

NATURAL RESOURCES & ENVIRONMENTAL PROTECTION

Summary of FY 2009-10 Enacted Appropriations

2009 Public Act 118 (House Bill 4446)

Analyst: Viola Bay Wild

IDG/IDT	FY 2008-09 YTD	FY 2009-10 Executive	FY 2009-10 House	FY 2009-10 Senate	FY 2009-10 Enacted	Difference: Enacted From FY 2008-09 YTD	
						Amount	%
Federal	\$22,692,400	\$11,235,800	\$11,235,800	\$11,235,800	\$12,322,900	(\$10,369,500)	(45.7)
ARRA	0	0	0	0	0	0	0.0
Non-ARRA	182,338,200	186,869,600	184,113,000	184,363,000	252,998,700	70,660,500	38.8
Local	0	0	0	0	0	0	0.0
Private	5,200,700	6,040,000	5,927,400	5,927,400	6,040,000	839,300	16.1
Restricted	390,413,500	392,506,000	385,294,000	385,903,300	389,117,100	(1,296,400)	(0.3)
GF/GP	54,209,600	51,573,600	42,679,200	36,488,500	43,949,400	(10,260,200)	(18.9)
Gross	\$654,854,400	\$648,225,000	\$629,249,400	\$623,918,000	\$704,428,100	\$49,573,700	7.6
FTEs	3,700.6	3,751.6	3,578.4	3,592.6	3,712.0	11.4	0.3

Notes: (1) FY 2008-09 appropriation figures do not reflect the impact of executive order, supplemental, or transfer adjustments made after the release of the FY 2009-10 Executive Budget on February 12. (2) "ARRA" represents temporary funds received under federal American Recovery and Reinvestment Act.

Overview

The budgets for the Departments of Environmental Quality and Natural Resources are included in this bill. These two departments will be merged into one if Executive Order 2009 - 45 is allowed to go into effect on January 17, 2010.

General Sections of Boilerplate

Sec. 205. State Hiring Freeze – DELETED

Imposes a state-wide hiring freeze in all departments, and provides process for approvals of position vacancies.

Sec. 207. Restricted Fund Revenue, Expenditures, and Fund Balances – REVISED

Requires report of revenue, spending, and estimated year-end balance for each restricted fund appropriated. New language requires the calculation of the number of funded FTE positions.

Sec. 222. FTE Monthly Report – NEW

Requires a bi-monthly report of the number of department FTE positions by classification.

Sec. 223 (1). Rule Promulgation Report – DELETED

Requires a report on policy changes made to implement a public act (Subsections (2) and (3) are renamed Sec. 217).

Sec. 223. Detailed Appropriated and Supportable FTE Information – NEW

Requires report on supportable FTEs including salary, wage and fringe benefit costs for FTEs for each line item.

Sec. 224. Consolidated Report on Cleanup and Redevelopment Program – NEW

Requires report with detailed information on allocations to the environmental cleanup program, state cleanup, superfund cleanup, underground storage tank cleanup program, and others.

Sec. 227. Obsolete Database Systems – DELETED

Requires a plan and cost estimate to replace obsolete or failing computer or database systems.

Sec. 228. Expenditure Reports: FY 2008-09 – REVISED

Requires a report of expenditures in a publicly accessible internet site including the purpose for expenditures; new language prohibit DEQ and DNR from spending more than \$25,000 for implementation (Renamed Sec. 232).

Sec. 228. Intent to Consolidate DNR/DEQ – NEW

States legislative intent to re-combine DEQ and DNR, making DNR the successor agency.

Sec. 229. DNR/DEQ Department Consolidation Savings – NEW

Provides that appropriations in part 1 assume acceptance of an executive order to re-combine DEQ and DNR.

Sec. 236. General Fund Lapse – NEW

Requires a report by September 30, 2010 of estimated amount of general fund lapse by department.

ENVIRONMENTAL QUALITY

Summary of FY 2009-10 Enacted Appropriations

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Analyst: Viola Bay Wild

IDG/IDT	FY 2008-09 YTD	FY 2009-10 Executive	FY 2009-10 House	FY 2009-10 Senate	FY 2009-10 Enacted	Difference: Enacted From FY 2008-09 YTD	
						Amount	%
Federal	\$18,890,200	\$7,433,600	\$7,433,600	\$7,433,600	\$8,520,700	(\$10,369,500)	(54.9)
ARRA	0	0	0	0	0	0	0.0
Non-ARRA	130,636,100	129,599,300	129,349,300	129,599,300	180,146,200	49,510,100	37.9
Local	0	0	0	0	0	0	0.0
Private	455,700	658,900	658,900	658,900	658,900	203,200	44.6
Restricted	169,309,900	176,232,300	170,716,000	171,454,300	172,588,300	3,278,400	1.9
GF/GP	43,744,800	33,127,900	33,127,900	26,927,900	26,950,500	(16,794,300)	(38.4)
Gross	\$363,036,700	\$347,052,000	\$341,285,700	\$336,074,000	\$388,864,600	\$25,827,900	7.1
FTEs	1,526.7	1,480.7	1,480.7	1,480.7	1,496.1	(30.6)	(2.0)

Notes: (1) FY 2008-09 appropriation figures do not reflect the impact of executive order, supplemental, or transfer adjustments made after the release of the FY 2009-10 Executive Budget on February 12. (2) "ARRA" represents temporary funds received under federal American Recovery and Reinvestment Act.

Overview

The Department of Environmental Quality (DEQ) supports environmental protection, conservation, and cleanup and redevelopment programs and regulatory efforts established to protect, restore, and reuse Michigan's air, water, and land resources. More than half of Department's annual revenue is collected from permits and licenses.

Major Budget Changes From FY 2008-09 YTD Appropriations		FY 2008-09 YTD (as of 2/12/09)	Enacted Change From YTD
1. Wetlands Regulatory Program: Turn back to Federal Govt. Extends funding for a partial year (full year support depends on provisions in yet-to-be passed implementing legislation).	FTE	30.0	0.0
	Gross	\$4,000,000	(\$2,154,600)
	Federal	0	406,900
	Restricted	1,900,000	(461,500)
	GF/GP	\$2,100,000	(\$2,100,000)
2. Baseline and Full year FY 2008-09 Executive Order Reductions General Fund supported programs reduced in FY 2008-09 are reduced. Reductions reflect the continuation of General Fund reductions included in EO 2009-22.	Gross	N/A	(\$2,469,900)
	GF/GP	N/A	(\$2,469,900)
3. Waste and Hazardous Materials Funding Shifts GF/GP support for the Above Ground Storage Tank, and Underground Storage Tank Programs replaced with Refined Petroleum Fund (\$1.4 million). The Solid Waste Management Fund Staff Account (\$500,300) was replaced with funding from the perpetual care fund.	Gross	\$18,768,900	\$0
	Federal	4,027,500	0
	Restricted	10,588,900	1,900,300
	GF/GP	\$4,152,500	(\$1,900,300)
4. Drinking Water Revolving Fund Match Reduces funding for Drinking Water Revolving Fund.	Gross	\$85,139,200	(\$2,062,500)
	Federal	71,543,000	0
	Restricted	11,400,000	0
	GF/GP	\$2,196,200	(\$2,062,500)

Major Budget Changes From FY 2008-09 YTD Appropriations		FY 2008-09 YTD (as of 2/12/09)	Enacted Change From YTD
5. Air Quality: Asbestos and Technical Assistance/Outreach Technical Assistance program for asbestos remediation eliminated.	FTE	N/A	(3.0)
	Gross	N/A	(\$998,000)
	Restricted	N/A	(100,000)
	GF/GP	N/A	(\$898,000)
6. Pollution Prevention Workshops Compliance Assistance Workshop programs eliminated.	FTE	5.0	(5.0)
	Gross	\$897,100	(\$897,100)
	GF/GP	\$897,100	(\$897,100)
7. On-site Wastewater Program GF/GP funding for on-site wastewater treatment program is reduced.	Gross	N/A	(\$600,000)
	GF/GP	N/A	(\$600,000)
8. Aquifer Protection Program Program eliminated: revenue insufficient to support program.	Gross	\$400,000	(\$400,000)
	Restricted	400,000	(400,000)
9. Retired Engineers Technical Assistance Program: DELEG Program transferred to Department of Energy, Labor, and Economic Growth.	Gross	\$1,474,300	(\$1,474,300)
	Restricted	1,474,300	(1,474,300)
10. Southeast Michigan Diesel Emissions Reduction Grant Grant funding for Wayne County diesel emissions reduction projects, including busses operated by the Detroit Public Schools. Matching funds provided by Marathon Oil Company.	Gross	N/A	\$500,000
	Federal	N/A	200,000
	Private	N/A	300,000
11. Radiological Protection Program funding reduced.	Gross	\$1,407,100	(\$200,000)
	IDG/IDT	742,900	0
	Federal	274,500	0
	GF/GP	\$389,700	(\$200,000)
12. Great Lakes Restoration Initiative Federal funding from grant for projects to improve the quality and accelerate cleanup efforts of the Great Lakes.	Gross	N/A	\$50,000,000
	Federal	N/A	50,000,000
13. Local Health Department Grants The IDG from the Department of Community Health is eliminated for local health department grants.	Gross	\$10,472,500	(\$10,472,500)
	IDG	10,472,500	(10,472,500)
14. Various Program Reductions Funding reduced for various programs based on available revenue, such as scrap tire grants, water pollution and protection grants, superfund cleanup, and air quality programs.	Gross	N/A	(\$3,728,200)
	Federal	N/A	(799,600)
	Restricted	N/A	(1,642,000)
	GF/GP	N/A	(\$1,286,600)
15. Economic Adjustments Provides an adjustment to cover the cost of the 1% salary increase to be provided in FY 2009-10.	Gross	N/A	\$2,852,500
	Federal	N/A	607,000
	Private	N/A	3,200
	Restricted	N/A	1,613,900
	GF/GP	N/A	\$628,400

Major Boilerplate Changes From FY 2008-09

Sec. 226. 4-H Youth Program – VETOED

Requires DEQ to appropriate \$5,000 to the Michigan State University Extension Service - 4-H Youth Programs.

Sec. 230. Muskrat Lake Water Levels – DELETED

Requires the issuance of permits to construct a lake level control structure on Muskrat Lake in Clinton County.

Sec. 230. DEQ Spending Limitation – NEW

Provides that after November 1, 2009, DEQ may not make expenditures from part 1 unless a notice of intent to spend is provided to the Speaker of the House of Representatives 30 days in advance.

Major Boilerplate Changes From FY 2008-09

Sec. 231. DEQ Pending Permits – NEW

Any permit application pending after a 2 year period shall be considered administratively complete on January 1, 2010.

Sec. 237 (1). Best Available Retrofit Technologies (BART) – NEW

Requires Department to use BART standards in actions taken on air pollution permits.

Sec. 237 (2). Best Available Retrofit Technologies (BART) Feasibility Study – VETOED

Requires Department to pay if a feasibility study of BART is required.

Sec. 239. Program Comparisons With Other States – NEW

Requires Department to compare its regulatory programs with similar activities in other Great Lakes States.

Sec. 240. Permit Program Efficiencies – NEW

Requires Department to study its air permitting program to determine efficiencies; requires report.

Sec. 241. Beverage Container Fraud – NEW

Requires Department to implement 2008 PA 389 concerning reverse vending machines and beverage container standards.

Sec. 301. Wetlands Protection Program Supplemental – NEW

Gives legislative intent to address funding needs for the wetlands regulatory program through supplemental appropriation of restricted use funds if necessary to maintain previous year funding level.

Sec. 304. Restricted Fund Transfer: Cleanup and Redevelopment Trust Fund – NEW

Transfers \$1.0 million from the Cleanup and Redevelopment Trust Fund to the Environmental Protection Fund.

Sec. 305. Restricted Fund Transfer: Community Pollution Prevention Fund – NEW

Transfers \$1.0 million from the Community Pollution Prevention Fund to the Environmental Protection Fund.

Sec. 401. Restricted Fund Transfer: Solid Waste Management Fund – NEW

Transfers \$1.5 million from the Solid Waste Management Fund to the Solid Waste Management Fund Staff Account.

Sec. 501. WMU Geologic Core Research Laboratory – DELETED

States legislative intent that the Office of Geological Survey work with Western Michigan University to maintain the Michigan basin core research laboratory and to collaborate on other cooperative projects.

Sec. 702. Peer-Reviewed Site Cleanup Criteria – DELETED

Directs DEQ to include cleanup criteria in remedial action plans derived from peer-reviewed risk assessments.

Sec. 703. Refined Petroleum Cleanup Site List – DELETED

Lists cleanup projects funded through the refined petroleum cleanup program.

Sec. 801. Construction Permit Site Review Board – DELETED

States legislative intent that approval by the Site Review Board represents the final approval for construction permit applications referred by DEQ.

Sec. 902. Contaminated Lake and River Sediments Cleanup Funding – DELETED

Re-appropriates Clean Michigan Initiative funding for the Contaminated Lake and River Sediments Cleanup program.

Sec. 903. Michigan Agriculture Environmental Assurance Program – DELETED

States legislative intent that DEQ and Department of Agriculture should proportionally reduce their programs if federal funding is less than that received in FY 2007-08.

Sec. 1103. Real-Time Water Quality Monitoring – DELETED

Provides grant to Macomb County and St. Clair County to support real-time water quality monitoring programs in the St. Clair watershed.

NATURAL RESOURCES

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						Amount	%
IDG/IDT	\$3,802,200	\$3,802,200	\$3,802,200	\$3,802,200	\$3,802,200	0	0.0
Federal							
ARRA	0	0	0	0	0	0	0.0
Non-ARRA	51,702,100	57,270,300	54,763,700	54,763,700	72,852,500	21,150,400	40.9
Local	0	0	0	0	0	0	0.0
Private	4,745,000	5,381,100	5,268,500	5,268,500	5,381,100	636,100	13.4
Restricted	221,103,600	216,273,700	214,578,000	214,449,000	216,528,800	(4,574,800)	(2.1)
GF/GP	10,464,800	18,445,700	9,551,300	9,560,600	16,998,900	6,534,100	62.4
Gross	\$291,817,700	\$301,173,000	\$287,963,700	\$287,844,000	\$315,563,500	\$23,745,800	8.1
FTEs	2,173.9	2,170.9	2,114.9	2,111.9	2,215.9	42.0	1.9

Notes: (1) FY 2008-09 appropriation figures do not reflect the impact of executive order, supplemental, or transfer adjustments made after the release of the FY 2009-10 Executive Budget on February 12. (2) "ARRA" represents temporary funds received under federal American Recovery and Reinvestment Act.

Overview

The Department of Natural Resources (DNR) manages, conserves, and protects Michigan's resources. Programs include forest management, land and minerals management, wildlife and fisheries management, conservation law enforcement, and state parks and forest campgrounds.

		FY 2008-09 YTD (as of 2/12/09)	Enacted Change From YTD
Major Budget Changes From FY 2008-09 YTD Appropriations			
1. Consolidation of DNR and DEQ Savings – VETOED	Gross	N/A	(\$0)
The Departments of Natural Resources and Environmental Quality are to be merged. Before veto, administrative savings of \$350,000 were to be implemented by legislative transfers; contingent upon issuance and legislative acceptance of a facilitating executive order.	GF/GP	N/A	(\$0)
2. Historic and Museum Programs: Transferred from DHAL	FTE	N/A	101.0
Historical programs are transferred from the DHAL with additional GF/GP reductions taken. Funding includes:	Gross	N/A	\$10,480,500
	Federal	N/A	100
Mackinac Island State Park	Private	N/A	112,600
State Museum.....	Restricted	N/A	3,030,700
Archives	GF/GP	N/A	\$7,337,100
Museum Stores.....			
Heritage Publications			
Freedom Trail			
Thunder Bay Underwater Preserve			
Mann House.....			
State Rent (BOC).....			
Information Technology			
3. Game and Fish Protection Fund Program Reductions	FTE	N/A	(54.0)
Several programs reduced to reflect expected revenue shortfalls in the Game and Fish Protection Fund-General Purpose. 36.0 FTEs were eliminated in law enforcement division; 16.0 FTEs were eliminated in fisheries programs.	Gross	N/A	(\$8,964,200)
	Restricted	N/A	(8,964,200)

Major Budget Changes From FY 2008-09 YTD Appropriations		FY 2008-09 YTD (as of 2/12/09)	Enacted Change From YTD
4. Baseline and Full year FY 2008-09 Executive Order Reductions	Gross	N/A	(\$693,300)
GF/GP supported program FY 2008-09 reductions from Executive Orders are continued. Reductions include Cooperative Resource Programs (\$101,100) and Forest Recreation (\$100,000).	GF/GP	N/A	(\$693,300)
5. National Recreational Trails Grants	Gross	\$2,150,000	\$1,800,000
Michigan share for this grant for trail development and maintenance is increased; funds awarded through competitive process.	Private	50,000	0
	Federal	2,100,000	1,800,000
6. State Parks Funding: Park Endowment Fund Increase	Gross	\$44,654,200	\$1,000,000
Funding from the State Parks Endowment Fund is increased to make up for deficient revenues from motor vehicle permits and user fees.	Federal	120,300	0
	Private	363,900	0
	Restricted	44,170,000	1,000,000
7. State Forest Management	Gross	\$15,423,900	\$750,000
Revenue increases, generated during FY 2007-08 through timber harvest activities, are added to the forest management program.	Federal	922,600	0
	Private	822,800	0
	Restricted	13,678,500	750,000
8. Snowmobile Trail Easements	Gross	\$0	\$700,000
Funding from the recently approved fee increase will fund the purchase or lease of easements to lengthen or create snowmobile trails.	Restricted	0	700,000
9. Capital Outlay	Gross	\$14,193,000	\$2,798,200
Funding for FY 2009-10 would support state park, forestry, waterways construction and infrastructure projects. State Park Endowment Fund support replaces Park Improvement revenue (\$2.0 million).	Federal	1,293,000	3,774,100
	Private	1,500,000	500,000
	Restricted	11,400,000	(1,475,900)
10. Great Lakes Restoration Initiative	Gross	\$0	\$15,000,000
Federal funding from grant for projects to improve the quality and accelerate cleanup efforts of the Great Lakes.	Federal	0	15,000,000
11. Cormorant Control Program – VETOED	Gross	\$0	\$0
Funding of \$75,000 GF/GP was appropriated for a cormorant population control program; funding was vetoed.	GF/GP	\$0	\$0
12. Economic Adjustments	Gross	N/A	\$4,150,100
Provides an adjustment to cover the cost of the 1% salary increase to be provided in FY 2009-10.	Federal	N/A	528,800
	Private	N/A	23,500
	Restricted	N/A	3,393,100
	GF/GP	N/A	\$204,700

Major Boilerplate Changes From FY 2008-09

Sec. 223. (Current Law) DNR Funding Workgroup – DELETED

States legislative intent to implement recommendations of the work group on department long term funding.

Sec. 226. (Current Law) Muskrat Lake Water Control – DELETED

Requires report on the status of permit applications and efforts to maintain water levels of Muskrat Lake in Clinton County.

Sec. 603. (Current Law) Fish Hatchery Operations – DELETED

Requires that DNR operate six fish hatcheries.

Sec. 802. Bovine TB Eradication Efforts – REVISED

Requires semi-annual reports on enforcement actions taken to eradicate bovine TB, relevant scientific studies and the number of deer found to be infected (Formerly Sec. 502).

Major Boilerplate Changes From FY 2008-09

Sec. 902. Island Lake Shooting Range Concession Contract – DELETED

Requires public notice of the expiration date or adoption of amendments to the concession contract to operate the Island Lake Shooting Range.

Sec. 1002. State Park Campground Closures – REVISED

Requires notice if DNR intends to reduce operations or reduce recreation opportunities at any state park or recreation area (Formerly Sec. 702).

Sec. 1203. Timber Marking – REVISED

Directs DNR, subject to forest certification process, to mark for harvest, 58,000 acres at an average rate of 12.5 to 15.0 cords per acre; be responsive to changes in regional markets for timber products; impact of timber harvest on wildlife habitat and recreation uses to be considered; requires quarterly report (Formerly Sec. 804).

Sec. 1204. Jordan River Snowmobile Trail – VETOED

Requires DNR to allow access across state-owned land to connect Jordan River Trail to the Village of Bellaire.

Sec. 1207. Timber Sale Bidding Process – NEW

Requires DNR to work with stakeholders to review bidding process and implement needed changes; requires report.

Sec. 1601. Federal Historic Preservation Grants: Work Project Designation – NEW

Provides work project status to federal grants for local historic preservation projects.

Sec. 1602. Michigan Heritage Fund – NEW

Revenues collected through the Michigan Heritage Fund are appropriated, and available for expenditure upon receipt.

Sec. 1603. Museum Store Revolving Fund – NEW

Contract expenditures for the Museum Store are exempt from the Management and Budget Act.

Sec. 1604. Freedom Trail Funding – NEW

Requires \$25,000 funding for historical administration and services be appropriated for the Freedom Trail Commission.

Sec. 1605. Proceeds from Artifact Auctions, Sales, or Transfers – NEW

Funds received through the excess of unneeded artifacts by the Historical Museum are appropriated to the DNR for the purpose of obtaining other items desired for the historical collection of the State Historical Museum.

Sec. 1701. Consolidation Savings – VETOED

Provides that the negative appropriation for savings realized from creating a single department from DEQ and DNR shall be satisfied through elimination of duplicative administration, space consolidation and other efficiencies.