

Act No. 292
Public Acts of 1998
Approved by the Governor*
July 27, 1998
Filed with the Secretary of State
July 28, 1998
EFFECTIVE DATE: July 28, 1998

*Item Vetoes

DEPARTMENT OF ENVIRONMENTAL QUALITY

Sec. 106. LAND AND WATER MANAGEMENT

Looking Glass River watershed \$60,000 (Page 4)

Sec. 503.

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Sec. 1202.

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Sec. 1203.

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STATE OF MICHIGAN
89TH LEGISLATURE
REGULAR SESSION OF 1998

Introduced by Reps. Bobier, Godchaux, Johnson, Gilmer, Jansen, Bankes and Jellema

ENROLLED HOUSE BILL No. 5589

AN ACT to make appropriations for the department of environmental quality for the fiscal year ending September 30, 1999; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of environmental quality for the fiscal year ending September 30, 1999, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF ENVIRONMENTAL QUALITY

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,608.7	
GROSS APPROPRIATION		\$ 401,247,900
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		780,000
IDG from MSP		578,200
IDT, interdivisional charges		5,762,900
Total interdepartmental grants and intradepartmental transfers		7,121,100
ADJUSTED GROSS APPROPRIATION		\$ 394,126,800
Federal revenues:		
Federal revenues		85,010,100
DOC, federal		2,998,000
DOD, federal		935,400
DOI, federal		451,500
EPA, federal		21,892,400
EPA-GWDW		3,615,200
EPA, superfund		8,383,400
EPA-OPM, environmental protection consolidated grants		4,100

		For Fiscal Year Ending Sept. 30, 1999
EPA, LUST trust	\$	3,231,000
EPA, UST		262,600
FEMA, federal		237,100
Total federal revenues		127,020,800
Special revenue funds:		
Local funds		1,177,700
Total local revenues		1,177,700
Private funds		451,700
Total private revenues		451,700
Air emissions fees		10,855,000
Above ground storage tank fees		686,000
CESARS service fee		23,500
Cleanup and redevelopment fund		23,013,400
Drinking water revolving fund		5,706,400
Emergency response fund		3,000,000
Environmental education fund		148,400
Environmental pollution prevention fund		1,009,600
Environmental protection fund		7,000,000
Environmental protection bond fund		857,100
Environmental response fund		8,867,400
Environmental training revenue		266,200
Fees and collections		696,800
Great Lakes protection fund		1,000,000
Hazardous waste facility closure revenue		1,000,000
Land and water permit fees		2,495,100
Landfill maintenance trust fund		44,700
Metallic mining surveillance fee revenue		62,800
Medical waste fees		382,100
Michigan underground storage tank financial assurance fund		62,087,100
Mineral well regulatory fee revenue		400,000
Oil and gas surveillance fee revenue		8,834,100
Orphan well fund		1,307,800
Publication revenue		100,000
Public utility assessments		880,000
Public water supply fees		4,619,500
Sand extraction fee revenue		176,300
Scrap tire regulatory fund		3,918,600
Septage waste license fees		200,000
Settlement funds		4,286,300
Sewage sludge land application fees		650,000
Solid waste facility closure revenue		1,000,000
Solid waste program fees		1,095,400
Stormwater permit fees		1,231,900
State water pollution control revolving fund		3,023,700
Underground storage tank fees		6,324,600
Waste reduction fee revenue		3,774,000
Wastewater operator training fees		72,500
Water analysis fees		1,764,900
Water use reporting fees		54,100
Total other state restricted revenues		172,915,300
State general fund/general purpose	\$	92,561,300

Sec. 102. EXECUTIVE

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	13.0	
Unclassified salaries		\$ 441,000
Equal employment opportunity office—1.0 FTE position		75,100
Executive direction—8.0 FTE positions		1,007,400

		For Fiscal Year Ending Sept. 30, 1999
Office of the Great Lakes—4.0 FTE positions	\$	747,100
GROSS APPROPRIATION.....	\$	2,270,600
Appropriated from:		
Federal revenues:		
DOI, federal		50,000
EPA, federal.....		217,400
Special revenue funds:		
Environmental education fund		148,400
Environmental response fund		44,500
Oil and gas surveillance fee revenue.....		93,000
Settlement funds.....		315,000
State general fund/general purpose	\$	1,402,300

Sec. 103. PROGRAM SUPPORT SERVICES

Full-time equated classified positions.....	67.5	
Financial support services—24.5 FTE positions	\$	1,361,200
Field operations support—20.0 FTE positions		1,325,100
Automated data processing—2.0 FTE positions		5,913,800
Office of special environmental projects—6.0 FTE positions.....		554,600
Personnel—11.0 FTE positions.....		652,100
Administrative hearings—4.0 FTE positions.....		357,100
GROSS APPROPRIATION.....	\$	10,163,900
Appropriated from:		
Interdepartmental grant revenues:		
IDT, interdivisional charges		5,762,900
Federal revenues:		
EPA, LUST trust.....		22,000
EPA, superfund		68,600
Special revenue funds:		
Environmental protection bond fund		17,000
Environmental response fund		734,600
Land and water permit fees		30,500
Michigan underground storage tank financial assurance fund.....		157,200
Public water supply fees		150,400
Oil and gas surveillance fee revenue.....		366,900
Scrap tire regulatory fund		30,400
Settlement funds.....		192,900
State general fund/general purpose	\$	2,630,500

Sec. 104. DEPARTMENTAL OPERATION SUPPORT

Building occupancy charges.....	\$	2,073,100
Rent - privately owned property.....		4,580,200
Publications.....		100,000
GROSS APPROPRIATION.....	\$	6,753,300
Appropriated from:		
Special revenue funds:		
Air emissions fees		303,000
Environmental pollution prevention fund		36,200
Environmental response fund		415,000
Fees and collections		49,800
Land and water permit fees		62,100
Medical waste fees.....		17,400
Michigan underground storage tank financial assurance fund.....		131,300
Oil and gas surveillance fee revenue.....		268,900
Publication revenue.....		100,000
Public utility assessments		11,300
Public water supply fees		156,700
Scrap tire regulatory fund		33,700

		For Fiscal Year Ending Sept. 30, 1999
Solid waste program fees	\$	40,100
Stormwater permit fees		43,100
Waste reduction fee revenue		52,000
State water pollution control revolving fund		79,200
Water analysis fees		87,100
Water use reporting fees		3,900
Underground storage tank fees		176,100
State general fund/general purpose	\$	4,686,400

Sec. 105. GEOLOGICAL SURVEY

Full-time equated classified positions	89.5	
Services to oil and gas programs—80.0 FTE positions	\$	8,173,100
Well plugging - orphan wells—2.5 FTE positions		1,307,800
Coal and sand dune management—3.0 FTE positions		577,800
Mineral wells management—3.0 FTE positions		400,000
Metallic mining reclamation program—1.0 FTE position		62,800
GROSS APPROPRIATION	\$	10,521,500
Appropriated from:		
Federal revenues:		
DOI, federal		401,500
Special revenue funds:		
Environmental response fund		69,100
Metallic mining surveillance fee revenue		62,800
Mineral well regulatory fee revenue		400,000
Oil and gas surveillance fee revenue		7,982,100
Orphan well fund		1,307,800
Sand extraction fee revenue		176,300
State general fund/general purpose	\$	121,900

Sec. 106. LAND AND WATER MANAGEMENT

Full-time equated classified positions	145.0	
Land and water administration—15.5 FTE positions	\$	1,190,800
Field permitting and project assistance—74.5 FTE positions		5,781,500
Dam safety, erosion control and clean lakes—25.0 FTE positions		1,977,600
Looking Glass River watershed		60,000
Great Lakes shorelands—30.0 FTE positions		3,015,700
GROSS APPROPRIATION	\$	12,025,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		780,000
Federal revenues:		
EPA, federal		657,800
DOC, federal		1,398,000
FEMA, federal		237,100
Special revenue funds:		
Local funds		144,000
Land and water permit fees		2,402,500
State general fund/general purpose	\$	6,406,200

Sec. 107. AIR QUALITY

Full-time equated classified positions	221.5	
Air quality programs—57.0 FTE positions	\$	4,718,500
Clean air act implementation—164.5 FTE positions		12,738,400
GROSS APPROPRIATION	\$	17,456,900
Appropriated from:		
Federal revenues:		
EPA, federal		3,135,300

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Special revenue funds:		
Environmental response fund	\$	79,300
Air emissions fees		8,294,900
State general fund/general purpose	\$	5,947,400

Sec. 108. SURFACE WATER QUALITY

Full-time equated classified positions	207.5	
Surface water compliance program—81.0 FTE positions	\$	5,666,300
Surface water permits program—32.0 FTE positions		3,347,000
Surface water surveillance program—70.5 FTE positions		6,942,900
State and local water quality management planning—9.5 FTE positions		1,620,900
Volunteer river, stream, and creek cleanup program		50,000
Stormwater discharge program—12.5 FTE positions		1,117,300
Sewage sludge land application program—2.0 FTE positions		650,000
Fish contaminant monitoring contracts		321,000
GROSS APPROPRIATION	\$	19,715,400

Appropriated from:

Federal revenues:

EPA, federal		6,993,500
Special revenue funds:		
Local funds		1,033,700
CESARS service fee		23,500
Environmental response fund		132,200
Sewage sludge land application fees		650,000
State water pollution control revolving fund		536,100
Stormwater permit fees		1,111,100
State general fund/general purpose	\$	9,235,300

Sec. 109. DRINKING WATER PROTECTION AND RADIOLOGICAL HEALTH

Full-time equated classified positions	199.7	
Drinking water—81.2 FTE positions	\$	12,216,100
Environmental health—31.0 FTE positions		3,375,200
Laboratory services—69.0 FTE positions		5,582,300
Radiological protection—18.5 FTE positions		1,491,100
Center for applied environmental research and outreach		170,000
GROSS APPROPRIATION	\$	22,834,700

Appropriated from:

Interdepartmental grant revenues:

IDG-MSP		578,200
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Federal revenues:

Federal revenues		10,100
DOD, federal		111,500
EPA, federal		949,500
EPA-GWDW		3,508,700

Special revenue funds:

Private funds		123,100
Drinking water revolving fund		3,191,000
Medical waste fees		364,700
Public water supply fees		2,898,800
Settlement funds		324,600
Water analysis fees		1,677,800
Water use reporting fees		50,200
Fees and collections		647,000
State general fund/general purpose	\$	8,399,500

Sec. 110. LOW LEVEL RADIOACTIVE WASTE AUTHORITY

Full-time equated classified positions	3.0	
Low level radioactive waste authority—3.0 FTE positions	\$	868,700
GROSS APPROPRIATION	\$	868,700

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Appropriated from:	
Special revenue funds:	
Public utility assessments	\$ 868,700
State general fund/general purpose	\$ 0

Sec. 111. ENVIRONMENTAL RESPONSE

Full-time equated classified positions	263.0	
Environmental cleanup and redevelopment program	\$	26,232,000
Federal cleanup project management—52.0 FTE positions		4,951,600
Superfund cleanup		7,250,000
Contaminated site investigations, cleanup and revitalization—211.0 FTE positions		14,933,400
Emergency cleanup action		2,000,000
State cleanup (Part 201 of Public Act 451 of 1994)		3,397,700
Revitalization revolving loan fund		7,000,000
GROSS APPROPRIATION	\$	65,764,700

Appropriated from:	
Federal revenues:	
DOD, federal	823,900
EPA, federal	1,366,700
EPA, superfund	8,314,800
Special revenue funds:	
Private funds	128,600
Cleanup and redevelopment fund	15,113,400
Environmental protection fund	7,000,000
Environmental response fund	6,360,900
Landfill maintenance trust fund	44,700
Settlement funds	2,438,100
State general fund/general purpose	\$ 24,173,600

Sec. 112. STORAGE TANKS

Full-time equated classified positions	120.5	
Michigan underground storage tank financial assurance program—36.5 FTE positions	\$	61,698,700
MUSTFA emergency response fund		3,000,000
Underground storage tank program—45.0 FTE positions		6,413,100
Above ground storage tank program—9.0 FTE positions		686,000
Leaking underground storage tank cleanup program		8,900,000
Emergency cleanup action		2,000,000
Leaking underground storage tank program—30.0 FTE positions		4,240,800
GROSS APPROPRIATION	\$	86,938,600

Appropriated from:	
Federal revenues:	
EPA, LUST trust	3,209,000
EPA, UST	262,600
Special revenue funds:	
Above ground storage tank fees	686,000
Cleanup and redevelopment fund	5,900,000
Emergency response fund	3,000,000
Environmental response fund	1,031,800
Michigan underground storage tank financial assurance fund	61,698,700
Underground storage tank fees	6,148,500
State general fund/general purpose	\$ 5,002,000

Sec. 113. WASTE MANAGEMENT

Full-time equated classified positions	149.0	
Administration and technical support—20.0 FTE positions	\$	1,436,700
Compliance and enforcement—76.0 FTE positions		4,357,500
Hazardous waste permits—25.0 FTE positions		1,795,100
Hazardous waste disposal facility closures		1,000,000

		For Fiscal Year Ending Sept. 30, 1999
Groundwater permits—17.0 FTE positions.....	\$	1,256,000
Solid waste program—11.0 FTE positions		1,225,200
Special federal grants		892,300
Solid waste disposal facility closures		1,000,000
GROSS APPROPRIATION.....	\$	<u>12,962,800</u>
Appropriated from:		
Federal revenues:		
EPA, federal.....		3,101,900
Special revenue funds:		
Hazardous waste facility closure revenue.....		1,000,000
Solid waste facility closure revenue.....		1,000,000
Solid waste program fees		1,055,300
Environmental pollution prevention fund		973,400
Scrap tire regulatory fund		852,700
Settlement funds.....		233,900
State general fund/general purpose	\$	4,745,600

Sec. 114. ENVIRONMENTAL ASSISTANCE DIVISION

Full-time equated classified positions.....	100.0	
Environmental services—20.0 FTE positions	\$	2,767,100
Pollution prevention outreach programs.....		200,000
Municipal assistance—39.5 FTE positions		3,093,200
Pollution prevention—25.0 FTE positions		2,068,100
Community right-to-know		150,000
Technical assistance—15.5 FTE positions		1,823,600
GROSS APPROPRIATION.....	\$	<u>10,102,000</u>
Appropriated from:		
Federal revenues:		
EPA, federal.....		761,200
EPA-GWDW		106,500
Special revenue funds:		
Private funds		200,000
Air emissions fees		592,300
Drinking water revolving fund		1,185,400
Environmental training revenue		266,200
Public water supply fees		13,600
Settlement revenue		76,900
State water pollution control revolving fund		2,408,400
Stormwater permit fees		77,700
Waste reduction fee revenue.....		3,722,000
Wastewater operator training fees		72,500
State general fund/general purpose	\$	619,300

Sec. 115. CRIMINAL INVESTIGATIONS

Full-time equated classified positions.....	20.0	
Environmental investigations—20.0 FTE positions.....	\$	<u>1,605,700</u>
GROSS APPROPRIATION.....	\$	1,605,700
Appropriated from:		
Federal revenues:		
EPA, federal.....		119,100
EPA-OPM, environmental protection consolidated grants.....		4,100
Special revenue funds:		
Michigan underground storage tank financial assurance fund.....		99,900
Oil and gas surveillance fee revenue.....		123,200
Scrap tire regulatory fund		51,800
Settlement funds.....		704,900
State general fund/general purpose	\$	502,700

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Sec. 116. GRANTS

Water pollution control and drinking water revolving funds.....	\$	102,353,500
Noncommunity water grants.....		1,400,000
Grants to counties—air pollution.....		2,854,900
Land resource program grants.....		1,900,000
Federal - nonpoint source water pollution grants.....		3,500,000
Big Rapids dam removal.....		100,000
Federal - Great Lakes remedial action plan grants.....		700,000
NPL, municipal landfill match grants.....		2,000,000
Great Lakes research and protection grants.....		1,000,000
Radon grants.....		135,000
Drinking water revolving fund implementation.....		1,330,000
Septage waste compliance grants.....		200,000
Scrap tire grants.....		2,950,000
GROSS APPROPRIATION.....	\$	120,423,400

Appropriated from:

Federal revenues:

Federal revenues.....	85,000,000
DOC, federal.....	1,600,000
EPA, federal.....	4,590,000

Special revenue funds:

Air emissions fees.....	1,664,800
Cleanup and redevelopment fund.....	2,000,000
Drinking water revolving fund.....	1,330,000
Great Lakes protection fund.....	1,000,000
Public water supply fees.....	1,400,000
Scrap tire regulatory fund.....	2,950,000
Septage waste license fees.....	200,000
State general fund/general purpose.....	\$ 18,688,600

Sec. 118. BOND ADMINISTRATIVE SERVICES

Full-time equated classified positions.....	1.5
Field administration environmental protection bond—0.5 FTE position.....	\$ 28,800
Internal audit staff—1.0 FTE position.....	87,700
GROSS APPROPRIATION.....	\$ 116,500

Appropriated from:

Environmental protection bond fund.....	116,500
State general fund/general purpose.....	\$ 0

Sec. 119. BOND WASTE MANAGEMENT

Full-time equated classified positions.....	8.0
Solid waste implementation staff—8.0 FTE positions.....	\$ 723,600
GROSS APPROPRIATION.....	\$ 723,600

Appropriated from:

Environmental protection bond fund.....	723,600
State general fund/general purpose.....	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. (1) In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending in this appropriation act is \$265,476,600.00 and state appropriations to be paid to local units of government for fiscal year 1998-99 are estimated at \$8,969,900.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

GRANTS

Grants to counties - air pollution	\$	2,854,900
Septage waste compliance program		200,000
Scrap tire grants.....		2,950,000
Noncommunity water grants.....		1,400,000
Radon grants		135,000
Drinking water grants		1,330,000
Big Rapids dam removal		100,000
TOTAL	\$	8,969,000

(2) If it appears to the principal executive officer of each department that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget, the senate and house of representatives appropriations committees, and the senate and house fiscal agencies.

Sec. 202. The appropriations made and the expenditures authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "CESARS" means chemical evaluation search and retrieval system.
- (b) "Department" means the department of environmental quality.
- (c) "DOC" means the United States department of commerce.
- (d) "DOE" means the United States department of energy.
- (e) "EPA" means the United States environmental protection agency.
- (f) "EPA-GWDW" means the EPA groundwater drinking water.
- (g) "EPA-LUST trust" means the EPA leaking underground storage tank trust fund.
- (h) "EPA, radon" means the EPA radon grants.
- (i) "FEMA" means the federal emergency management agency.
- (j) "FTE" means full-time equated position.
- (k) "MDCIS" means the Michigan department of consumer and industry services.
- (l) "PCB" means polychlorinated biphenyl.

Sec. 204. (1) Beginning October 1, 1998, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees or prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department or to positions that are funded with 80% or more federal or restricted funds.

(2) The state budget director shall grant exceptions to this hiring freeze when the director believes that such a hiring freeze will result in rendering a state department or agency unable to deliver basic services. The state budget director shall report by the fifteenth of each month to the chairpersons of the senate and house appropriations committees the number of exclusions to the hiring freeze approved during the previous month and the justification for each exclusion.

Sec. 205. The department of civil service shall bill the department at the end of the first fiscal quarter for the 1% charges authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 206. (1) From funds appropriated under part 1, the department shall prepare a report that lists all of the following regarding grant or loan or grant and loan programs administered by the department for the fiscal year ending on September 30, 1999:

- (a) The name of each program.
- (b) The goals of the program, the criteria, eligibility, process, filing fees, nominating procedures, and deadlines for each program.
- (c) The maximum and minimum grant and loan available and whether there is a match requirement for each program.

(d) The amount of any required match, and whether in-kind contributions may be used as part or all of a required match.

(e) Information pertaining to the application process, timeline for each program, and the contact people within the department.

(f) The source of funds for each program, including the citation of pertinent authorizing acts.

(g) Information regarding plans for the next fiscal year for the phaseout, expansion, or changes for each program.

(h) A listing of all recipients of grants or loans awarded by the department by type and amount of grant or loan.

(2) The reports required under this section shall be submitted to the senate and house of representatives appropriations committees and senate and house fiscal agencies by January 1, 2000.

(3) The department shall provide annual public notice of all grant deadlines or provide a minimum 60-day notice of each grant program deadline.

Sec. 207. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced American goods or services, or both, of comparable quality are available. By May 1, 1999, the department shall submit a report to the state budget director, the speaker and minority leader of the house of representatives, the majority and minority leaders of the senate, the chairpersons of the house and senate appropriations committees, and the house and senate fiscal agencies on efforts to comply with this section.

Sec. 207a. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this bill pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 208. The state budget director shall provide a list of proposed work projects funded, in whole or in part, from appropriations in this act to the house and senate appropriations committees on November 15, 1998. This list shall provide detailed information including the total work project funding level, spending for the fiscal year ending September 30, 1998, and the amount of budget authority required to complete the project.

Sec. 210. (1) The department shall submit to the department of management and budget, the house and senate appropriations committees, the house and senate fiscal agencies, and the house and senate standing committees having jurisdiction over technology issues quarterly reports on the department's efforts to change the department's computer software and hardware as necessary to perform properly in the year 2000 and beyond. These reports shall identify actual progress in comparison to the department's approved work plan for these efforts.

(2) The department may present progress billings to the department of management and budget for the costs incurred in changing computer software and hardware as necessary to perform properly in the year 2000 and beyond. When progress billings are presented for reimbursement, the department of management and budget shall identify and forward as appropriate the funding sources that should support the work performed.

Sec. 211. (1) In the expenditure of funds appropriated under this act, the director of the department shall take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both, for the department.

(2) The director of the department shall strongly encourage firms with which the department contracts to subcontract with businesses certified by the department of civil rights in depressed and deprived communities for services or supplies, or both.

Sec. 213. The department shall provide the state budget director, the subcommittees on natural resources and environmental quality of the house and senate appropriations committees, and the senate and house fiscal agencies with a report twice a year on restricted fund balances, projected revenues, and expenditures.

Sec. 217. The department shall provide an annual report on the total amount of funds received from responsible parties and legal settlements, and the disposition of these funds.

Sec. 223. (1) In addition to the funds appropriated for the environmental cleanup and redevelopment program listed in section 111, the department of environmental quality is authorized to expend amounts remaining from prior fiscal year appropriations to meet funding needs of legislatively approved sites.

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 1989 PA 180, 1990 PA 55, 1990 PA 194, 1991 PA 31, 1991 PA 160, 1993 PA 74, 1993 PA 353, 1994 PA 442, 1996 PA 353, and 1997 PA 114 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this subsection.

(3) Unexpended and unencumbered amounts remaining from appropriations from the cleanup and redevelopment fund and unclaimed bottle deposits fund contained in 1996 PA 319, 1997 PA 113, and 1997 PA 114 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this subsection.

(4) The department of environmental quality shall provide an annual report by April 1, 1999 to the state budget director, the house and senate appropriations subcommittees on environmental quality, and the house and senate fiscal agencies that separately identifies the expenditures authorized by this section from the revenues available from the environmental bond fund, the unclaimed bottle deposit fund, and the cleanup and redevelopment fund.

Sec. 224. The level of revenue appropriated in part 1 from oil and gas surveillance fee revenue is contingent on the enactment into law of House Bill No. 5294 and House Bill No. 5399 of the 89th Legislature.

Sec. 225. The level of revenue appropriated in part 1 from land and water management permit fee revenue is contingent on the enactment into law of House Bill No. 5114 of the 89th Legislature.

Sec. 226. The level of revenue appropriated in part 1 from air emission fee revenue is contingent upon the enactment into law of Senate Bill No. 813 of the 89th Legislature.

Sec. 227. (1) The department shall notify the legislature and offer a public meeting and public comment opportunity with respect to any request received by the state of Michigan to divert water from the Great Lakes pursuant to the federal water resources development act of 1986.

(2) By September 30, 1999, the department shall prepare and submit to the governor and legislature a report on anticipated Great Lakes water diversions in the twenty-first century and recommendations on a research program and other measures needed to evaluate the impact of proposed Great Lakes water diversions. The report shall also contain recommendations on appropriate state and federal policy and legislation needed to prevent or minimize, or both, the adverse impacts of new and increased Great Lakes water diversions, including proposals to draw water from the Great Lakes for commercial shipment outside the Great Lakes basin.

Sec. 228. By December 1, 1998, the department shall provide the senate and house appropriations subcommittees on environmental quality and the senate and house fiscal agencies a report that outlines programs funded under this act. The report shall provide explanation of the activities and personnel funded with each line item, consistent with the format of this act.

Sec. 229. A copy of all reports to the legislature required under this act shall be forwarded to the senate and house majority and minority policy offices.

Sec. 231. Sixty days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate house and senate appropriations subcommittees and the house and senate fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate house and senate appropriations subcommittees and the house and senate fiscal agencies within 30 months.

Sec. 232. (1) This act includes funding for departmental operations financed in whole or in part from early retirement savings generated through the early retirement program under section 19f of the state employees' retirement act, 1943 PA 240, MCL 38.19f. The director shall provide a report that identifies all of the following:

(a) The amount of these early retirement savings realized in the 1997-98 fiscal year.

(b) The amount of these early retirement savings explicitly earmarked and spent for technology improvements in the 1997-98 fiscal year.

(c) The amount of these early retirement savings used for other organizational enhancements in the 1997-98 fiscal year.

(2) The report required under subsection (1) shall be provided to the house and senate appropriations committees and to the house and senate fiscal agencies on or before December 15, 1998.

Sec. 233. Within 10 working days after formal presentation of the executive budget, the state budget director shall report to the members of the senate and house appropriations committees and the senate and house fiscal agencies on the amounts and sources of all capped federal funds, special revenue funds as defined in the state of Michigan's comprehensive annual financial report, and the healthy Michigan fund, and an accounting of the state departments or agencies in which the executive budget proposes to spend the funds.

Sec. 234. (1) The department of management and budget and each principal executive department and agency shall provide to the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies a monthly report on all personal service contracts awarded without competitive bidding, pricing, or rate setting. The notification shall include all of the following:

- (a) The total dollar amount of the contract.
- (b) The duration of the contract.
- (c) The name of the vendor.
- (d) The type of service to be provided.

(2) For personal service contracts of \$100,000.00 or more, the department of management and budget shall provide a monthly report on all of the following:

- (a) The total dollar amount of the contract.
- (b) The duration of the contract.
- (c) The name of the vendor.
- (d) The type of service to be provided.

(3) The department of management and budget shall provide a monthly listing of all bid requests or requests for proposal that were issued.

(4) Each principal executive department and agency shall provide a monthly summary listing of information that identifies any authorizations for personal service contracts that are provided to the department of civil service pursuant to delegated authority granted to each principal executive department and agency related to personal service contracts.

Sec. 235. If a department enters into a personal services contract with any temporary service agency or similar contractor that hires or subcontracts with a person who retired from employment in the department under the early retirement program under section 19f of the state employees' retirement act, 1943 PA 240, MCL 38.19f, the retired state employee shall be limited to 500 hours for professional, technical, or clerical services and 250 hours for management services. This limitation does not apply to computer technology services. This provision only applies during a 24-month period after the date of retirement. This section applies to each principal executive department and agency.

DEPARTMENTAL OPERATIONAL SUPPORT

Sec. 301. The department shall report by February 1, 1999 to the senate and house of representatives appropriations committees and to the senate and house fiscal agencies. The report shall include both of the following:

- (a) The amount of contributions, gifts, bequests, grants, and donations received by the department for the fiscal year ending September 30, 1998.
- (b) A listing of the expenditures made from the amounts received as reported in subdivision (a).

GEOLOGICAL SURVEY

Sec. 401. The total appropriation in section 105 from oil and gas surveillance fee revenue for fiscal year 1998-99 is \$7,982,100.00 in the geological survey division. If total estimated revenue for fiscal year 1998-99 is expected to be less than the total appropriation, programs shall be reduced on an equal basis throughout the division.

Sec. 402. From the funds appropriated in section 105 for services to oil and gas programs, \$180,000.00 may be transferred to the department of agriculture to establish a program for monitoring oil and gas production meters pending enactment of House Bill Nos. 5294 and 5399 of the 89th Legislature.

Sec. 403. From the increase in oil and gas surveillance fees, as a result of enactment of House Bill Nos. 5294 and 5399 of the 89th Legislature, the department shall provide the necessary technology and assistance to the public service commission, the department of natural resources, and the department of treasury to implement the uniform reporting requirements relating to oil and gas volumes and values pursuant to recommendations of the state auditor general's performance audit of oil and natural gas production reporting.

LAND AND WATER MANAGEMENT

Sec. 501. It is the intent of the legislature that ongoing program activities of the land and water management division, except for the accelerated land and water permit process, not receive land water management and permit fee revenue to address potential funding shortfalls in those programs.

Sec. 503. The funds appropriated in section 106 for the Looking Glass River shall be allocated to the Clinton soil conservation district for a pilot soil erosion reduction program.

AIR QUALITY

Sec. 601. From the funds appropriated in section 107, the department shall report on the status of implementation planning and permit backlog reduction activities under part 55 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5501 to 324.5542, including status of revenue collections, on an annual basis. The report shall be provided to the house of representatives and senate appropriations subcommittees on environmental quality, the standing committees of the house of representatives and the senate that are responsible for issues pertaining to air quality, and the governor on or before March 1, 1999.

SURFACE WATER QUALITY

Sec. 701. The appropriation in section 108 for the surface water permits program includes \$1,500,000.00 to reduce the backlog of discharge permits. The department shall prioritize its use of funds to ensure the elimination of the backlog of those permits that result in discharges into surface waters where public health problems have arisen and recreational use of the surface water curtailed. This backlog shall be eliminated by September 30, 1999.

Sec. 702. Of the funds appropriated in section 108 for surface water surveillance, a minimum of \$250,000.00 shall be designated for grants to local organizations for water quality monitoring activities.

Sec. 703. From the appropriation in section 108 for surface water quality monitoring, not more than \$50,000.00 shall be expended to create a combined sewer overflow data base. Public access to this data base and testing protocols to assess the impact of combined sewer overflows shall be provided within 6 months after the effective date of this act.

Sec. 704. The \$50,000.00 appropriation in section 108 for volunteer river, stream, and creek cleanup programs shall be distributed on a statewide basis to volunteer organizations for stream, river, and creek cleanup projects. Funds shall be distributed through a simplified application process providing up to \$5,000.00 to organizations that provide a 50% match. Priority shall be given to existing volunteer organizations and targeted to those watersheds with documented pollution problems.

DRINKING WATER

Sec. 802. The funds appropriated in section 109 for the center for applied environmental research and outreach shall be designated for the University of Michigan - Flint to address land use, watershed, brownfield, and groundwater issues in the Genesee Valley region.

LOW LEVEL RADIOACTIVE WASTE AUTHORITY

Sec. 901. Of the funds appropriated in section 110 for low level radioactive waste authority, the department shall work with the public service commission in preparing a study to evaluate the effects that utility deregulation will have on the generation of high and low level radioactive waste, the funding necessary for dismantling nuclear power plants as they are decommissioned, and disposal of the resulting waste stream. This report shall be provided to the house and senate standing committees on appropriations and the house and senate fiscal agencies by June 1, 1999.

ENVIRONMENTAL RESPONSE

Sec. 1001. From the appropriation in part 1 for the program under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, environmental cleanup and redevelopment program, the department shall continue to make authorizations for response activities at environmental contamination sites and for the administration of the program created by part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

Sec. 1002. The unexpended portion of the appropriation in section 111 for the state cleanup program, environmental cleanup and redevelopment program, emergency cleanup action, NPL - municipal landfill match grants, state cleanup, and superfund cleanup projects is considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451(3) of the management and budget act, 1984 PA 431, MCL 18.1451:

- (a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.
- (b) The projects will be accomplished by contract.
- (c) The total estimated cost of all projects is identified in each line-item appropriation.
- (d) The tentative completion date is September 30, 2000.

Sec. 1004. Of the funds appropriated in section 111 as state match for the superfund cleanup program, an amount not to exceed \$250,000.00 shall be expended as state match for the hazardous substance research center.

Sec. 1005. The funds appropriated in section 111 for the environmental cleanup and redevelopment program shall be used to fund cleanup activities on the following sites:

Allegan - Gunplain Township Landfill
Allegan - Village of Douglas
Alpena - National Gypsum
Antrim - Alba Highway 5895
Calhoun - McLeieer Oil/Elm Street
Cass - Henco Enterprises
Delta - Delta Chemical and Iron Company
Grand Traverse - Cone Drive TEXTRON
Gratiot - Gratiot County Landfill
Houghton - Florida Gas
Ingham - Americhem Corporation
Iosco - Fairway Surplus
Jackson - Albion-Scipio Oil Field
Jackson - Universal Vise and Tool
Kalkaska - State Blue Lake 1-4
Kent - Michigan State - Twin Lakes Area
Kent - State Disposal Landfill
Lenawee - Drexel Park Wells
Lenawee - Fabco Products
Livingston - Thermofil
Manistee - Adamczak Road
Monroe - Van Deilen Industries
Montcalm - Crystal Oil Field
Muskegon - Ott/Story/Cordova Chemical
Muskegon - SCA Independent Landfill
Oakland - Rockcroft Street Residential Wells
Ottawa - Fenske Landfill

Ottawa - Former Burnside Manufacturing Company
Presque Isle - Draysey #1 Oil Production and Brine Disposal Wells
Shiawassee - Magnetek
St. Clair - Fort Gratiot Sanitary Landfill
Tuscola - RCS/Evans Products
Van Buren - Covert Township-County Road 378 Sludge Pits
Wayne - Detroit Coke
Wayne - Detroit River Sediments
Wayne - MichCon Station H
Wayne - Revere Copper and Brass
Wexford - AAR Cadillac Manufacturing

Sec. 1006. (1) The department shall report all of the following information relative to allocations made in section 111 for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, and revitalization revolving loan fund to the senate and house of representatives appropriations subcommittees on environmental quality and the senate and house fiscal agencies:

- (a) The name and location of the site for which an allocation is made.
 - (b) The nature of the problem encountered at the site.
 - (c) The estimated time necessary to prepare plans or complete any necessary study if the allocation is for plans or a study.
 - (d) A brief description of how the problem will be resolved if the allocation is made for a response activity.
 - (e) The estimated time to complete the response activity if the allocation is for a response activity.
 - (f) The amount of the allocation, or the anticipated financing for the site.
 - (g) A summary of the sites and the total amount of funds expended at the sites at the conclusion of the fiscal year.
 - (h) The number of sites that would qualify as brownfields that were redeveloped.
- (2) The report prepared shall also include the status of all state-owned facilities that are on the list compiled under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.
- (3) The report prepared shall be made available by March of each year.

STORAGE TANKS

Sec. 1101. (1) The funds appropriated in section 112 from the Michigan underground storage tank financial assurance fund for the purpose of carrying out the duties and responsibilities as specified in part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551, are considered work project appropriations and any unencumbered funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451(3) of the management and budget act, 1984 PA 431, MCL 18.1451:

- (a) The purpose of the projects to be carried forward is to carry out the responsibilities of part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551.
 - (b) The projects will be accomplished by contract and state employees.
 - (c) The total estimated cost is identified in a line-item appropriation.
 - (d) The tentative completion date is September 30, 2000.
- (2) The Michigan underground storage tank financial assurance policy board shall allocate the amount of the underground storage tank financial assurance fund to be distributed to the department. If the amount recommended by the board is less than that appropriated in section 112, expenditures shall be adjusted accordingly.
- (3) Included in the amounts appropriated in section 112 from the Michigan underground storage tank financial assurance fund are amounts sufficient to pay debt service costs on the bonds or notes issued pursuant to part 215 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21501 to 324.21551.

Sec. 1102. The department shall provide the senate and house of representatives appropriations subcommittees on environmental quality and the senate and house fiscal agencies with a March 31, 1999 and year-end report on the Michigan underground storage tank financial assurance fund. The March 31, 1999 report shall include the fund balance, estimate of available revenues, number and dollar value of claims processed through September 30, 1998, and total estimated claims liability through December 22, 2000. The year-end report shall be provided within 30 days of the end of the fiscal year and include fund balance, estimate of available revenues, number and dollar value of claims processed for the fiscal year 1998-99, and total estimated claims liability through December 22, 2000.

Sec. 1103. The unexpended portion of the appropriation in section 101 for the leaking underground storage tank cleanup program is considered work project appropriations and any unencumbered or unallotted funds are carried over into the succeeding fiscal year. The following is in compliance with section 451(3) of the management and budget act, 1984 PA 431, MCL 18.1451:

- (a) The purpose of the projects to be carried over is to provide for cleanup of sites of environmental contamination.
- (b) These projects will be accomplished by contract.
- (c) The total estimated costs of all projects is identified in each line-item appropriation.
- (d) The tentative completion date for these projects is September 30, 2000.

Sec. 1105. The funds appropriated in section 112 for the leaking underground storage tank cleanup program shall be used to fund cleanup activities on the following sites:

Antrim - Res. Wells Torch Lake Township
Baraga - Skanee Grange
Barry - State and Apple
Benzie - Betsie Bay Dockominiums
Berrien - Berrien County Sheriff's Substation
Berrien - Gene's Party Pantry
Genesee - Former Fedchenko
Gladwin - A and H Racing
Gladwin - Winegar's Trading Post
Grand Traverse - Grand Traverse Union 76
Grand Traverse - Mayfield Store
Hillsdale - Briner Oil/North Adams Convenience Store
Ionia - Gene Carr
Ionia - Goss Corners
Ionia - Justice Junction
Jackson - B and B Mobil/Hardware
Kalamazoo - Alamo General Store
Kalamazoo - Gull Lake Market
Kalamazoo - McDonald's Crosstown Service
Kent - Belmont Grocery
Kent - Fennema Trenching, Inc.
Kent - Grattan Service
Kent - O and M Sports and Tire, Inc.
Kent - Uncle Lee's
Mackinac - Jarema's Grocery
Missaukee - Dutch Hutch
Missaukee - The Landing
Monroe - Jim Spas
Montcalm - Lakeway Party
Montcalm - McBride County Store and Marvin Jensen Tax-Reverted Property
Montmorency - Pointe Bait
Montmorency - William's Auto Repair
Muskegon - Broton's Service
Muskegon - Lemmen Shell Mart
Newaygo - Hardy Grocery
Oakland - G-R 76 Service
Oakland - Hagen Enterprises
Oakland - Six Lakes Service
Oceana - East Hart Party Store
Oceana - Rothbury Hardware
Osceola - Pete's Place
Oscoda - Family Book Shelves
Otsego - West Otsego Lake Grocery
Roscommon - Big Mac's Market
Roscommon - G and T Gas Station
Roscommon - Kilgour Property
Roscommon - Larry Lajb Property
St. Joseph - Corey Lake Marina
St. Joseph - Klinger Lake Marina

Van Buren - Pullman Industries
Washtenaw - J and M Oil Co.
Wayne - Ecorse Mini Mart
Wayne - Former Union 76 Car Care
Wayne - Sirhan Service
Wexford - Village of Harrietta

ENVIRONMENTAL ASSISTANCE

Sec. 1201. The funds appropriated in section 114 for community right-to-know are for programs to improve public awareness of, access to, and understanding of information regarding pollution discharges and releases and trends, and to foster pollution prevention through use of such information. The department shall assure that the project is guided by a stakeholder process with equitable representation by and participation of the general public, affected communities, environmental organizations, and business and industry. The department shall also establish centralized databases in the surface water, air quality, environmental response, waste management, and underground storage tank divisions, which shall provide to the public the following information:

- (a) Aggregated discharge and release information on a statewide basis.
- (b) Compliance status of parties regulated by permit.
- (c) Enforcement actions.
- (d) Other information the department considers relevant.

Sec. 1202. Of the funds appropriated in section 114 for environmental services, \$300,000.00 is for the Michigan RETAP program to initiate a pilot project with public universities to evaluate whether they can provide resources to supplement RETAP and build capacity for a more comprehensive program. The pilot program shall focus on the assessment of hazardous materials use and training of personnel at small- and medium-sized businesses. The program shall also include internship opportunities for students with professionals who evaluate businesses' environments for materials handling, production efficiencies, and waste reduction processes.

Sec. 1203. Of the funds appropriated in section 114 for pollution prevention, \$100,000.00 shall be used to develop a fresh water resources institute, sponsored by Grand Valley State University, to provide educational opportunities regarding protection of this state's surface and groundwater.

Sec. 1204. Of the funds appropriated in section 114 for pollution prevention, \$100,000.00 shall be used for cleanup of Lake St. Clair.

CRIMINAL INVESTIGATIONS

Sec. 1301. The department shall provide training in support of local efforts to regulate solid waste disposal. Department environmental conservation officers shall be directed to help train law enforcement officers and other enforcement personnel to develop community partnerships to combat illegal dumping at the local level.

GRANTS

Sec. 1401. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11719, then the department may spend funds appropriated in section 116 under the septage waste compliance program in accordance with section 11716 of part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 1403. The appropriations in section 116 for water pollution control and drinking water revolving fund shall not be encumbered or expended until the department has reported to the house and senate appropriations subcommittees on environmental quality those projects that have been approved for expenditure under this program.

Sec. 1404. Loans provided by the water pollution control revolving fund pursuant to the appropriation in section 116 are to be repaid on schedule and penalties shall be assigned for delinquent repayment as provided in part 53 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316.

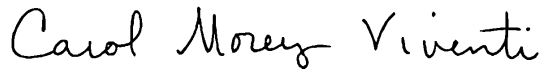
Sec. 1406. Of the funds appropriated in section 116 for scrap tire grants, \$100,000.00 shall be allocated to Monroe County for mitigating the costs associated with scrap tire fire suppression.

Sec. 1408. Of the funds appropriated in section 116 for Great Lakes research and protection fund grants, the department shall designate \$100,000.00 for research on the adequacy of department standards to protect children's health. The department shall recommend changes in air, water, and waste standards in a report to the legislature to promote the protection of Michigan children from environmental pollution. This report shall be provided to the house and senate appropriations subcommittees on environmental quality and the house and senate fiscal agencies by September 30, 1999.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved _____

Governor.