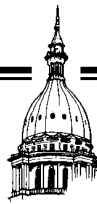




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ANALYSIS

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Senate Bill 953 (S-1 as reported)
 Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FY 2011-12 Year-to-Date Gross Appropriation \$414,520,000

Changes from FY 2011-12 Year to Date:

- 1. **LUST Cleanups.** The Governor and Senate included \$10.0 million from Refined Petroleum Fund to be used for leaking underground storage tank (LUST) cleanups. This money was formerly used by the Department of Treasury for debt service. 10,000,000
- 2. **MiWaters IT Project.** The Governor and Senate included restricted funding to add the NPDES Maintenance System (NMS) to the rewrite of the Coastal Inland Waters Permit Information System (CIWPIS) rewrite. The combined system would be called MiWaters, and would serve residents seeking permits under either system. 2,000,000
- 3. **Great Lakes Compact Council.** The Governor and Senate included \$50,000 in GF/GP to fund Michigan's share of the administrative costs of the Great Lakes Compact Council. 50,000
- 4. **Drinking Water Revolving Loan Program.** The Governor and Senate included \$2.5 million in ongoing funding and \$2.5 million in one-time funding to be used as State match for available Federal grant money. The funds would be used for loans to municipalities for upgrades to their drinking water systems. 5,000,000
- 5. **Nonferrous Metallic Mining Program.** The Governor and Senate restored funding to this program, as it was mistakenly recommended to be removed in the FY 2011-12 budget. 100,000
- 6. **State Revolving Fund Staffing.** The Governor and Senate included 5.0 FTEs and funding for the recommendations of the Water Pollution Control Revolving Fund Advisory Committee. 725,000
- 7. **Large-Quantity Water Withdrawal Fee Increase.** The Governor recommended increasing the fee from \$200 to \$250 annually, and removing the exemption from the fee for agricultural users. The increase is expected to raise \$648,300, however part of this new revenue would be offset by \$325,000 in CMI funding which is no longer available. Net revenue would be used to bring the number of FTEs for the program to 5.5 from 2.5. The Senate did not include additional fee revenue, but included GF/GP funding for the program instead. 103,900
- 8. **Wetlands Permitting Funding.** The Governor and Senate included a one-time fund shift of \$1.5 million GF/GP and \$0.5 million Federal to replace \$2.0 million Environmental Protection Fund (EPF), as EPF funding is no longer available. 0
- 9. **Reduce Excess Appropriation Authority.** The Governor reduced restricted fund appropriations to reflect available revenue. The Senate removed 19.0 FTEs as well. (9,688,800)
- 10. **Remove One-Time Funding.** The Governor and Senate removed one-time funding for the CIWPIS rewrite, as funding needed for the project has been appropriated. (3,200,000)
- 11. **FY 2011-12 Contingency Plan.** The Governor and Senate included the elimination of 1.0 FTE and associated funding for an employee concessions contingency plan. (81,600)
- 12. **State Employee Lump-Sum Payments.** The Governor and Senate included a one-time lump-sum payment to State employees. 1,549,200
- 13. **Economic Adjustments.** Includes \$22,074,100 for OPEB and a negative \$11,623,600 for other economic adjustments. 10,450,500
- 14. **Comparison to Governor's Recommendation.** The Senate is \$0 Gross and \$648,300 over the Governor.

Total Changes **\$17,008,200**

FY 2012-13 Senate Appropriations Committee Gross Appropriation \$431,528,200

Changes from FY 2011-12 Year to Date:

1. **Civil Service Charges.** The Governor and Senate removed a section requiring payment of a 1% Civil Service charge. (Sec. 204)
2. **Purchasing Requirements.** The Governor removed and Senate restored a prohibition on buying foreign goods and preference for Michigan companies, as well as a section favoring deprived and depressed communities. (Secs. 210 and 211)
3. **Communication with the Legislature.** The Governor removed and Senate restored a prohibition against punishing employees who communicate with the Legislature. (Sec. 212)
4. **Small Business Rules.** The Governor removed and Senate restored a prohibition on administrative rules that disproportionately affect small businesses. (Sec. 213)
5. **FTE Reports.** The Governor removed and Senate restored two reports on the number of FTEs in the Department. (Secs. 223 and 224)
6. **Expenditure Posting Cost.** The Governor and Senate removed a section requiring that the cost of expenditure posting not exceed \$10,000. (Sec. 226)
7. **Permit Tracking Report.** The Governor removed and Senate restored a report on the implementation of a permit tracking tool. (Sec. 227)
8. **Customer Satisfaction Program.** The Governor removed a requirement that the DEQ develop a customer satisfaction evaluation program. The Senate restored the reporting requirement of the section. (Sec. 228)
9. **Expedited Permit Program Report.** The Governor removed and Senate restored a report on programs that could have an expedited option. (Sec. 229)
10. **Refined Petroleum Fund Repayment (RPF).** The Governor removed and Senate restored a section stating the Legislature's intent to repay \$70.0 million to the RPF that was taken as part of the FY 2006-07 budget. (Sec. 305)
11. **RPF Cleanup Program.** The Governor removed and Senate restored a section detailing the sites for the Refined Petroleum Product Cleanup Program. The Senate included a new list of sites and a report requirement. (Sec. 306)
12. **Funding Transfers.** The Governor and Senate removed two sections that transferred money from the Small Business Pollution Prevention Assistance Revolving Loan Fund. The first transferred \$2.0 million to the Environmental Pollution Prevention Fund, and the second transferred \$1.3 million to the Environmental Protection Fund. (Secs. 307 and 308)
13. **Tax Exemption MOU.** The Governor and Senate removed a requirement for DEQ to enter a memorandum of understanding with Treasury on the process for reviewing tax exemptions for air pollution control equipment. (Sec. 311)
14. **Aquatic Nuisance Control Program.** The Governor removed a \$100,000 earmark for the ANC program. The Senate modified the section to allocate \$700,000 and 5.0 FTEs for the program. (Sec. 401)
15. **Groundwater Dispute Resolution.** The Governor removed and Senate restored a requirement that the DEQ fund a groundwater dispute resolution process. (Sec. 402)
16. **Aquatic Invasive Species Advisory Council.** The Governor removed a requirement that the DEQ fund this council, provided it was created. The Senate restored this section and modified it to require support for the Council. (Sec. 403)
17. **Water Withdrawal Funding.** The Senate included a section requiring the DEQ to work with an agricultural industry group to find a long-term funding solution for the Water Withdrawal Assessment Program. (Sec. 404)
18. **Solid Waste Policy Report.** The Governor removed and Senate restored a report addressing the implementation of the State's solid waste policy. (Sec. 601)
19. **Muskegon Cleanup Site.** The Governor and Senate removed a \$6.0 million one-time appropriation for the Muskegon cleanup site. (Sec. 1001)

Date Completed: 4-18-12

Fiscal Analyst: Josh Sefton