



Senate Fiscal Agency
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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2018-19 YEAR-TO-DATE*	FY 2019-20 INITIAL APPROPS	CHANGES FROM FY 2018-19 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,257.0	1,416.0	159.0	12.6
GROSS	501,302,600	599,665,800	98,363,200	19.6
Less:				
Interdepartmental Grants Received	3,143,700	3,176,600	32,900	1.0
ADJUSTED GROSS	498,158,900	596,489,200	98,330,300	19.7
Less:				
Federal Funds	160,225,400	175,269,900	15,044,500	9.4
Local and Private	1,061,700	1,201,800	140,100	13.2
TOTAL STATE SPENDING	336,871,800	420,017,500	83,145,700	24.7
Less:				
Other State Restricted Funds	278,325,300	266,440,100	(11,885,200)	(4.3)
GENERAL FUND/GENERAL PURPOSE	58,546,500	153,577,400	95,030,900	162.3
PAYMENTS TO LOCALS	9,701,000	19,646,000	9,945,000	102.5

*As of September 30, 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:Items Included by the Senate and House

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|---|--------------|-------------|
| 1. Coal Ash Care Fund. The Governor, House, 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 |
| 2. Remove Annual SWQIF Bond Appropriation. The Governor, House, and Senate removed appropriations for the Strategic Water Quality Initiative Fund as bond proceeds have been fully appropriated. | (15,000,000) | 0 |
| 3. Drinking Water Infrastructure. The Senate and House eliminated funding for the Drinking Water Infrastructure grant program established in PA 618 of 2018. | (4,000,000) | (4,000,000) |
| 4. Lawsuit Settlement Fund. The Governor, House, and Senate eliminated lawsuit settlement proceeds related to the Drinking Water Emergency Declaration. | (3,000,000) | 0 |
| 5. SBO Initiative - Vapor Intrusion. The Governor, House, 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) |
| 6. SBO Initiative - Water Quality and Use Initiative. The Governor, House, 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) |

7. SBO Initiative - Recycling. The Governor, House, 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)
8. SBO Initiative - Lead Remediation Grants. The Governor, House, and Senate removed GF/GP funds for the 2019 initiative.	(1,000,000)	(1,000,000)
9. Wetlands Mitigation Banking Program. The Governor, House, and Senate removed funding for the Wetlands Mitigation Banking Program as bond proceeds have been fully appropriated.	(1,000,000)	0
10. Water Withdrawal Assessment Program. The Governor, House, and Senate removed funding for the Water Withdrawal Assessment Program as bond proceeds have been fully appropriated.	(800,000)	0
11. Aquifer Protection Revolving Fund. The Governor, House, and Senate removed aquifer protection revolving funds intended to be one-time.	(524,000)	0
12. Remove FY 2018-19 Supplemental and One-Time Appropriations. The Governor, House, and Senate removed several items that were not included as part of the Department's base budget.	(2,120,000)	(2,120,000)
13. Other Changes. The Governor, House, and Senate included other technical changes including aligning State Restricted funding authorization with anticipated revenue.	(603,400)	0
14. 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

Conference Agreement on Items of Difference

15. 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. The House did not include this one-time appropriation. The conference concurred with the Senate, but revised the amounts to \$30,000 for Lead and Copper Rule implementation, \$40,000,000 for PFAS and emerging contaminants, \$35,000,000 for Drinking Water Revolving Fund loan forgiveness, \$7,500,000 for affordability and planning, and \$7,500,000 for private well testing. <i>The Governor vetoed part of boilerplate section 1002 directing \$15,000,000 of the funds for PFAS and emerging contaminants to be used for municipal airports. The State Administrative Board transferred \$7,499,900 from private well testing to Lead and Copper Rule implementation</i>	105,000,000	105,000,000
16. 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. The House did not include this increase. The Conference concurred with the Senate.	2,000,000	2,000,000
17. 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. The House included half of the increase at \$950,000. The Conference concurred with the Senate.	1,900,000	1,900,000

18. 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. The House did not include this item. The Conference concurred with the House but directed the use of existing funds for the Watershed Grant Program in boilerplate at half the level included by the Senate. <i>The Governor vetoed boilerplate section 412 directing existing funds for this purpose.</i>	(675,000)	0
19. 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. The House did not include this item. The Conference concurred with the House but directed the use of existing funds for the Michigan Geological Survey in boilerplate. <i>The Governor vetoed boilerplate section 503 directing existing funds for this purpose.</i>	(500,000)	0
20. Cooperative Lakes Management Program. The Senate included \$150,000 GF/GP to restore the Cooperative Lakes Management Program previously funded through Clean Michigan Initiative. The House did not include this item but directed the use of existing funds for the Cooperative Lakes Management Program in boilerplate. The Conference concurred with the House. <i>The Governor vetoed boilerplate section 413 directing existing funds for this purpose.</i>	(150,000)	0
21. Ottawa County Comprehensive Groundwater Monitoring Network. The House included an increase of \$500,000 GF/GP to establish a comprehensive Groundwater Monitoring Network in Ottawa County. The Senate did not include this increase. The Conference concurred with the Senate.	0	0
22. Water State Revolving Funds. The House reduced Water State Revolving Funds by \$500,000 GF/GP. The Senate did not include this reduction. The Conference concurred with the Senate.	0	0
23. Renewing Michigan's Environment. The Conference provided an additional 93.0 FTE authorization to the Renewing Michigan's Environment program for environmental cleanup and redevelopment, waste management, and recycling activities. Additional FTEs will be supported with existing Renew Michigan Funds.	0	0
24. Groundwater Discharge Permit Program. The House reduced the Groundwater Discharge Permit Program by \$306,500 GF/GP. The Senate did not include this reduction. The Conference concurred with the Senate.	0	0
25. Wetlands Program. The House reduced the Wetlands Program by \$200,000 GF/GP. The Senate did not include this reduction. The Conference concurred with the Senate.	0	0
26. Oil, Gas, and Mineral Services Fund Shift. The House shifted \$3.9 million in spending authorization from GF/GP to the Oil and Gas Regulatory Fund (\$2.0 million) and Orphan Well Fund (\$1.9 million). The Senate did not include this fund shift. The Conference concurred with the House.	0	(3,900,000)
27. Surface Water Fund Shift. The House shifted \$1.2 million in spending authorization from GF/GP to the Environmental Response Fund. The Senate did not include this fund shift. The Conference concurred with the House.	0	(1,200,000)
28. Contaminated Site Investigations, Cleanup, and Revitalization. The Conference included a 307,000 GF/GP increase to the Contaminated site investigations, cleanup, and revitalization line item.	307,000	307,000

29. Central Support Services. <i>The Governor vetoed boilerplate section 239 directing the use of \$150,000 in existing funds from the Central support services line item for the Environmental Rules Review Committee to contract with consultants.</i>	(150,000)	0
30. Information Technology. The House reduced information technology and services by 25%. The Senate did not include this reduction. The Conference concurred with the Senate.	0	0
31. Administrative Efficiencies. The House reduced operational funding throughout the budget, reflecting a 3% reduction to be achieved through administrative efficiencies. The Senate did not include this reduction. The Conference concurred with the Senate.	0	0
32. Executive Revision 2020-1. The Governor submitted Executive Revision 2020-1 renaming the Department of Environmental Quality to the Department of Environment, Great Lakes, and Energy (EGLE). The E.O. moved \$19,560,500 Gross and \$1,577,400 GF/GP to EGLE from the Department of Natural Resources and Department of Licensing and Regulatory Affairs. The Conference included the revision.	19,560,500	1,577,400
Total Changes	\$98,363,200	\$95,030,900
FY 2019-20 Initial Ongoing/One-Time Appropriation**	\$599,665,800	\$153,577,400

Boilerplate Changes from FY 2018-19 Year-to-Date:Items Included by the Senate and House

1. **Communication with the Legislature.** The Governor removed and the House and Senate retained a prohibition against taking disciplinary action against Department employees who communicate with the Legislature. (Sec. 220)
2. **Report on Fees Charged.** The Governor removed and the House and 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)
3. **Environmental Cleanup and Redevelopment Program.** The Governor, House, and Senate removed work project language for this program as there are no funds remaining. (Sec. 307)
4. **Vapor Intrusion Program.** The Governor, House, and Senate removed metric language on the Vapor Intrusion Program as funding was not included. (Sec. 313)
5. **Lead Remediation Grants.** The Governor, House, and Senate removed boilerplate language on Lead Remediation Grants as funding was not included. (Sec. 315)
6. **Environmental Cleanup and Redevelopment Program (One-Time).** The Governor, House, and Senate removed boilerplate language for one-time funding for FY 2019. (Sec. 316)
7. **Aquifer Protection Program.** The Governor, House, and Senate removed work project language for the Aquifer Protection Program as funding was not included. (Sec. 412)
8. **Cooperative Lakes Monitoring Program.** The Governor removed and the House and Senate retained language directing part 1 Surface Water funds to the Cooperative Lakes Monitoring Program.
The Governor vetoed this section. (Sec. 413)
9. **Drinking Water Infrastructure.** The Governor included and the House and Senate removed work project language for the Drinking Water Infrastructure grant program. (Sec. 801)

10. **Drinking Water Infrastructure Grant Distribution.** The Governor included and the House and Senate removed language directing funds and match requirements for the Drinking Water Infrastructure grant program. (Sec. 802)

Conference Agreement on Items of Difference

11. **Contingency Funds.** The Senate removed language permitting the Department to draw down contingency funds. The House included this section. The Conference included contingency fund language but at a reduced authorization level. (Sec. 210)
12. **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. The House included this section. The Conference included this section. (Sec. 221)
13. **Environmental Rules Review Committee.** The House included a new section earmarking \$150,000 of the central support services appropriation for the Environmental Rules Review Committee to contract with consultants to assist with business before the committee. The Senate did not include this section. The Conference included this section.

The Governor vetoed this section. (Sec. 239)

14. **Southeast Michigan Air Quality Impact Study.** The House included a new section earmarking \$100,000 of the air quality programs appropriation for an air quality impact study in southeast Michigan on pollutants cumulative impact. The Senate did not include this section. The Conference did not include this section. (Sec. 240)
15. **Emergency Cleanup Actions.** The Senate removed work project language for Emergency Cleanup Actions. The House included this section. The Conference removed this section. (Sec. 302)
16. **Environmental Protection Fund Surplus Funds.** The Senate removed language appropriating surplus Cleanup and Redevelopment Funds to the Environmental Protection Fund. The House included this section. The Conference removed it. (Sec. 303)
17. **Environmental Protection Fund Surplus Funds.** The Senate removed language appropriating surplus Community Pollution Prevention Funds to the Environmental Protection Fund. The House included this section. The Conference removed it. (Sec. 304)
18. **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. The House included this section. The Conference included this section. (Sec. 305)
19. **Bear Lake Cleanup.** The House included a new section earmarking funds from the remediation and redevelopment division appropriations for the remediation of the oil contaminated Zephyr site at Bear Lake in Muskegon County. The Senate did not include this section. The Conference did not include this section. (Sec. 311)
20. **Oscoda Township Water Connection Costs.** The House included a new section earmarking funds from the Renewing Michigan's Environment appropriation for water connection costs for consumers affected by PFAS contamination in Oscoda Township, Iosco County. The Senate did not include this section. The Conference did not include this section. (Sec 312)
21. **Parchment Drinking Water Treatment Plant.** The House included a new section earmarking up to \$410,000 from the Renewing Michigan's Environment appropriation for the drinking water treatment plant dismantling and disposal in the city of Parchment, Kalamazoo County. The Senate did not include this section. The Conference did not include this section. (Sec. 313)
22. **Ottawa County Comprehensive Groundwater Monitoring Network.** The House included a new section earmarking up to \$500,000 from the Surface Water appropriation for the department to collaborate with the Ottawa County administrator's office to establish a comprehensive groundwater monitoring network to collect data of groundwater use, flow, and recharge dynamics across the county. The Senate did not include this section. The Conference did not include this section. (Sec 401)
23. **Watershed Grants.** The Senate included language on funding allocations and reporting requirements for the Watershed Grant Program. The House did not include this section. The Conference included this section and revised language to direct existing Surface Water funds to be used for watershed grants.
- The Governor vetoed this section.*** (Sec. 412)
24. **Renew Michigan's Environment.** The Governor included and the Senate removed work project language for the Renew Michigan's Environment program. The House included this section but revised the language to specify that the work project must be completed by contract. The Conference removed this section. (Sec. 501)

25. **Retesting Drinking Water Wells for PFAS contamination.** The House included a new section authorizing drinking water wells that have tested positive for elevated PFAS levels below 70 parts per trillion to be retested every 24 months. The Senate did not include this section. The Conference did not include this section. (Sec. 502)
26. **Michigan Geological Survey.** The Conference included a new section earmarking \$500,000 in renewing Michigan's environment funds for the Michigan Geological Survey.
The Governor vetoed this section. (Sec. 503)
27. **Climate and Energy.** The Conference included a new section related to Executive Revision 2020-1 allowing the Department to enter into a memorandum of understanding between the Public Service Commission and the Office of Climate and Energy. (Sec. 601)
28. **Lead and Copper Rule Implementation.** The Conference included a new section directing allowable uses and grant amounts for the Lead and Copper Rule implementation part 1 appropriation. (Sec. 1001)
29. **PFAS and Emerging Contaminants.** The Conference included a new section directing allowable uses and grant amounts for the PFAS and emerging contaminants part 1 appropriation.
The Governor vetoed part of this section directing \$15,000,000 to be used for municipal airports. (Sec. 1002)
30. **Drinking Water Revolving Fund Loan Forgiveness.** The Conference included a new section directing allowable uses and grant amounts for the Drinking Water Loan Forgiveness part 1 appropriation. (Sec. 1003)
31. **Affordability and Planning.** The Conference included a new section directing allowable uses and grant amounts for the part 1 affordability and planning appropriation. (Sec. 1004)
32. **Private Well Testing.** The Conference included a new section directing allowable uses and grant amounts for the part 1 private well testing appropriation. (Sec. 1005)

Date Completed: 10-2-19

Fiscal Analyst: Abbey Frazier

**This reflects action taken by the State Administrative Board on 10-1-19 if applicable.