

**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

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

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amounts listed in this part are appropriated for the department of

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

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

1 the appropriations in this part:

2 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

3 APPROPRIATION SUMMARY:

4	Full-time equated unclassified positions.....6.0		
5	Full-time equated classified positions.....1,564.2		
6	GROSS APPROPRIATION.....	\$	340,465,800
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....		14,263,000
10	ADJUSTED GROSS APPROPRIATION.....	\$	326,202,800
11	Federal revenues:		
12	Total federal revenues.....		133,766,800
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		445,900
16	Total other state restricted revenues.....		155,980,100
17	State general fund/general purpose.....	\$	36,010,000
18	FUND SOURCE SUMMARY:		
19	Full-time equated unclassified positions.....6.0		
20	Full-time equated classified positions.....1,564.2		
21	GROSS APPROPRIATION.....	\$	340,465,800
22	Interdepartmental grant revenues:		
23	IDG-MDA.....		106,200
24	IDG-MDCH, local public health operations.....		10,472,500
25	IDG-MDSP.....		672,700
26	IDG, Michigan transportation fund.....		958,200
27	IDT, interdivisional charges.....		2,053,400

1	Total interdepartmental grants and intradepartmental	
2	transfers.....	14,263,000
3	ADJUSTED GROSS APPROPRIATION.....	\$ 326,202,800
4	Federal revenues:	
5	DHS, federal.....	225,700
6	DOC-NOAA, federal.....	3,194,200
7	DOD, federal.....	485,600
8	DOI, federal.....	542,600
9	EPA, brownfield cleanup revolving loan fund.....	1,000,000
10	EPA, multiple.....	127,425,800
11	FEMA, federal.....	892,900
12	Total federal revenues.....	133,766,800
13	Special revenue funds:	
14	Private funds.....	445,900
15	Total private revenues.....	445,900
16	Aboveground storage tank fees.....	747,900
17	Air emissions fees.....	13,175,400
18	Aquifer protection revolving fund.....	450,000
19	CESARS service fee.....	27,700
20	Clean Michigan initiative - administration.....	3,081,600
21	Clean Michigan initiative - clean water fund.....	3,129,000
22	Clean Michigan initiative - response activities.....	1,655,600
23	Cleanup and redevelopment fund.....	25,035,400
24	Community pollution prevention fund.....	250,000
25	Drinking water revolving fund.....	6,148,200
26	Environmental education fund.....	186,400
27	Environmental pollution prevention fund.....	1,502,900

1	Environmental protection fund.....	613,300
2	Environmental response fund.....	4,506,800
3	Fees and collections.....	1,152,400
4	Financial instruments.....	5,000,000
5	Great Lakes protection fund.....	2,411,600
6	Groundwater discharge permit fees.....	1,845,300
7	Hazardous materials transportation permit fund.....	94,300
8	Land and water permit fees.....	3,364,300
9	Landfill maintenance trust fund.....	50,600
10	Manufactured housing fees.....	621,200
11	Medical waste emergency response fund.....	250,400
12	Metallic mining surveillance fee revenue.....	67,200
13	Mineral well regulatory fee revenue.....	220,700
14	NPDES fees.....	3,062,600
15	Oil and gas regulatory fund.....	8,594,700
16	Orphan well fund.....	2,014,100
17	Public utility assessments.....	792,800
18	Public water supply fees.....	4,439,500
19	Publication revenue.....	109,900
20	Retired engineers technical assistance fund.....	1,500,000
21	Revolving loan revenue bonds.....	16,300,000
22	Saginaw Bay and River restoration revenue.....	162,300
23	Sand extraction fee revenue.....	186,800
24	Scrap tire development fund.....	100
25	Scrap tire regulatory fund.....	4,692,400
26	Septage waste license fees.....	2,060,300
27	Settlement funds.....	3,535,100

1	Sewage sludge land application fee.....	797,500
2	Soil erosion and sedimentation control training fund	106,300
3	Solid waste program fees.....	4,080,100
4	Stormwater permit fees.....	2,562,000
5	Strategic water quality initiatives fund.....	10,007,600
6	Submerged log recovery fund.....	101,600
7	Underground storage tank fees.....	4,327,100
8	Waste reduction fee revenue.....	4,599,500
9	Wastewater operator training fees.....	174,800
10	Water analysis fees.....	3,084,200
11	Water pollution control revolving fund.....	2,940,600
12	Water quality protection fund.....	25,000
13	Water use reporting fees.....	135,000
14	Total other state restricted revenues.....	155,980,100
15	State general fund/general purpose..... \$	36,010,000
16	Sec. 102. EXECUTIVE	
17	Full-time equated unclassified positions.....6.0	
18	Full-time equated classified positions.....15.0	
19	Unclassified salaries--6.0 FTE positions..... \$	482,600
20	Executive direction	
21	Salaries and fringe benefits--8.0 FTE positions.....	696,400
22	Travel.....	6,900
23	Other operational expenses.....	173,400
24	Subtotal - executive direction.....	876,700
25	Office of the Great Lakes	
26	Salaries and fringe benefits--7.0 FTE positions.....	597,400
27	Travel.....	5,100

1	Other operational expenses.....	245,200
2	Subtotal - office of the Great Lakes.....	<u>847,700</u>
3	GROSS APPROPRIATION..... \$	2,207,000
4	Appropriated from:	
5	Federal revenues:	
6	DOI, federal.....	127,700
7	EPA, multiple.....	107,600
8	Special revenue funds:	
9	Environmental education fund.....	186,400
10	Environmental response fund.....	45,100
11	Great Lakes protection fund.....	511,600
12	Oil and gas regulatory fund.....	93,900
13	Settlement funds.....	224,300
14	State general fund/general purpose..... \$	910,400
15	Sec. 103. DEPARTMENT SUPPORT SERVICES	
16	Full-time equated classified positions.....70.0	
17	Administrative hearings	
18	Salaries and fringe benefits--4.0 FTE positions..... \$	349,700
19	Travel.....	500
20	Other operational expenses.....	30,400
21	Subtotal - administrative hearings.....	380,600
22	Automated data processing.....	2,053,400
23	Environmental support projects.....	5,000,000
24	Field operations support	
25	Salaries and fringe benefits--20.0 FTE positions....	1,203,400
26	Travel.....	22,500
27	Other operational expenses.....	146,900

1	Subtotal - field operations support.....	1,372,800
2	Financial and business services	
3	Salaries and fringe benefits--32.0 FTE positions....	1,394,000
4	Travel.....	2,700
5	Other operational expenses.....	239,000
6	Subtotal - financial and business services.....	1,635,700
7	Human resource optimization user charges.....	59,100
8	Office of special environmental projects	
9	Salaries and fringe benefits--3.0 FTE positions....	374,900
10	Travel.....	1,000
11	Other operational expenses.....	50,900
12	Subtotal - office of special environmental projects.	426,800
13	Personnel	
14	Salaries and fringe benefits--11.0 FTE positions....	616,700
15	Travel.....	3,000
16	Other operational expenses.....	37,900
17	Subtotal - personnel.....	657,600
18	Building occupancy charges.....	7,274,200
19	Rent-privately owned property.....	<u>1,836,900</u>
20	GROSS APPROPRIATION.....	\$ 20,697,100
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDT, interdivisional charges.....	2,053,400
24	Federal revenues:	
25	EPA, multiple.....	62,100
26	Special revenue funds:	
27	Aboveground storage tank fees.....	27,400

1	Air emissions fees.....	559,100
2	Clean Michigan initiative - administration.....	174,700
3	Cleanup and redevelopment fund.....	1,042,100
4	Environmental pollution prevention fund.....	58,600
5	Environmental response fund.....	1,440,100
6	Fees and collections.....	91,900
7	Financial instruments.....	5,000,000
8	Groundwater discharge permit fees.....	46,700
9	Land and water permit fees.....	105,900
10	NPDES fees.....	84,800
11	Oil and gas regulatory fund.....	768,200
12	Public utility assessments.....	11,600
13	Public water supply fees.....	510,000
14	Scrap tire regulatory fund.....	97,800
15	Settlement funds.....	184,100
16	Sewage sludge land application fee.....	36,300
17	Solid waste program fees.....	64,900
18	Stormwater permit fees.....	207,700
19	Underground storage tank fees.....	194,200
20	Waste reduction fee revenue.....	51,700
21	Water analysis fees.....	345,700
22	Water pollution control revolving fund.....	13,700
23	Water use reporting fees.....	7,700
24	State general fund/general purpose..... \$	7,456,700
25	Sec. 104. AIR QUALITY	
26	Full-time equated classified positions.....242.0	
27	Air quality programs	

1	Salaries and fringe benefits--242.0 FTE positions...	\$	18,709,400
2	Travel.....		113,600
3	Other operational expenses.....		3,470,200
4	Subtotal - air quality programs.....		<u>22,293,200</u>
5	GROSS APPROPRIATION.....	\$	22,293,200
6	Appropriated from:		
7	Federal revenues:		
8	EPA, multiple.....		5,009,800
9	Special revenue funds:		
10	Air emissions fees.....		11,433,900
11	Environmental response fund.....		96,000
12	Fees and collections.....		368,900
13	State general fund/general purpose.....	\$	5,384,600
14	Sec. 105. ENVIRONMENTAL SCIENCE AND SERVICES		
15	Full-time equated classified positions.....182.0		
16	Environmental services		
17	Salaries and fringe benefits--26.5 FTE positions....	\$	2,033,700
18	Travel.....		5,000
19	Other operational expenses.....		407,100
20	Subtotal - environmental services.....		2,445,800
21	Laboratory services		
22	Salaries and fringe benefits--68.0 FTE positions....		4,251,700
23	Travel.....		12,700
24	Other operational expenses.....		1,832,800
25	Subtotal - laboratory services.....		6,097,200
26	Municipal assistance		
27	Salaries and fringe benefits--35.5 FTE positions....		1,936,900

1	Travel.....	11,300
2	Other operational expenses.....	3,029,700
3	Subtotal - municipal assistance.....	4,977,900
4	Pollution prevention and technical assistance	
5	Salaries and fringe benefits--52.0 FTE positions....	2,955,200
6	Travel.....	20,000
7	Other operational expenses.....	1,809,300
8	Subtotal - pollution prevention and technical	
9	assistance.....	4,784,500
10	Pollution prevention outreach.....	300,000
11	Retired engineers technical assistance program.....	1,500,000
12	Revitalization revolving loan program.....	<u>1,000,000</u>
13	GROSS APPROPRIATION..... \$	21,105,400
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG-MDA.....	106,200
17	Federal revenues:	
18	DOC-NOAA, federal.....	323,900
19	EPA, brownfield cleanup revolving loan fund.....	1,000,000
20	EPA, multiple.....	2,256,300
21	Special revenue funds:	
22	Private funds.....	300,000
23	Air emissions fees.....	695,500
24	Clean Michigan initiative - administration.....	153,600
25	Clean Michigan initiative - response activities.....	1,655,600
26	Drinking water revolving fund.....	1,320,300
27	Environmental protection fund.....	62,900

1	Environmental response fund.....	263,300
2	Public water supply fees.....	231,600
3	Retired engineers technical assistance fund.....	1,500,000
4	Settlement funds.....	379,500
5	Stormwater permit fees.....	89,800
6	Strategic water quality initiatives fund.....	207,600
7	Waste reduction fee revenue.....	4,096,100
8	Wastewater operator training fees.....	174,800
9	Water analysis fees.....	2,583,100
10	Water pollution control revolving fund.....	2,187,200
11	State general fund/general purpose..... \$	1,518,100
12	Sec. 106. GEOLOGICAL AND LAND MANAGEMENT	
13	Full-time equated classified positions.....192.0	
14	Program direction	
15	Salaries and fringe benefits--8.0 FTE positions..... \$	715,500
16	Travel.....	1,300
17	Other operational expenses.....	113,600
18	Subtotal - program direction.....	830,400
19	Coal and sand dune management	
20	Salaries and fringe benefits--3.0 FTE positions.....	126,000
21	Travel.....	1,300
22	Other operational expenses.....	474,400
23	Subtotal - coal and sand dune management.....	601,700
24	Field permitting and project assistance	
25	Salaries and fringe benefits--69.0 FTE positions....	5,757,800
26	Travel.....	24,800
27	Other operational expenses.....	370,800

1	Subtotal - field permitting and project assistance..	6,153,400
2	Great Lakes shorelands	
3	Salaries and fringe benefits--28.0 FTE positions....	2,295,700
4	Travel.....	10,900
5	Other operational expenses.....	181,400
6	Subtotal - Great Lakes shorelands.....	2,488,000
7	Metallic mine reclamation	
8	Salaries and fringe benefits--1.0 FTE positions....	9,000
9	Travel.....	1,600
10	Other operational expenses.....	56,600
11	Subtotal - metallic mine reclamation.....	67,200
12	Mineral wells management	
13	Salaries and fringe benefits--3.0 FTE positions....	121,500
14	Travel.....	1,600
15	Other operational expenses.....	97,600
16	Subtotal - mineral wells management.....	220,700
17	Orphan well	
18	Salaries and fringe benefits--2.0 FTE positions....	188,200
19	Travel.....	1,300
20	Other operational expenses.....	1,824,600
21	Subtotal - orphan well.....	2,014,100
22	Services to oil and gas	
23	Salaries and fringe benefits--57.0 FTE positions....	4,644,300
24	Travel.....	38,100
25	Other operational expenses.....	2,167,200
26	Subtotal - services to oil and gas.....	6,849,600
27	Submerged log recovery.....	101,600

1	Water management	
2	Salaries and fringe benefits--21.0 FTE positions....	2,283,800
3	Travel.....	6,900
4	Other operational expenses.....	403,200
5	Subtotal - water management.....	<u>2,693,900</u>
6	GROSS APPROPRIATION..... \$	22,020,600
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG, Michigan transportation fund.....	907,900
10	Federal revenues:	
11	DOC-NOAA, federal.....	1,344,700
12	DOI, federal.....	414,900
13	EPA, multiple.....	470,800
14	FEMA, federal.....	892,900
15	Special revenue funds:	
16	Land and water permit fees.....	2,705,500
17	Metallic mining surveillance fee revenue.....	67,200
18	Mineral well regulatory fee revenue.....	220,700
19	Oil and gas regulatory fund.....	6,739,700
20	Orphan well fund.....	2,014,100
21	Publication revenue.....	109,900
22	Sand extraction fee revenue.....	186,800
23	Submerged log recovery fund.....	101,600
24	State general fund/general purpose..... \$	5,843,900
25	Sec. 107. REMEDIATION AND REDEVELOPMENT	
26	Full-time equated classified positions.....297.5	
27	Contaminated site investigation, cleanup, and	

1	revitalization	
2	Salaries and fringe benefits--230.5 FTE positions... \$	17,779,100
3	Travel.....	87,900
4	Other operational expenses.....	2,929,900
5	Subtotal - contaminated site investigation, cleanup,	
6	and revitalization.....	20,796,900
7	Federal cleanup project management	
8	Salaries and fringe benefits--67.0 FTE positions....	6,000,200
9	Travel.....	27,900
10	Other operational expenses.....	1,449,100
11	Subtotal - federal cleanup project management.....	7,477,200
12	Emergency cleanup actions.....	4,000,000
13	State cleanup 451.....	3,027,900
14	Superfund cleanup.....	<u>4,000,000</u>
15	GROSS APPROPRIATION..... \$	39,302,000
16	Appropriated from:	
17	Federal revenues:	
18	DOD, federal.....	485,600
19	EPA, multiple.....	9,037,400
20	Special revenue funds:	
21	Private funds.....	145,900
22	Clean Michigan initiative - administration.....	2,189,500
23	Cleanup and redevelopment fund.....	22,893,300
24	Environmental protection fund.....	550,400
25	Environmental response fund.....	2,000,000
26	Landfill maintenance trust fund.....	50,600
27	Settlement funds.....	1,949,300

1	State general fund/general purpose.....	\$	0
2	Sec. 108. WASTE AND HAZARDOUS MATERIALS		
3	Full-time equated classified positions.....		183.5
4	Aboveground storage tank program		
5	Salaries and fringe benefits--8.0 FTE positions.....	\$	554,700
6	Travel.....		4,800
7	Other operational expenses.....		161,000
8	Subtotal - aboveground storage tank program.....		720,500
9	Hazardous waste management program		
10	Salaries and fringe benefits--61.0 FTE positions....		4,091,600
11	Travel.....		13,300
12	Other operational expenses.....		1,509,500
13	Subtotal - hazardous waste management program.....		5,614,400
14	Low-level radioactive waste authority		
15	Salaries and fringe benefits--2.0 FTE positions.....		169,300
16	Travel.....		1,200
17	Other operational expenses.....		606,600
18	Subtotal - low-level radioactive waste authority....		777,100
19	Medical waste program.....		250,400
20	Radiological protection program		
21	Salaries and fringe benefits--16.5 FTE positions....		963,400
22	Travel.....		8,400
23	Other operational expenses.....		588,400
24	Subtotal - radiological protection program.....		1,560,200
25	Scrap tire regulatory program		
26	Salaries and fringe benefits--11.0 FTE positions....		673,300
27	Travel.....		5,000

1	Other operational expenses.....	272,500
2	Subtotal - scrap tire regulatory program.....	950,800
3	Solid waste management program	
4	Salaries and fringe benefits--50.0 FTE positions....	3,221,900
5	Travel.....	24,600
6	Other operational expenses.....	775,600
7	Subtotal - solid waste management program.....	4,022,100
8	Underground storage tank program	
9	Salaries and fringe benefits--35.0 FTE positions....	1,962,000
10	Travel.....	8,700
11	Other operational expenses.....	2,236,700
12	Subtotal - underground storage tank program.....	4,207,400
13	Scrap tire development fund.....	100
14	Value-added scrap tire processing.....	<u>100</u>
15	GROSS APPROPRIATION..... \$	18,103,100
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG-MDSP.....	672,700
19	Federal revenues:	
20	EPA, multiple.....	3,611,100
21	Special revenue funds:	
22	Aboveground storage tank fees.....	720,500
23	Environmental pollution prevention fund.....	1,444,300
24	Hazardous materials transportation permit fund.....	94,300
25	Medical waste emergency response fund.....	250,400
26	Public utility assessments.....	777,100
27	Scrap tire development fund.....	100

1	Scrap tire regulatory fund.....	950,800
2	Solid waste program fees.....	3,955,200
3	Underground storage tank fees.....	3,959,000
4	Waste reduction fee revenue.....	66,900
5	State general fund/general purpose..... \$	1,600,700
6	Sec. 109. WATER	
7	Full-time equated classified positions.....360.2	
8	Aquifer protection program	
9	Salaries and fringe benefits..... \$	198,000
10	Travel.....	1,000
11	Other operational expenses.....	450,000
12	Subtotal - aquifer protection program.....	649,000
13	Drinking water	
14	Salaries and fringe benefits--84.2 FTE positions....	6,557,400
15	Travel.....	42,800
16	Other operational expenses.....	6,360,100
17	Subtotal - drinking water.....	12,960,300
18	Environmental health	
19	Salaries and fringe benefits--30.0 FTE positions....	2,525,500
20	Travel.....	22,700
21	Other operational expenses.....	471,700
22	Subtotal - environmental health.....	3,019,900
23	Fish contaminant monitoring.....	316,100
24	Groundwater discharge	
25	Salaries and fringe benefits--22.0 FTE positions....	1,651,600
26	Travel.....	1,500
27	Other operational expenses.....	261,900

1	Subtotal - groundwater discharge.....	1,915,000
2	NPDES nonstormwater program	
3	Salaries and fringe benefits--121.4 FTE positions...	8,543,100
4	Travel.....	29,800
5	Other operational expenses.....	886,700
6	Subtotal - NPDES nonstormwater program.....	9,459,600
7	Sewage sludge land application program	
8	Salaries and fringe benefits--6.5 FTE positions.....	441,100
9	Travel.....	6,800
10	Other operational expenses.....	313,300
11	Subtotal - sewage sludge land application program...	761,200
12	Surface water	
13	Salaries and fringe benefits--96.1 FTE positions....	8,041,300
14	Travel.....	26,400
15	Other operational expenses.....	6,677,500
16	Subtotal - surface water.....	<u>14,745,200</u>
17	GROSS APPROPRIATION..... \$	43,826,300
18	Appropriated from:	
19	Federal revenues:	
20	EPA, multiple.....	13,486,300
21	Special revenue funds:	
22	Aquifer protection revolving fund.....	450,000
23	CESARS service fee.....	27,700
24	Clean Michigan initiative - administration.....	563,800
25	Clean Michigan initiative - clean water fund.....	3,129,000
26	Drinking water revolving fund.....	3,412,300
27	Environmental response fund.....	155,100

1	Fees and collections.....	691,600
2	Groundwater discharge permit fees.....	1,798,600
3	Land and water permit fees.....	446,200
4	Manufactured housing fees.....	621,200
5	NPDES fees.....	2,977,800
6	Public water supply fees.....	2,032,600
7	Saginaw Bay and River restoration revenue.....	162,300
8	Septage waste license fees.....	535,300
9	Sewage sludge land application fee.....	761,200
10	Soil erosion and sedimentation control training fund	106,300
11	Stormwater permit fees.....	2,264,500
12	Water pollution control revolving fund.....	619,900
13	Water use reporting fees.....	127,300
14	State general fund/general purpose..... \$	9,457,300
15	Sec. 110. CRIMINAL INVESTIGATIONS	
16	Full-time equated classified positions.....22.0	
17	Environmental investigations	
18	Salaries and fringe benefits--22.0 FTE positions.... \$	1,692,100
19	Travel.....	13,600
20	Other operational expenses.....	417,500
21	Subtotal - environmental investigations.....	<u>2,123,200</u>
22	GROSS APPROPRIATION..... \$	2,123,200
23	Appropriated from:	
24	Federal revenues:	
25	DHS, federal.....	225,700
26	EPA, multiple.....	139,700
27	Special revenue funds:	

1	Environmental response fund.....	100,100
2	Oil and gas regulatory fund.....	120,900
3	Scrap tire regulatory fund.....	62,500
4	State general fund/general purpose..... \$	1,474,300
5	Sec. 111. GRANTS	
6	Coastal management grants..... \$	1,800,000
7	Federal - Great Lakes remedial action plan grants...	700,000
8	Federal - nonpoint source water pollution grants....	6,500,000
9	Grants to counties--air pollution.....	83,700
10	Radon grants.....	134,300
11	Water pollution control and drinking water revolving	
12	fund.....	112,153,500
13	Drinking water revolving fund implementation.....	1,330,000
14	Great Lakes research and protection grants.....	1,900,000
15	Local health department operations.....	10,472,500
16	Noncommunity water grants.....	1,400,000
17	Pollution prevention local grants.....	250,000
18	Real-time water quality monitoring.....	250,000
19	Septage waste compliance grants.....	1,525,000
20	Scrap tire grants.....	3,500,000
21	Volunteer river, stream, and creek cleanup.....	<u>25,000</u>
22	GROSS APPROPRIATION..... \$	142,024,000
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG-MDCH, local public health operations.....	10,472,500
26	Federal revenues:	
27	DOC-NOAA, federal.....	1,500,000

1	EPA, multiple.....	92,590,000
2	Special revenue funds:	
3	Community pollution prevention fund.....	250,000
4	Drinking water revolving fund.....	1,330,000
5	Great Lakes protection fund.....	1,900,000
6	Public water supply fees.....	1,400,000
7	Revolving loan revenue bonds.....	16,300,000
8	Scrap tire regulatory fund.....	3,500,000
9	Septage waste license fees.....	1,525,000
10	Strategic water quality initiatives fund.....	9,800,000
11	Water quality protection fund.....	25,000
12	State general fund/general purpose..... \$	1,431,500
13	Sec. 112. INFORMATION TECHNOLOGY	
14	Information technology services and projects..... \$	<u>6,763,900</u>
15	GROSS APPROPRIATION..... \$	6,763,900
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG, Michigan transportation fund.....	50,300
19	Federal revenues:	
20	DOC-NOAA, federal.....	25,600
21	EPA, multiple.....	654,700
22	Special revenue funds:	
23	Air emissions fees.....	486,900
24	Cleanup and redevelopment fund.....	1,100,000
25	Drinking water revolving fund.....	85,600
26	Environmental response fund.....	407,100
27	Land and water permit fees.....	106,700

1	Oil and gas regulatory fund.....	872,000
2	Public utility assessments.....	4,100
3	Public water supply fees.....	265,300
4	Scrap tire regulatory fund.....	81,300
5	Settlement funds.....	797,900
6	Solid waste program fees.....	60,000
7	Underground storage tank fees.....	173,900
8	Waste reduction fee revenue.....	384,800
9	Water analysis fees.....	155,400
10	Water pollution control revolving fund.....	119,800
11	State general fund/general purpose..... \$	932,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

14 **GENERAL SECTIONS**

15 Sec. 201. Pursuant to section 30 of article IX of the state
 16 constitution of 1963, total state spending from state resources under
 17 part 1 for fiscal year 2004-2005 is \$191,990,100.00 and state spending
 18 from state resources to be paid to local units of government for
 19 fiscal year 2004-2005 is \$18,695,500.00. The itemized statement below
 20 identifies appropriations from which spending to units of local
 21 government will occur:

22 DEPARTMENT OF ENVIRONMENTAL QUALITY

23 GRANTS

24	Grants to counties - air pollution..... \$	83,700
25	Local health department operations.....	10,472,500

1	Septage waste compliance program.....	1,525,000
2	Scrap tire grants.....	3,500,000
3	Noncommunity water grants.....	1,400,000
4	Radon grants.....	134,300
5	Real-time water quality monitoring.....	250,000
6	Drinking water grants.....	<u>1,330,000</u>
7	TOTAL..... \$	18,695,500

8 Sec. 202. The appropriations authorized under this act are
9 subject to the management and budget act, 1984 PA 431, MCL 18.1101 to
10 18.1594.

11 Sec. 203. As used in this act:

- 12 (a) "CESARS" means chemical evaluation search and retrieval system.
- 13 (b) "Department" means the department of environmental quality.
- 14 (c) "DHS" means the United States department of homeland security.
- 15 (d) "DOC" means the United States department of commerce.
- 16 (e) "DOC-NOAA" means the DOC national oceanic and atmospheric
17 administration.
- 18 (f) "DOD" means the United States department of defense.
- 19 (g) "DOI" means the United States department of interior.
- 20 (h) "EPA" means the United States environmental protection agency.
- 21 (i) "FEMA" means the federal emergency management agency.
- 22 (j) "FTE" means full-time equated.
- 23 (k) "IDG" means interdepartmental grant.
- 24 (l) "IDT" means intradepartmental transfer.
- 25 (m) "MDA" means the Michigan department of agriculture.
- 26 (n) "MDCH" means the Michigan department of community health.
- 27 (o) "MDSP" means the Michigan department of state police.

1 (p) "MI" means Michigan.

2 (q) "NPDES" means national pollutant discharge elimination system.

3 Sec. 204. The department of civil service shall bill departments
4 and agencies at the end of the first fiscal quarter for the 1% charge
5 authorized by section 5 of article XI of the state constitution of
6 1963. Payments shall be made for the total amount of the billing by
7 the end of the second fiscal quarter.

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

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

25 Sec. 206. Unless otherwise specified, the department shall use
26 the Internet to fulfill the reporting requirements of this act. This
27 may include transmission of reports via electronic mail to the

1 recipients identified for each reporting requirement or it may include
2 placement of reports on an Internet or Intranet site.

3 Sec. 207. The departments and state agencies receiving
4 appropriations under this act shall receive and retain copies of all
5 reports funded from appropriations in part 1. These departments and
6 state agencies shall follow federal and state guidelines for
7 short-term and long-term retention of these reports. To the extent
8 consistent with federal and state guidelines, the requirements of this
9 section are satisfied if the reports funded from appropriations in
10 part 1 are retained in electronic format.

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

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

22 (a) The name of each program.

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

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

27 (d) The amount of any required match, and whether in-kind

1 contributions may be used as part or all of a required match.

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

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

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

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

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

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

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

1 environmental quality, and the senate and house fiscal agencies:

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

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

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

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

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

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

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

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

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

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

23 (c) The total amount of bonds issued for the environmental
24 protection bond program pursuant to part 193 of the natural resources
25 and environmental protection act, 1994 PA 451, MCL 324.19301 to
26 324.19306, and bonds issued pursuant to the clean Michigan initiative
27 act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

2 Sec. 212. (1) The department of environmental quality is
3 authorized to expend amounts remaining from the current and prior
4 fiscal year appropriations to meet funding needs of legislatively
5 approved sites for the environmental cleanup and redevelopment program
6 and the leaking underground storage tank cleanup program.

7 (2) Unexpended and unencumbered amounts remaining from
8 appropriations from the environmental protection bond fund contained
9 in 2003 PA 173, are appropriated for expenditure for any site listed
10 in this act and any site listed in the public acts referenced in this
11 section.

12 (3) Unexpended and unencumbered amounts remaining from
13 appropriations from the cleanup and redevelopment fund and unclaimed
14 bottle deposits fund contained in 2003 PA 171, 2003 PA 173, and 2003
15 PA 237 are appropriated for expenditure for any site listed in this
16 act and any site listed in the public acts referenced in this
17 section.

18 (4) Unexpended and unencumbered amounts remaining from
19 appropriations from the clean Michigan initiative fund - response
20 activities contained in 2000 PA 52, 2001 PA 120, 2003 PA 173, and 2003
21 PA 237 are appropriated for expenditure for any site listed in this
22 act and any site listed in the public acts referenced in this
23 section.

24 (5) Unexpended and unencumbered amounts remaining from
25 appropriations from the environmental protection fund contained in
26 2001 PA 43, 2002 PA 520, and 2003 PA 171 are appropriated for
27 expenditure for any site listed in this act and any site listed in the

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1 public acts referenced in this section.

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

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

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

19 <<Sec. 216. (1) The department shall not spend any of the funds
20 appropriated in part 1 for travel for meal expenses when an overnight
21 stay is not required. No funds shall be expended for travel outside the
22 state of Michigan unless such travel is required by legal mandate or
23 court order, for mandatory law enforcement activities, or to prevent the
loss of federal funds.

(2) From the funds appropriated in part 1 for travel, the
department shall place a priority on vehicle travel services.>>

24 Sec. 217. Funds appropriated in part 1 shall not be used for the
25 purchase of foreign goods or services, or both, if competitively
26 priced and comparable quality American goods or services, or both, are
27 available. Preference should be given to goods or services, or both,

1 manufactured or provided by Michigan businesses if they are
2 competitively priced and of comparable quality.

3 **DEPARTMENT SUPPORT SERVICES**

4 Sec. 301. In addition to the annual report on travel
5 expenditures required by section 217 of the management and budget act,
6 1984 PA 431, MCL 18.1217, the department shall provide to the senate
7 and house appropriations subcommittees on natural resources and the
8 senate and house fiscal agencies a quarterly report within 30 days of
9 the end of each quarter on expenses incurred for travel inside and
10 outside the state. The report shall include, but not be limited to,
11 the name of the person who traveled, total expenditures for
12 compensation, fees, or remuneration for meals, transportation, and
13 related contractual services, supplies, and materials, and the
14 destination, reason for, and dates of the travel.

15 **AIR QUALITY**

16 Sec. 401. The department shall report quarterly, via the
17 department's Internet website, on air quality program expenditures and
18 revenues. The report shall include expenditures and revenues by fund
19 source and by program function.

20 **ENVIRONMENTAL SCIENCE AND SERVICES**

21 Sec. 501. By July 1, 2005, the department shall prepare and
22 submit a report to the state budget director, the legislature, the
23 chairs of the standing committees of the senate and house of
24 representatives with primary responsibility for issues related to

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1 natural resources and the environment, and the chairs of the
2 subcommittees of the senate and house appropriations committees with
3 primary responsibility for appropriations for the department of
4 environmental quality, outlining the implementation of the Great Lakes
5 water quality bond provided for in part 197 of the natural resources
6 and environmental protection act, 1994 PA 451, MCL 324.19701 to
7 324.19708, including, but not limited to, the amount of bonds issued
8 and the date they were issued, the number of applications received for
9 loans from the state water pollution control revolving fund created in
10 section 16a of the shared credit rating act, 1985 PA 227, MCL
11 141.1066a, the total amount of loans requested, a listing of the
12 applicants receiving loans and the total amount of loans provided to
13 those applicants, a listing of applicants whose loan applications were
14 not approved and the reasons why those applications were not approved,
15 the amount of the loans granted that were leveraged from bond
16 proceeds, and the remaining bond proceeds and bond authorization.

17 Sec. 502. From the funds appropriated in part 1, the department
18 shall contract with accredited, commercial laboratories for state
19 laboratory work where feasible.

20 GEOLOGICAL AND LAND MANAGEMENT

21 Sec. 601. It is the intent of the legislature that the oil and
22 gas regulatory fund be used only for oil and gas activities performed
23 by the department.

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<<Sec. 603. The department shall work in cooperation with Michigan Sea Grant and Michigan State University extension to conduct a pilot project in a coastal area in Ottawa County to identify unique lake-effect agricultural lands in a geographic information system and to make recommendations for any incentives and regulations necessary to protect these unique coastal community assets. The department shall submit a report to the senate and house standing committees that consider natural resources and environmental issues, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies by September 30, 2005 which will identify areas in the county suitable for lake-effect dependent agriculture along with recommendations for actions to protect the resources, including technical support for development of local ordinances and incentives; and if warranted, describe how the pilot project could be extended to all coastal agricultural communities.>>

7 **REMEDICATION AND REDEVELOPMENT**

8 Sec. 701. The unexpended funds appropriated in part 1 for
9 emergency cleanup actions are considered work project appropriations
10 and any unencumbered or unallotted funds are carried forward into the
11 succeeding fiscal year. The following is in compliance with
12 section 451a(1) of the management and budget act, 1984 PA 431,
13 MCL 18.1451a:

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

16 (b) The projects will be accomplished by contract.

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

19 (d) The tentative completion date is September 30, 2009.

20 **WASTE AND HAZARDOUS MATERIALS**

21 Sec. 801. The recycling coordinator shall conduct a study of the
22 state's capacity to handle material recovered for recycling, the
23 feasibility of collecting and transporting the material for recycling
24 within the state, and the ability of the state to sustain markets for
25 products containing recycled content. The department shall make

1 recommendations for improving and expanding recycling in the state in
2 a report submitted to the legislature, the state budget director, and
3 the senate and house fiscal agencies no later than December 30, 2004.

4 Sec. 802. By February 1, 2005, the department shall submit to
5 the chairpersons of the senate and house of representatives standing
6 committees on appropriations, the chairpersons of the senate and house
7 appropriations subcommittees on environmental quality, the state
8 budget director, and the senate and house fiscal agencies a report on
9 out-of-state waste disposed of in landfills in this state. The report
10 shall include, but not be limited to, the amount, type, and state of
11 origin for all out-of-state waste.

12 Sec. 803. (1) The \$100.00 appropriated in part 1 to the scrap
13 tire development fund shall be used as provided in part 169 of the
14 natural resources and environmental protection act, 1994 PA 451, MCL
15 324.16901 to 324.16910.

16 (2) From the appropriation in part 1 for value-added scrap tire
17 processing, the department shall award a grant of \$100.00 for a scrap
18 tire plant in accordance with part 169 of the natural resources and
19 environmental protection act, 1994 PA 451, MCL 324.16901 to
20 324.16910.

21 Sec. 804. As a condition of expenditure of appropriations in
22 part 1, the department shall work cooperatively with entities in the
23 Zeeland area to assist the expansion of compost activities and
24 facilities.

25 **WATER**

26 Sec. 901. By February 1, 2005, the department shall submit a

1 report on the department's use of the national pollutant discharge
2 elimination system fund created in MCL 324.3121 for the previous
3 fiscal year, to the senate and house appropriations subcommittees on
4 environmental quality and natural resources, the standing committees
5 of the legislature with jurisdiction over issues primarily related to
6 natural resources and the environment, and the senate and house fiscal
7 agencies. The report shall include a summary of how the
8 appropriations in part 1 for NPDES nonstormwater program were used for
9 the various permissible uses of the fund and shall include specific
10 information on all of the following:

11 (a) The number of compliance and complaint inspections completed,
12 by category, the number of on-site compliance inspections conducted,
13 and the number of compliance inspections that were not announced in
14 advance to the permittee or licensee.

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

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

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

23 (e) A listing of the supplemental environmental projects agreed to
24 as a result of a consent agreement including all of the following:
25 the case name, the monetary value of the supplemental environmental
26 project, and a description of the project.

27 Sec. 902. Of the funds appropriated in part 1 for safe drinking

1 water assistance activities under part 54 of the natural resources and
2 environmental protection act, 1994 PA 451, MCL 324.5401 to 324.5418,
3 the department shall allocate the full 2% available for technical
4 assistance under 42 USC 300j-12.

5 Sec. 903. The appropriation in part 1 for a real-time water
6 quality monitoring grant is a grant to the city of Algonac to conduct
7 a pilot project of a real-time water quality monitoring program in the
8 St. Clair watershed. By September 30, 2005, the city of Algonac shall
9 report to the department on the plan, implementation, and status of
10 the pilot project. The department shall forward the report to the
11 state budget director, the senate and house appropriations
12 subcommittees on environmental quality, the senate and house standing
13 committees on natural resources and environmental issues, and the
14 senate and house fiscal agencies.

15 Sec. 904. The appropriation in part 1 for other operational
16 expenses for surface water includes \$50,000.00 for water quality
17 monitoring at strategic public beaches on the Great Lakes in Van
18 Buren, Ottawa, and Allegan Counties.

19 **CRIMINAL INVESTIGATIONS**

20 Sec. 1001. From funds appropriated in part 1, the department
21 shall conduct periodic inspections of imported solid waste at disposal
22 facilities to mitigate the unpermitted disposal of waste at Michigan
23 disposal sites.

24 **GRANTS**

25 Sec. 1101. If a certified health department does not exist in a

1 city, county, or district or does not fulfill its responsibilities
2 under part 117 of the natural resources and environmental protection
3 act, 1994 PA 451, MCL 324.11701 to 324.11719, then the department may
4 spend funds appropriated in part 1 under the septage waste compliance
5 program in accordance with section 11716 of the natural resources and
6 environmental protection act, 1994 PA 451, MCL 324.11716.

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