



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 270 (S-1 as passed by the Senate)
Committee: Appropriations

FY 2004-05 Year-to-Date Gross Appropriation	\$348,717,500
Changes from FY 2004-05 Year-to-Date:	
1. Refined Petroleum Product Cleanup Program. The Governor and Senate include 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.	22,000,000
2. 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 Governor 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. The Senate concurs.	900,000
3. 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.	(250,000)
4. Dam Safety Program Elimination. The Governor's budget would remove funding for this program and related statutory obligations of the Department, which include permitting, inspections, and creating emergency response plans for dams. The reduction would include \$456,300 Gross, \$347,500 GF/GP. The Senate restores full funding.	180,900
5. 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. Statutory changes would be required. The Senate does not include the additional fee revenue.	(2,000,000)
6. Laboratory Billing Changes. The Governor proposes a change to the way the State laboratory is supported by billing other departmental units for services provided instead of supporting the lab services separately. The increased appropriation is an inter-departmental transfer to reflect funding received from other lines in the budget and existing cleanup work projects. The Senate concurs.	502,000
7. White Lake, Muskegon County Nutrient Study. The Senate includes funding from the Environmental Response Fund for a nutrient study.	36,000
8. 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.	(684,800)
9. Economic Adjustments. The budget includes economic adjustments for salaries and wages, insurance, retirement, worker's compensations, building occupancy charges, and rent. The proposed budget also restores amounts for concessions from FY 2004-05.	9,063,800
10. Other Changes. The budget includes adjustments to restricted and Federal funds to reflect anticipated revenue and one-time appropriations in FY 2004-05. The Senate also removes \$28,400 in the IDG from the MI Transportation Fund and reduces GF/GP for IT services.	(4,501,600)
11. Comparison to Governor's Recommendation. The Senate has a difference of (\$1,552,500) Gross and \$331,100 GF/GP from the Governor's recommendation.	
Total Changes.....	\$25,246,300
FY 2005-06 Senate Gross Appropriation	\$373,963,800

Changes from FY 2004-05 Year to Date:

1. **Sections Removed.** The Governor and Senate remove sections related to quarterly travel reports, a solid waste report, contractual laboratory services, a recycling study, beach water quality monitoring, and a fish barrier challenge grant.
2. **Section Retained.** The Governor removes and the Senate retains sections related to the retention of reports, meetings on water diversion requests, the MI Youth Conservation Council, areas of concern, waiver of permit fees, safe drinking water technical assistance, inspections of solid waste, local health department septage assistance, scrap tire suppressions efforts, restricted fund balances, a grant and loan catalog, quarterly air quality program expenditures, the Great Lakes Water Quality bond, and the NPDES Fund.
3. **Deprived and Depressed.** The Governor includes language directing the Department to ensure companies in deprived and depressed communities compete for State contracts. The Senate does not include this section.
4. **Contingency Funds.** The Governor includes authorization for contingency fund appropriations of \$30.0 million Federal, \$5.0 million restricted, \$100,000 local, and \$100,000 private. The Senate does not include this section.
5. **Prohibit Disciplinary Actions.** The Senate adds a section prohibiting the Department from taking disciplinary actions against an employee for communicating with the Legislature. (Sec. 219)
6. **Fine and Penalty Collections.** The Senate requires an annual report on the civil and criminal fine revenue collected during the year, including totals by program area and a 3-year comparison of fines assessed. (Sec. 220)
7. **Refined Petroleum Project List.** The Senate includes a section prohibiting expenditures of this cleanup funding until a project list is enacted into law. (Sec. 702)
8. **Cleanup Criteria.** The Senate adds a requirement that remedial action plans on cleanup sites include bioavailability studies, site-specific human exposure data, and peer-reviewed risk assessment studies. (Sec. 703)
9. **Romulus Injection Facility.** The Senate directs the Department to report annually to the City of Romulus on the impacts of the proposed deep well injection facility. (Sec. 802)
10. **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. (Sec. 801)
11. **Notification of Groundwater Use Action.** The Senate prohibits expenditures for further control of the quantity of groundwater use and requires the Department to notify the Legislature prior to work groups, public hearings, or administrative rule proposals regarding the control of the quantity of groundwater use. (Sec. 903)
12. **NPDES Permit Limitation.** The Senate prohibits the implementation or enforcement of administrative rules, policies, guidelines, or procedures that would require a NPDES permit if a person does not have a regulated discharge of pollutants. (Sec. 904)

Date Completed: 6-15-05

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