \$	927,700
17	<b>Sec. 113. BUDGETARY SAVINGS</b>	
18	Budgetary savings..... \$	<u>(5,416,900)</u>
19	GROSS APPROPRIATION..... \$	(5,416,900)
20	Appropriated from:	
21	State general fund/general purpose..... \$	(5,416,900)

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23  
24  
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PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state

Senate Bill No. 1066 (H-1) as amended June 9, 2004

1 constitution of 1963, total state spending from state resources under  
2 part 1 for fiscal year 2004-2005 is [\$187,406,900.00] and state spending  
3 from state resources to be paid to local units of government for  
4 fiscal year 2004-2005 is \$18,561,200.00. The itemized statement below  
5 identifies appropriations from which spending to units of local  
6 government will occur:

7 DEPARTMENT OF ENVIRONMENTAL QUALITY

8 GRANTS

9	Grants to counties - air pollution.....	\$	83,700
10	Local health department operations.....		10,472,500
11	Septage waste compliance program.....		1,525,000
12	Scrap tire grants.....		3,500,000
13	Noncommunity water grants.....		1,400,000
14	Real-time water quality monitoring.....		250,000
15	Drinking water grants.....		<u>1,330,000</u>
16	TOTAL.....	\$	18,561,200

17 Sec. 202. The appropriations authorized under this act are  
18 subject to the management and budget act, 1984 PA 431, MCL 18.1101 to  
19 18.1594.

20 Sec. 203. As used in this act:

- 21 (a) "CESARS" means chemical evaluation search and retrieval system.
- 22 (b) "Department" means the department of environmental quality.
- 23 (c) "DHS" means the United States department of homeland security.
- 24 (d) "DOC" means the United States department of commerce.
- 25 (e) "DOC-NOAA" means the DOC national oceanic and atmospheric  
26 administration.
- 27 (f) "DOD" means the United States department of defense.

- 1 (g) "DOI" means the United States department of interior.  
2 (h) "EPA" means the United States environmental protection agency.  
3 (i) "FEMA" means the federal emergency management agency.  
4 (j) "FTE" means full-time equated.  
5 (k) "IDG" means interdepartmental grant.  
6 (l) "IDT" means intradepartmental transfer.  
7 (m) "MDA" means the Michigan department of agriculture.  
8 (n) "MDCH" means the Michigan department of community health.  
9 (o) "MDSP" means the Michigan department of state police.  
10 (p) "MI" means Michigan.  
11 (q) "NPDES" means national pollutant discharge elimination system.

12 Sec. 204. The department of civil service shall bill departments  
13 and agencies at the end of the first fiscal quarter for the 1% charge  
14 authorized by section 5 of article XI of the state constitution of  
15 1963. Payments shall be made for the total amount of the billing by  
16 the end of the second fiscal quarter.

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

23 (2) The state budget director shall grant exceptions to the hiring  
24 freeze described in subsection (1) when the state budget director  
25 believes that the hiring freeze will result in rendering a state  
26 department or agency unable to deliver basic services, cause a loss of  
27 revenue to the state, result in the inability of the state to receive

1 federal funds, or would necessitate additional expenditures that  
2 exceed any savings from maintaining a vacancy. The state budget  
3 director shall report quarterly to the chairpersons of the senate and  
4 house of representatives standing committees on appropriations the  
5 number of exceptions to the hiring freeze approved during the previous  
6 quarter and the reasons to justify the exception.

7       Sec. 206. The department shall use the Internet to fulfill the  
8 reporting requirements of this act. This may include transmission of  
9 reports via electronic mail to the recipients identified for each  
10 reporting requirement or it may include placement of reports on an  
11 Internet or Intranet site.

12       Sec. 208. By February 15, 2005, the department shall provide the  
13 state budget director, the subcommittees on natural resources and  
14 environmental quality of the senate and house appropriations  
15 committees, and the senate and house fiscal agencies with an annual  
16 report on restricted fund balances, projected revenues, and  
17 expenditures for the fiscal years ending September 30, 2004 and  
18 September 30, 2005.

19       Sec. 209. (1) From funds appropriated under part 1, the  
20 department shall prepare a report that lists all of the following  
21 regarding grant or loan or grant and loan programs administered by the  
22 department for the fiscal year ending September 30, 2005:

23       (a) The name of each program.

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

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

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

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

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

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

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

11 (2) The reports required under this section shall be submitted to  
12 the state budget office, the senate and house appropriations  
13 committees, and senate and house fiscal agencies by January 1, 2005.

14 Sec. 210. The department shall notify the legislature and shall  
15 provide a public meeting and public comment opportunity with respect  
16 to any request received by the state of Michigan to divert water from  
17 the Great Lakes pursuant to the water resources development act of  
18 1986, Public Law 99-662, 100 Stat. 4082.

19 Sec. 211. (1) The department shall report all of the following  
20 information relative to allocations made from appropriations for the  
21 environmental cleanup and redevelopment program, state cleanup,  
22 emergency actions, superfund cleanup, the revitalization revolving  
23 loan program, the brownfield grants and loans program, the leaking  
24 underground storage tank cleanup program, the contaminated lake and  
25 river sediments cleanup program, and the environmental protection bond  
26 projects under section 19508(7) of the natural resources and  
27 environmental protection act, 1994 PA 451, MCL 324.19508, to the state

1 budget director, the senate and house appropriations subcommittees on  
2 environmental quality, and the senate and house fiscal agencies:

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

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

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

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

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

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

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

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

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

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

24 (c) The total amount of bonds issued for the environmental  
25 protection bond program pursuant to part 193 of the natural resources  
26 and environmental protection act, 1994 PA 451, MCL 324.19301 to  
27 324.19306, and bonds issued pursuant to the clean Michigan initiative

1 act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

3 Sec. 213. Of the money appropriated from the environmental  
4 education fund in part 1, \$5,000.00 shall be allocated to Michigan  
5 State University Extension Service - 4-H Youth Programs to fund the  
6 Michigan Youth Conservation Council.

7 Sec. 214. From the funds appropriated in part 1 for information  
8 technology, the department shall pay user fees to the department of  
9 information technology for technology-related services and projects.  
10 These user fees shall be subject to provisions of an interagency  
11 agreement between the department and the department of information  
12 technology.

13 Sec. 215. Amounts appropriated in part 1 for information  
14 technology may be designated as work projects and carried forward to  
15 support department of environmental quality technology projects under  
16 the direction of the department of information technology. Funds  
17 designated in this manner are not available for expenditure until  
18 approved as work projects under section 451a of the management and  
19 budget act, 1984 PA 431, MCL 18.1451a.

20 Sec. 217. Funds appropriated in part 1 shall not be used for the  
21 purchase of foreign goods or services, or both, if competitively  
22 priced and comparable quality American goods or services, or both, are  
23 available. Preference should be given to goods or services, or both,  
24 manufactured or provided by Michigan businesses if they are  
25 competitively priced and of comparable quality.

26 Sec. 218. The department shall notify the legislature and shall  
27 provide a public meeting and public comment opportunity with respect

1 to any request received by the state of Michigan to divert water from  
2 the Great Lakes pursuant to the water resources development act of  
3 1986, Public Law 99-662, 100 Stat. 4082.

4       Sec. 219. (1) In addition to the funds appropriated in part 1,  
5 there is appropriated an amount not to exceed \$30,000,000.00 for  
6 federal contingency funds. These funds are not available for  
7 expenditure until they have been transferred to another line item in  
8 this act under section 393(2) of the management and budget act, 1984  
9 PA 431, MCL 18.1393.

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

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

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

27       Sec. 220. Any savings realized through the implementation of

1 negotiated state employee contracts shall lapse and be credited to the  
2 funding source from which appropriations are made.

3       Sec. 221. The negative appropriation in section 113 for budgetary  
4 savings in part 1 shall be satisfied through a departmentwide general  
5 fund reduction plan developed by the department. Appropriation  
6 authorization adjustments required to implement the negative  
7 appropriation shall be made after legislative approval of transfers  
8 pursuant to section 393(2) of the management and budget act, 1984 PA  
9 431, MCL 18.1393.

10       Sec. 222. The department shall reduce the number of funded  
11 classified positions as of September 30, 2004 by 8%. The department  
12 plan to achieve this reduction shall be provided to the house and  
13 senate appropriations committees and the house and senate fiscal  
14 agencies on or before February 2, 2005.

15       Sec. 223. The department shall review all private leases and  
16 building occupancy agreements in effect for the fiscal year ending  
17 September 30, 2005. Based on this review, the department, in  
18 cooperation with the department of management and budget, shall  
19 prepare a lease savings plan to reduce overall lease obligations by  
20 5%. This plan shall be provided to the house and senate  
21 appropriations committees and the house and senate fiscal agencies on  
22 or before September 30, 2005.

23       Sec. 224. The department shall collaborate with the statewide  
24 public advisory council, local advisory councils, the United States  
25 environmental protection agency and other appropriate federal  
26 agencies, the department of natural resources, and other appropriate  
27 parties to develop a long-term strategy to restore and formally remove

1 Michigan's Great Lakes areas of concern from the federal listing.  
2 Among other information, the strategy should include a list of  
3 cleanup, source control, monitoring, and assessment activities  
4 eligible for funding under the federal Great Lakes legacy act; their  
5 estimated cost; options for meeting any nonfederal funding match  
6 requirements for these activities, including recommendations for  
7 changes to existing appropriations and program expenditures to qualify  
8 as matching funds for federal grant programs; a description of the  
9 optimum staffing level for the areas of concern program and available  
10 funding options; and a description of the department's role in seeking  
11 the formal removal of areas of concern, or specific beneficial use  
12 impairments, from the federal list, including minimum cleanup goals  
13 for identified impairments based on applicable state and federal  
14 regulatory standards and the monitoring programs available for  
15 assessing progress in achieving those goals. In addition, the  
16 department shall strive to apply for an equitable share of federal  
17 funding and technical assistance available to support the area of  
18 concern program and strive to provide the funds needed to meet  
19 nonfederal funding requirements.

20 **DEPARTMENT SUPPORT SERVICES**

21 Sec. 301. In addition to the annual report on travel  
22 expenditures required by section 217 of the management and budget act,  
23 1984 PA 431, MCL 18.1217, the department shall provide to the senate  
24 and house appropriations subcommittees on natural resources and the  
25 senate and house fiscal agencies a quarterly report within 30 days of  
26 the end of each quarter on expenses incurred for travel inside and

1 outside the state. The report shall include, but not be limited to,  
2 the name of the person who traveled, total expenditures for  
3 compensation, fees, or remuneration for meals, transportation, and  
4 related contractual services, supplies, and materials, and the  
5 destination, reason for, and dates of the travel.

6 **AIR QUALITY**

7 Sec. 401. The department shall report quarterly, via the  
8 department's Internet website, on air quality program expenditures and  
9 revenues. The report shall include expenditures and revenues by fund  
10 source and by program function.

11 **ENVIRONMENTAL SCIENCE AND SERVICES**

12 Sec. 501. By July 1, 2005, the department shall prepare and  
13 submit a report to the state budget director, the legislature, the  
14 chairs of the standing committees of the senate and house of  
15 representatives with primary responsibility for issues related to  
16 natural resources and the environment, and the chairs of the  
17 subcommittees of the senate and house appropriations committees with  
18 primary responsibility for appropriations for the department of  
19 environmental quality, outlining the implementation of the Great Lakes  
20 water quality bond provided for in part 197 of the natural resources  
21 and environmental protection act, 1994 PA 451, MCL 324.19701 to  
22 324.19708, including, but not limited to, the amount of bonds issued  
23 and the date they were issued, the number of applications received for  
24 loans from the state water pollution control revolving fund created in  
25 section 16a of the shared credit rating act, 1985 PA 227, MCL  
26 141.1066a, the total amount of loans requested, a listing of the

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1 applicants receiving loans and the total amount of loans provided to  
 2 those applicants, a listing of applicants whose loan applications were  
 3 not approved and the reasons why those applications were not approved,  
 4 the amount of the loans granted that were leveraged from bond  
 5 proceeds, and the remaining bond proceeds and bond authorization.

6 Sec. 502. From the funds appropriated in part 1, the department  
 7 [may] contract with commercial laboratories for state laboratory  
 8 work.

#### 9 GEOLOGICAL AND LAND MANAGEMENT

10 Sec. 602. The department may waive permit fees for nonprofit  
 11 organizations conducting approved stream habitat improvement  
 12 projects.

[Sec. 603. The department shall not begin work on any program  
 improvements in the floodplain mapping program until the wetlands mapping  
 effort is completed, pursuant to the natural resources and environmental  
 protection act, 1994 PA 451.]

#### 13 REMEDICATION AND REDEVELOPMENT

14 Sec. 702. The funds appropriated in part 1 for the environmental  
 15 cleanup and redevelopment program shall be used to fund brownfield and  
 16 redevelopment and cleanup activities in the following counties:

17 21774 Cannonsville Road (Pierson Mobil Station) -- Montcalm

18 28611 Ann Arbor Trail -- Wayne

19 Sec. 703. (1) The appropriation in part 1 for a dioxin  
 20 bio-availability study shall be used by the department of management  
 21 and budget to contract with an out-of-state university or other  
 22 qualified organization to conduct a bio-availability study and report  
 23 on dioxin. The contract shall require that the study and report be  
 24 completed within 6 months after the effective date of this act and  
 25 that the report be peer-reviewed by the Michigan environmental science

1 board within 3 months after its completion. The department of  
2 management and budget shall provide a copy of the report to the house  
3 and senate appropriations committees within 9 months after the  
4 effective date of this act.

5 (2) As used in this section, "dioxin" means 1 or more structurally  
6 related chlorinated dibenzodioxin and chlorinated dibenzofuran  
7 chemicals.

#### 8 WASTE AND HAZARDOUS MATERIALS

9 Sec. 801. The recycling coordinator shall conduct a study of the  
10 state's capacity to handle material recovered for recycling, the  
11 feasibility of collecting and transporting the material for recycling  
12 within the state, and the ability of the state to sustain markets for  
13 products containing recycled content. The department shall make  
14 recommendations for improving and expanding recycling in the state in  
15 a report submitted to the legislature, the state budget director, and  
16 the senate and house fiscal agencies no later than December 30, 2004.

17 Sec. 802. By February 1, 2005, the department shall submit to  
18 the chairpersons of the senate and house of representatives standing  
19 committees on appropriations, the chairpersons of the senate and house  
20 appropriations subcommittees on environmental quality, the state  
21 budget director, and the senate and house fiscal agencies a report on  
22 out-of-state waste disposed of in landfills in this state. The report  
23 shall include, but not be limited to, the amount, type, and state of  
24 origin for all out-of-state waste.

25 Sec. 803. (1) The \$100.00 appropriated in part 1 to the scrap  
26 tire development fund shall be used as provided in part 169 of the

1 natural resources and environmental protection act, 1994 PA 451, MCL  
2 324.16901 to 324.16910.

3 (2) From the appropriation in part 1 for value-added scrap tire  
4 processing, the department shall award a grant for a scrap tire plant  
5 in accordance with part 169 of the natural resources and environmental  
6 protection act, 1994 PA 451, MCL 324.16901 to 324.16910.

7 Sec. 805. Pursuant to 40 CFR 271.8, the department shall  
8 formally provide to the environmental protection agency administrator  
9 a plan for the orderly transfer of the hazardous waste program to the  
10 federal government. This plan shall include all relevant program  
11 information for administering the program, including permits and  
12 permit files, compliance records, permit applications, and reports.

13 **WATER**

14 Sec. 901. By February 2, 2005, the department shall submit a  
15 report on the department's use of the national pollutant discharge  
16 elimination system fund created in MCL 324.3121 for the previous  
17 fiscal year, to the senate and house appropriations subcommittees on  
18 environmental quality and natural resources, the standing committees  
19 of the legislature with jurisdiction over issues primarily related to  
20 natural resources and the environment, and the senate and house fiscal  
21 agencies. The report shall include a summary of how the  
22 appropriations in part 1 for NPDES nonstormwater program were used for  
23 the various permissible uses of the fund and shall include specific  
24 information on all of the following:

25 (a) The number of compliance and complaint inspections completed,  
26 by category, the number of on-site compliance inspections conducted,

1 and the number of compliance inspections that were not announced in  
2 advance to the permittee or licensee.

3 (b) The number and percent of permit and license inspections that  
4 were found to be in significant noncompliance, by category.

5 (c) The number of administrative enforcement actions taken for  
6 permit or license violations and the results of the enforcement  
7 actions, including the amount of fines and penalties collected.

8 (d) The number of judicial enforcement actions taken for permit or  
9 license violations and the results of the enforcement actions,  
10 including the amount of fines and penalties collected.

11 (e) A listing of the supplemental environmental projects agreed to  
12 as a result of a consent agreement including all of the following:  
13 the case name, the monetary value of the supplemental environmental  
14 project, and a description of the project.

15 Sec. 902. Of the funds appropriated in part 1 for safe drinking  
16 water assistance activities under part 54 of the natural resources and  
17 environmental protection act, 1994 PA 451, MCL 324.5401 to 324.5418,  
18 the department shall allocate the full 2% available for technical  
19 assistance under 42 USC 300j-12.

20 Sec. 903. The appropriation in part 1 for a real-time water  
21 quality monitoring grant is a grant to the city of Algonac to conduct  
22 a pilot project of a real-time water quality monitoring program in the  
23 St. Clair watershed. By September 30, 2005, the city of Algonac shall  
24 report to the department on the plan, implementation, and status of  
25 the pilot project. The department shall forward the report to the  
26 state budget director, the senate and house appropriations  
27 subcommittees on environmental quality, the senate and house standing

1 committees on natural resources and environmental issues, and the  
2 senate and house fiscal agencies.

### 3 CRIMINAL INVESTIGATIONS

4       Sec. 1001. From funds appropriated in part 1, the department  
5 shall conduct periodic inspections of imported solid waste at disposal  
6 facilities to mitigate the unpermitted disposal of waste at Michigan  
7 disposal sites.

### 8 GRANTS

9       Sec. 1101. If a certified health department does not exist in a  
10 city, county, or district or does not fulfill its responsibilities  
11 under part 117 of the natural resources and environmental protection  
12 act, 1994 PA 451, MCL 324.11701 to 324.11719, then the department may  
13 spend funds appropriated in part 1 under the septage waste compliance  
14 program pursuant to section 11716 of the natural resources and  
15 environmental protection act, 1994 PA 451, MCL 324.11716.

16       Sec. 1102. Of the funds appropriated in part 1 for scrap tire  
17 grants, \$100,000.00 shall be available for grants to communities to  
18 cover scrap tire fire suppression costs, provided owner liability  
19 bonds and other available funding sources have been exhausted.