



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4393 (S-1 as reported)

Committee: Appropriations

FY 2002-03 Year-to-Date Gross Appropriation	\$404,712,261
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Changes from FY 2002-03 Year-to-Date:

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| <p>1. National Pollutant Discharge Elimination System Permit Fees. The Governor proposed a new permit fee for the Federal program for the discharge of waste water, including 15.0 additional FTEs and \$7,220,900 in fee revenue, of which \$5,020,900 offsets a General Fund reduction for the current NPDES program. The House included \$5,020,900 if this fee is enacted, otherwise the program receives 85% of its current General Fund support. The Senate Committee appropriates \$3,098,000 in new fee revenue and \$1,922,900 GF/GP for a total of \$5,020,900. The Senate Committee does not include the additional FTEs.</p> | 0 |
| <p>2. Groundwater Permit Fees. The Governor proposed a new permit fee for discharges into the ground or groundwater, including 18.0 additional FTEs and \$3,588,200 in fee revenue, of which \$1,388,200 offsets a General Fund reduction for current groundwater permitting activities. The House funds this program with 85% of its current GF/GP support. The Senate Committee appropriates new fee revenue for the current funding level and does not include the additional FTEs.</p> | 0 |
| <p>3. Storm Water Permit Fees. The Governor proposed fee increases for the discharge of storm water, including funding and 5.0 more FTEs for the program. The House and Senate Committee concur with the funding and FTE increases.</p> | 1,162,500 |
| <p>4. Solid Waste Program Fees. The Governor proposed a revised fee structure for the assessment of permit fees on landfill operators. The proposed fee revenue of \$3,900,000 would replace the current fee revenue and offset General Fund support of \$2,598,400 for the program, with no net increase in funding for the program. The House supports this program with 85% of its current GF/GP dollars. The Senate Committee concurs with the Governor on the increased fee revenue to offset General Fund reductions.</p> | 0 |
| <p>5. Program Elimination. The Governor recommends the elimination of Department reviews of public swimming pools and campgrounds site construction plans, manufactured housing communities, and the Septage waste program. The reductions would result in a savings of \$1,076,300 General Fund and 12.0 FTEs. The House partially restores the functions and the Senate Committee restores all of these programs to their current year funding.</p> | 0 |
| <p>6. Aquifer Dispute Resolution and Groundwater Inventory. The House added \$500,000 Gross, \$200,000 GF/GP for dispute resolution. The Senate Committee creates an item of difference and includes \$1,000,000 Restricted for implementation of a Statewide groundwater inventory and map.</p> | 1,500,100 |
| <p>7. Water Quality Monitoring Grants. The House retains current year funding of \$2,500,000 Restricted to Macomb County and St. Clair Shores. The Senate Committee eliminates this funding.</p> | 0 |
| <p>8. Economic Adjustments. The budget includes economic adjustments for building occupancy charges and workers' compensation.</p> | (695,500) |
| <p>9. Other Changes. The budget includes additional adjustments to General Fund and Restricted funds to reflect actual revenue estimates, items of difference, and the discontinuation of MUSTFA.</p> | (62,467,261) |
| <p>10. Comparison to Governor's Recommendation. The Senate Committee is \$254,700 Gross, \$3,140,700 GF/GP over the Governor's recommendation.</p> | |

Total Changes	(\$60,500,161)
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FY 2003-04 Senate Appropriations Committee Gross Appropriation	\$344,212,100
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Changes from FY 2002-03 Year to Date:

1. The Governor eliminates and the House and Senate Committee restore sections regarding privatization, buy American intent, report on restricted fund balances, grant and loan program report, public meeting on water diversion requests, report on the air quality program, fair collection of bottomland permit fees, waiver of certain permit fees, groundwater use modeling, local health department septage assistance, and drinking water project loans. (Sections 207, 209, 212, 213, 215, 401, 601, 602, 903, 1101, and 1103)
2. The Senate Committee restores sections that are eliminated by the Governor and House regarding retention of reports, report on court settlement revenue, MI Youth Conservation Council, a listing of cleanup sites funded in the bill, NPL municipal landfill match grants, signs at public beaches, inspection of imported solid waste, and training of local enforcement personnel. (Sections 211, 214, 218, 702, 703, 901, 1001, and 1002)
3. The Governor, House, and Senate Committee all remove sections regarding deprived and depressed communities, report on the balance of the Environmental Response Fund, prohibited rent expenditures, designation for water quality monitoring grants, analysis of a Greening of Governments report, Hazardous Substance Research Center, MUSTFA work projects, report on MUSTFA funds, leaking underground storage tank cleanup sites, scrap tire demonstration projects, automobile component removal study, distribution of budgetary and early retirement savings, and cigarette tax appropriations.
4. **Hiring Freeze.** The Governor includes a section establishing a hiring freeze for the Department. The House removes this section. The Senate Committee restores it. (Sec. 205)
5. **Contingency Funds.** The House and Senate Committee remove language authorizing contingency funds.
6. **Information Technology Rate Schedule.** The Governor removes the requirement for the Department of Information Technology to set a rate schedule. The House retains it. The Senate Committee concurs with the Governor.
7. **Information Technology User Fees.** The Governor includes a section requiring the Department to pay user fees to the Department of Information Technology. The House removes it and the Senate Committee concurs with the Governor. (Sec. 219)
8. **FY 2002-03 Unexpended General Fund.** The Governor adds a section appropriating one half of unreserved General Fund appropriations remaining from FY 2002-03 for the next fiscal year. The House and Senate Committee remove this section.
9. **Permit Review and Compliance Project.** The House adds a new section establishing criteria for a review of the Department's permitting programs. The Senate Committee does not include this section.
10. **Recycling Coordinator.** The Senate Committee adds a section designating 1.0 FTE and \$60,000 in Part 1 for technical assistance to organizations involved in recycling and composting. (Sec. 501)
11. **Recycling Study.** The Senate Committee adds a section requiring a report and recommendations on expanding and improving recycling in the State. (Sec. 502)
12. **Audit of Aquatic Nuisance Program.** The House adds a new section directing the Legislative Auditor General to conduct an audit of this program. The Senate Committee does not include this section.
13. **Work Projects in Environmental Response.** The Governor and House include this section. The Senate Committee amends it to include leaking underground storage tank cleanup sites. (Sec. 701)
14. **Work Projects for Leaking Underground Storage Tank Sites.** The Governor and House include this section. The Senate Committee removes it and includes these projects with other cleanup sites above.
15. **Aquifer Conflict Resolution IDG to Agriculture.** The House adds a section designating \$100,000 of the appropriation for aquifer conflict resolution to the Department of Agriculture. The Senate concurs. (Sec. 902)
16. **Statewide Groundwater Inventory and Map.** The Senate Committee adds a section designating \$1,000,000 in Part 1 from the CMI-Clean Water Fund for preparation of a groundwater inventory and map. (Sec. 904)
17. **Safe Drinking Water Technical Assistance.** The Senate Committee adds a section requiring the Department to provide the full funding allowed under Federal law for technical assistance to nonprofit organizations. (Sec. 907)
18. **Water Quality Monitoring Projects.** The House amends a current year section to designate \$1,800,000 for a project of the Macomb County Health Department and \$700,000 for St. Clair Shores for canal dredging. The Senate Committee removes this section.

Date Completed: 6-12-03

Fiscal Analyst: Jessica Runnels

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

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