



Senate Fiscal Agency
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Senate Bill 137 (S-2 as reported)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2018-19 YEAR-TO-DATE*	FY 2019-20 SEN. FULL COMM.	CHANGES FROM FY 2018-19 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,257.0	1,279.0	22.0	1.8
GROSS	501,302,600	598,273,300	96,970,700	19.3
Less:				
Interdepartmental Grants Received	3,143,700	3,176,600	32,900	1.0
ADJUSTED GROSS	498,158,900	595,096,700	96,937,800	19.5
Less:				
Federal Funds	160,225,400	160,895,300	669,900	0.4
Local and Private	1,061,700	1,061,800	100	0.0
TOTAL STATE SPENDING	336,871,800	433,139,600	96,267,800	28.6
Less:				
Other State Restricted Funds	278,325,300	259,346,600	(18,978,700)	(6.8)
GENERAL FUND/GENERAL PURPOSE	58,546,500	173,793,000	115,246,500	196.8
PAYMENTS TO LOCALS	9,701,000	19,646,000	9,945,000	102.5

*As of March 5, 2019

	Gross	GF/GP
FY 2018-19 Year-to-Date Appropriation	\$501,302,600	\$58,546,500

Changes from FY 2018-19 Year-to-Date:

- | | | |
|--|-------------|-------------|
| 1. Drinking Water Protection and Innovation. The Senate included \$120,000,000 GF/GP in one-time funding for Drinking Water Protection and Innovation efforts initially included in Supplemental Request 2019-4. Of the \$120,000,000, \$25,000,000 would be used to assist with Lead and Copper Rule implementation, \$30,000,000 would be utilized to address PFAS and emerging contaminants, \$30,000,000 would be applied to Drinking Water Revolving Fund loan forgiveness, \$5,000,000 would be used for private well testing, and \$30,000,000 would be used for the Stormwater, Asset Management, and Wastewater (SAW) grant program. | 120,000,000 | 120,000,000 |
| 2. Air Quality Fees. The Senate included \$2,000,000 GF/GP in anticipation of an increase in fees charged per ton of air emissions at regulated facilities. | 2,000,000 | 2,000,000 |
| 3. Drinking Water Compliance Assistance. The Governor and Senate included GF/GP funds to establish a drinking water compliance assistance unit to provide technical expertise to the lead and copper rule requirements with 10.0 new FTEs. | 1,900,000 | 1,900,000 |
| 4. Watershed Grant Program. The Senate included \$1,350,000 GF/GP in one-time funding for a new Watershed Grant Program for education, administration, and management of watershed councils. | 1,350,000 | 1,350,000 |
| 5. Michigan Geological Survey. The Senate included \$500,000 in GF/GP support to provide ongoing funding for the Michigan Geological Survey, previously a one-time item in FY 2018-19. | 500,000 | 500,000 |

6. Coal Ash Care Fund. The Governor and Senate included authorization for the new Coal Ash Care Fund established in PA 640 of 2018 to collect and expend revenue received from owners or operators of active coal ash landfills.	260,000	0
7. Cooperative Lakes Management Program. The Senate included \$150,000 GF/GP to restore the Cooperative Lakes Management Program previously funded through Clean Michigan Initiative.	150,000	150,000
8. Remove Annual SWQIF Bond Appropriation. The Governor and Senate removed appropriations for the Strategic Water Quality Initiative Fund as bond proceeds have been fully appropriated.	(15,000,000)	0
9. Drinking Water Infrastructure. The Senate eliminated funding for the Drinking Water Infrastructure grant program established in PA 618 of 2018.	(4,000,000)	(4,000,000)
10. Lawsuit Settlement Fund. The Governor and Senate eliminated lawsuit settlement proceeds related to the Drinking Water Emergency Declaration.	(3,000,000)	0
11. SBO Initiative - Vapor Intrusion. The Governor and Senate removed GF/GP funds for the 2017 initiative as the Renewing Michigan's Environment program contains Restricted funding for emerging contaminants.	(1,655,300)	(1,655,300)
12. SBO Initiative - Water Quality and Use Initiative. The Governor and Senate removed GF/GP funds for the 2015 initiative and moved 5.0 FTEs to the Renewing Michigan's Environment program.	(1,522,900)	(1,522,900)
13. SBO Initiative - Recycling. The Governor and Senate removed GF/GP funds for the 2015 initiative as the Renewing Michigan's Environment program contains \$15 million in Restricted funding for recycling grants.	(1,032,000)	(1,032,000)
14. SBO Initiative - Lead Remediation Grants. The Governor and Senate removed GF/GP funds for the 2019 initiative.	(1,000,000)	(1,000,000)
15. Wetlands Mitigation Banking Program. The Governor and Senate removed funding for the Wetlands Mitigation Banking Program as bond proceeds have been fully appropriated.	(1,000,000)	0
16. Water Withdrawal Assessment Program. The Governor and Senate removed funding for the Water Withdrawal Assessment Program as bond proceeds have been fully appropriated.	(800,000)	0
17. Aquifer Protection Revolving Fund. The Governor and Senate removed aquifer protection revolving funds intended to be one-time.	(524,000)	0
18. Remove FY 2018-19 Supplemental and One-Time Appropriations. The Governor and Senate removed several items that were not included as part of the Department's base budget.	(2,120,000)	(2,120,000)
19. Other Changes. The Governor and Senate included other technical changes including aligning State Restricted funding authorization with anticipated revenue.	(603,400)	0
20. Economic Adjustments. Includes \$3,068,300 Gross and \$676,700 GF/GP for total economic adjustments, of which an estimated negative \$1,920,400 Gross and \$478,400 GF/GP is for legacy retirement costs (pension and retiree health).	3,068,300	676,700
21. Comparison to Governor's Recommendation. The Senate is \$120,000,000 Gross and \$120,000,000 GF/GP over the Governor.		
Total Changes	\$96,970,700	\$115,246,500
FY 2019-20 Senate Appropriations Committee Gross Appropriation	\$598,273,300	\$173,793,000

Boilerplate Changes from FY 2018-19 Year-to-Date:

1. **Contingency Funds.** The Senate removed language permitting the Department to draw down contingency funds. (Sec. 210)
2. **Communication with the Legislature.** The Governor removed and the Senate retained a prohibition against taking disciplinary action against Department employees who communicate with the Legislature. (Sec. 220)
3. **Rule Promulgation - Small Business Impact.** The Governor and Senate removed a prohibition against the promulgation of rules that would have a disproportionate impact on small businesses. (Sec. 221)
4. **Report on Fees Charged.** The Governor removed and the Senate retained a report containing information on all fees charged by the Department, associated revenues, and all state and federal fund sources utilized by the Department. (Sec. 238)
5. **Emergency Cleanup Actions.** The Senate removed work project language for Emergency Cleanup Actions. (Sec. 302).
6. **Environmental Protection Fund Surplus Funds.** The Senate removed language appropriating surplus Cleanup and Redevelopment Funds to the Environmental Protection Fund. (Sec. 303)
7. **Environmental Protection Fund Surplus Funds.** The Senate removed language appropriating surplus Community Pollution Prevention Funds to the Environmental Protection Fund. (Sec. 304)
8. **Refined Petroleum Fund (RPF) Repayment.** The Governor and Senate removed a statement of legislative intent that the \$70.0 million transferred to the Environmental Protection Fund from the Refined Petroleum Fund in FY 2006-07 be repaid. (Sec. 305)
9. **Environmental Cleanup and Redevelopment Program.** The Governor and Senate removed work project language for this program as there are no funds remaining. (Sec. 307)
10. **Vapor Intrusion Program.** The Governor and Senate removed metric language on the Vapor Intrusion Program as funding was not included. (Sec. 313)
11. **Lead Remediation Grants.** The Governor and Senate removed boilerplate language on Lead Remediation Grants as funding was not included. (Sec. 315)
12. **Environmental Cleanup and Redevelopment Program (One-Time).** The Governor and Senate removed boilerplate language for one-time funding for FY 2019. (Sec. 316)
13. **Aquifer Protection Program.** The Governor and Senate removed work project language for the Aquifer Protection Program as funding was not included. (Sec. 412)
14. **Cooperative Lakes Monitoring Program.** The Governor removed and the Senate retained language directing part 1 Surface Water funds to the Cooperative Lakes Monitoring Program. (Sec. 413)
15. **Renew Michigan's Environment.** The Governor included and the Senate removed work project language for the Renew Michigan's Environment program. (Sec. 501)
16. **Lead and Copper Rule.** The Governor and Senate removed language directing the Department to host Lead and Copper Rule (LCR) training sessions for public water supply owners and operators. (Sec. 604)
17. **Drinking Water Infrastructure.** The Governor included and the Senate removed work project language for the Drinking Water Infrastructure grant program. (Sec. 801)
18. **Drinking Water Infrastructure Grant Distribution.** The Governor included and the Senate removed language directing funds and match requirements for the Drinking Water Infrastructure grant program. (Sec. 802)
19. **Watershed Grants.** The Senate included language on funding allocations and reporting requirements for the Watershed Grant Program. (Sec. 802)

Date Completed: 5-1-19

Fiscal Analyst: Abbey Frazier

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.