



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2004-05 Year-to-Date Gross Appropriation	\$348,717,500
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Changes from FY 2004-05 Year-to-Date:

Items Included by the Senate and House

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| 1. State Revolving Fund. The State match to Federal dollars for the State Revolving Loan Program was supported with one-day revenue bonds in FY 2004-05. The budget restores a portion of the General Fund support for the match because the restricted funds are not available at the same level for another year. An additional \$5,800,000 GF/GP would be appropriated, of which \$4,900,000 is a fund shift. | 900,000 |
| 2. Economic Adjustments. The budget includes economic adjustments for salaries and wages, insurance, retirement, worker's compensations, building occupancy charges, and rent. The budget also restores amounts for concessions from FY 2004-05. | 9,063,800 |
| 3. General Fund Reductions. The budget includes reductions in General Fund support for selected programs including radon grants, radiological protection, pollution prevention, air quality, and information technology. Total reductions of \$2,307,400 GF/GP are included and \$1,622,600 in restricted funds are used to partially offset the reductions. | (668,400) |
| 4. Other Changes. The budget includes adjustments to restricted and Federal funds to reflect actual anticipated revenue, changes in grant availability, and one-time appropriations in FY 2004-05. | (4,485,200) |

Conference Agreement on Items of Difference

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| 5. Refined Petroleum Product Cleanup Program. The Conference Committee includes an appropriation from the Refined Petroleum Fund for a new cleanup program for petroleum-related leaking underground storage tanks. The funds would be subject to the recommendations of an Advisory Council and the statutory implementation of the program. | 102,000,000 |
| 6. Aquifer Protection Program Elimination. The Governor and Senate remove the \$200,000 in General Fund and a portion of the restricted fund support for this program. The Conference Committee concurs with the House and allocates \$50,000 for the MDA. | (250,000) |
| 7. Dam Safety Program Elimination. The Governor's budget would remove funding for this program's functions, which include permitting, inspections, and creating emergency response plans for dams. The Conference Committee restores \$315,900 to support the statutory obligation, without the services the Department was providing to the MDNR. | 40,500 |
| 8. Wetland and Inland Lake Fee Increases. The Governor would replace \$2,000,000 GF/GP for these permitting programs with increased fee revenue of \$1,000,000 for each program. The Conference Committee restores General Fund support for these programs. | 0 |
| 9. Laboratory Billing Changes. The Conference Committee concurs with the Governor's proposal for the State laboratory to bill other departmental units for services provided instead of supporting the lab services separately. The increased appropriation is an inter-departmental transfer. | 502,000 |
| 10. Other Issues. The Conference Committee includes restricted funding for studies at White Lake and Little Black Creek, and real-time water quality monitoring in Macomb County. Also included in the budget are several revised recommendations from the Governor. | (553,200) |

Total Changes.....	\$106,549,500
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FY 2005-06 Conference Report Gross Appropriation	\$455,267,000
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2004-05 Year to Date:Items Included by the Senate and House

1. **Sections Removed.** Neither the Conference Committee nor the Governor include sections related to a solid waste report, a recycling study, beach water quality monitoring, and a fish barrier challenge grant.
2. **Section Retained.** The Conference Committee retains sections related to the retention of reports, meetings on water diversion requests, the MI Youth Conservation Council, areas of concern, safe drinking water technical assistance, inspections of solid waste, local health department septage assistance, scrap tire suppression, restricted fund balances, a grant and loan catalog, air quality program expenditures, and the Great Lakes Water Quality bond.
3. **Deprived and Depressed.** The Conference Committee does not include language directing the Department to ensure companies in deprived and depressed communities compete for State contracts.
4. **Contingency Funds.** The Conference Committee does not include authorization for contingency fund appropriations of \$30.0 million Federal, \$5.0 million restricted, \$100,000 local, and \$100,000 private.

Conference Agreement on Items of Difference

5. **Sections Removed.** The Conference Committee does not include sections related to quarterly travel reports and contractual laboratory services
6. **Prohibit Disciplinary Actions.** The Conference Committee includes Senate language prohibiting the Department from taking disciplinary actions against an employee for communicating with the Legislature. (Sec. 219)
7. **IDT for Laboratory Services.** The Conference Committee adds language allowing the carry-forward of interdepartmental transfers paying for services provided by the laboratory to other department divisions. (Sec. 502)
8. **Fine and Penalty Collections.** The Conference Committee requires an annual report on the civil and criminal fine revenue collected during the year. (Sec. 220)
9. **Waiver of Permit Fees.** The Conference Committee retains a section allowing the Department to waive certain permit fees for nonprofit organizations conducting stream habitat improvement projects. (Sec. 601)
10. **Refined Petroleum Project List.** The Conference Committee revises Senate language to prohibit \$42.0 million in expenditures of this cleanup funding until a cleanup program is enacted into law. A site list is included. (Sec. 702)
11. **Refined Petroleum Initial Cleanup.** The Conference Committee adds language specifying the appropriation of \$45.0 million in Part 1 be spent according to the Advisory Council's recommendations for owner/operator reimbursements. (Sec. 703)
12. **Cleanup Criteria.** The Conference Report includes a requirement that remedial action plans on cleanup sites include bioavailability studies, site-specific human exposure data, and peer-reviewed risk assessments. (Sec. 704)
13. **Notification of Petroleum-Related Orders.** The Senate requires the Department to notify the appropriate members of the Legislature 48 hours before issuing a departmental order suspending wholesale or retail sale of petroleum products. The Conference Committee adds an exception for imminent public safety concerns. (Sec. 801)
14. **Romulus Injection Facility.** The Conference Committee revises Senate language to require the Department to report annually to the City of Romulus, Taylor, and Wayne County regarding a deep well injection facility. (Sec. 802)
15. **Notification of Groundwater Use Action.** The Conference Committee includes House language prohibiting expenditures for further control of the quantity of groundwater use. (Sec. 903)
16. **NPDES Permit Limitation.** The Conference Committee does not include Senate language prohibiting the implementation or enforcement of administrative rules, policies, guidelines, or procedures that require a NPDES permit if a person does not have a regulated discharge of pollutants into waters of the State.
17. **Real-Time Water Quality Monitoring.** The Conference Committee includes House language specifying that an appropriation in Part 1 is for water quality monitoring in the St. Clair watershed in Macomb County. (Sec. 1103)

Date Completed: 9-15-05

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