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**BILL ANALYSIS**



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**FY 2008-09 Year-to-Date Gross Appropriation ..... \$605,352,400**

**Changes from FY 2008-09 Year-to-Date:**

Items Included by the House and Senate

- 1. **Grants.** The House and Senate reflect the elimination of a one-time ARRA grant of \$237,000,000 and the reduction of grants for: real-time water quality monitoring, local health department operations, scrap tire grants, water quality protection grants, and the elimination of a water pollution control grant to the village of Chesaning. (249,542,500)
- 2. **Office of Geological Survey.** The House and Senate included some division reorganization and adjustment for the current fiscal year's Executive Orders. 96,200
- 3. **Economic Adjustments.** 3,678,700

Conference Agreement on Items of Difference

- 4. **Wetlands Protection Program.** The Governor recommended transfer of this program to the US Army Corps of Engineers. The House and Senate both left placeholders for this item. The Conference restored the program's restricted and Federal funding, as well as its interdepartmental grant from the Department of Transportation. (2,111,800)
- 5. **Air Quality Division.** The Senate contained an assumed \$938,300 increase in fees for the air emissions program whereas the House did not. The Conference included additional reductions totaling \$1,152,900 by eliminating some tax exemptions, the new source review program, Attorney General support, and the toxics program. (1,620,600)
- 6. **Fund Shifts.** The Conference attained its GF/GP leadership target by shifting fund sources for various line-items. A total of \$921,300 in shifts from GF/GP to restricted funds were made, and \$632,000 in shifts from GF/GP to Federal funds were made. 0

***Governor vetoed funding for Best Available Retrofit Technology (BART) reimbursement.***

- 7. **Great Lakes Restoration Initiative.** Neither the House nor the Senate contained this item. This Federal grant provides funding to the Department for various projects aimed at improving the quality and sustainability of the Great Lakes. 50,000,000
- 8. **Executive and Administrative Changes.** The Senate version combined the DNR and DEQ administrative functions. The House kept the departments separate. The Conference, after adjusting for the Executive Orders in FY 2009 and making various line-item reductions, yielded a net increase for DEQ's Executive, criminal investigations, and information technology functions. 338,100

***The Governor vetoed \$5,000 funding for Michigan Youth Conservation Council.***

- 9. **Office of Pollution Prevention and Compliance Assistance.** The House and Senate reorganized the Environmental Science and Service division into this new division, transferring most of the former division's programs into other divisions. The Conference reduction in funding here reflects the House's version which transfers many of the division's programs to other divisions within DEQ. **Total actual reductions from year-to-date are \$760,900.** (19,356,700)
- 10. **Other Changes.** The Conference made GF/GP reductions to several DEQ divisions to meet target. These divisions included: Land and Water Management, Remediation and Redevelopment, Waste and Hazardous Materials, and the Water Division. This figure offsets these GF/GP reductions with programs transferred from OPPCA. 2,030,800

**Total Changes ..... (\$216,487,800)**

**FY 2009-10 Enacted Gross Appropriation ..... \$388,864,600**

**Changes from FY 2008-09 Year to Date:**Items Included by the House and Senate

1. **Consolidated Report on Cleanup and Redevelopment Projects.** Requires the Department to report any allocations made from appropriations to the environmental cleanup program, State cleanup, superfund cleanup, the leaking underground storage tank program, and several others. The section also requires very specific content from these reports. (Sec. 224)

Conference Agreement on Items of Difference

2. **Wetlands Protection Program.** Neither the House nor the Senate included language referring to this program. The Conference included a section stating the intent of the Legislature to restore the level of funding for the wetlands protection program to its current-year levels via a supplemental appropriation. (Sec. 301)
3. **30-Day Expenditure Plan.** The House included language requiring the director of the Department to report, at least 30 days in advance, any expenditures the Department would make to the Speaker of the House. The Conference included this section. (Sec. 230)
4. **Beverage Container Fraud.** The Senate included language requiring the Department to use funds from the appropriation lines to implement 2008 PA 389, otherwise known as the "Reverse Vending Machine Antifraud Act". The Conference included this language. (Sec. 241)
5. **Real-time Water Quality Monitoring.** The Senate included language requiring recipients of the Macomb and St. Clair county grants in part 1 produce a report by September 30, 2010, detailing their water monitoring plan. Also makes funding contingent on the development of a long-term plan for funding and operation of the monitoring system. The Conference did not include this language.
6. **Draft Memoranda.** The Senate included language that would prohibit the Department from using draft memoranda or documents to impose regulations on individuals conducting cleanup projects. Upon request, the Department must provide written proof of a regulation in statute or administrative rule. The Conference included this section. (Sec. 308)
7. **Cleanup and Redevelopment Trust Fund Transfer.** The House included language which would appropriate \$1.0 million from the Cleanup and Redevelopment Trust Fund to the Environmental Protection Fund. The Conference included this language. (Sec. 304)
8. **Community Pollution Prevention Fund Transfer.** The House included language which would appropriate \$1.0 million from the Community Pollution Prevention Fund to the Environmental Protection Fund. The Conference included this language. (Sec. 305)
9. **Program Comparison with Other States.** The Senate included language which would require the Department to perform a review of its programs to determine how its programs compare to similar programs in other Great Lakes states. (Sec. 239)
10. **Pending Permits.** The House included language which provides that any permit application that has been submitted to and pending with the Department for a period of two years or more shall be considered administratively complete effective January 1, 2010. The Conference included this section. (Sec. 231)
11. **Various FTE Reports.** The House included two sections which would require the Department to report on a bi-monthly basis the number of FTEs in pay status, and a single, more detailed, report due in March 2010. The Senate did not include this language. The Conference included the language requiring these reports. (Sec. 222 & 223)
12. **Leaking Underground Storage Tanks (LUST) Advisory Workgroup.** The Senate included language which would create an advisory workgroup to review and make recommendations to the use of administrative rules and operational memoranda in the LUST program. The 13 members would be legislators and others representing petroleum-related interests appointed by legislative leaders. The Conference did not include this section.
13. **BART Reimbursement.** The Conference included language requiring the Department to reimburse permit holders for any air pollution control feasibility studies required of them. (Sec. 237 [2])

***The Governor vetoed this section.***

Date Completed: 10-15-09

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