



Senate Fiscal Agency
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BILL ANALYSIS



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FY 2013-14 Year-to-Date Gross Appropriation \$517,168,800

Changes from FY 2013-14 Year-to-Date:

Items Included by the Senate and House

- 1. **Recycling Initiative.** The Governor, House, and Senate included GF/GP funding and 3.0 FTEs for a new program that would be focused on increasing residential recycling. The program would focus on marketing, outreach, and the development of markets for recycled goods. 1,000,000
- 2. **Water Quality and Use Initiative.** The Governor, House, and Senate included GF/GP funding for this new program. The Initiative would provide support for the Wetlands program, beach monitoring, water use conflict resolution, statewide strategy development and permitting. 3,977,200
- 3. **Drinking Water Revolving Fund Match.** The Governor, House, and Senate included additional GF/GP funds to use as Federal match, which would allow the Department to access \$12.5 million in additional Federal funds. 2,500,000
- 4. **Strategic Water Quality Initiatives Loans.** The Governor, House, and Senate removed this line-item. \$97.0 million for SWQIF grants and loans authorization was retained. (9,600,000)
- 5. **Environmental Cleanup and Redevelopment Program.** The Governor, House, and Senate reduced the program from \$30.0 million to \$15.0 million, based on needs of the program. (15,000,000)
- 6. **Economic Adjustments.** Includes a negative \$824,400 Gross and a negative \$112,600 GF/GP for OPEB and \$1,244,300 Gross and a negative \$300 GF/GP for other economic adjustments. 419,900
- 7. **Other Changes.** Other changes include technical restricted fund revenue adjustments, the reduction of overstated restricted fund authorization, a \$236,300 EPPF to GF/GP fund shift in the Office of Env. Assistance, appropriation of Refined Petroleum Fund revenues formerly used in Treasury, and removal of FY 2013-14 one-time appropriations. (1,774,100)

Conference Agreement on Items of Difference

- 8. **Hazardous Waste Management Program.** The Governor and Senate included GF/GP funding to replace one-time funding and a fee increase proposal from last year that was not successful. The House and Conference increased funding for the program by \$400,000 using the Environmental Pollution Prevention Fund (EPPF). 400,000
- 9. **Compliance Assistance.** The Governor and Senate included \$1.0M GF/GP funding to increase compliance assistance for the regulated community. The House included \$250,000. The Conference increased the program by \$1.0M, and also reduced EPPF appropriations for the program by \$1.9M and replaced it with GF/GP. 1,000,000
- 10. **Electronic Document Management One-Time Funding.** The Governor, Senate, and Conference included one-time funding for an initiative to convert the large numbers of paper files maintained by the Department into an electronic format and to make commonly-requested files available online. The House included \$1.25M. 2,500,000
- 11. **Mancelona TCE Plume Cleanup.** The Senate included a placeholder for this project. The Conference did not include this item. 0
- 12. **Leaking Underground Storage Tank (LUST) Cleanup/Staff Fund Shifts.** The Governor and Senate used Refined Petroleum Fund revenue to replace \$1.7M in funds for DEQ cleanup staff that were no longer available, resulting in a reduction of \$100,000 in funds available for cleanups. The House and Conference made similar changes, but did not replace all restricted funds for staff, increasing funds for cleanups by \$400,000. 0

Total Changes (\$14,577,000)

FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation \$502,591,800

Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Small Business Rules.** The House and Senate retained a section prohibiting rules that have a disproportionate impact on small businesses. (Sec. 213)
2. **Customer Satisfaction Report.** The House and Senate retained a report on the customer satisfaction program. (Sec. 228)
3. **Legacy Costs in Budget.** The House and Senate included a new section detailing legacy costs that are included as part of the FY 2014-15 DEQ budget. (Sec. 234)
4. **RPF Repayment.** The House and Senate retained a section establishing intent that \$70.0M borrowed from the Refined Petroleum Fund in FY 2006-07 be repaid. (Sec. 305)
5. **Sodium in Groundwater Discharge.** The House and Senate removed a prohibition on the establishment or enforcement of limits on the amount of sodium in groundwater discharge. (CY Sec. 407)
6. **Lake St. Clair Metropark Beach Monitoring.** The House and Senate removed a \$100,000 earmark for water quality monitoring at this beach. (CY Sec. 408)

Conference Agreement on Items of Difference

7. **Performance Benchmarks.** The House included a new section requiring that performance benchmarks accompany any new proposals or increases for programs. The Conference included this section, but modified it to include only increases or new programs of \$500,000 or more. (Sec. 204)
8. **FTE Reports.** The Governor removed two reports on the number of funded FTEs in the Department. The Senate and Conference retained the Sec. 223 report. The House retained both. (Sec. 223 & 224 of House Bill)
9. **No RFPs before RFIs.** The Conference removed a section requiring a request for information or request for qualification before issuing request for proposals on projects exceeding \$5.0 million. (Sec. 233 of House Bill)
10. **Aquatic Nuisance Control (ANC) Program.** The Governor removed and House, Senate, and Conference retained a section requiring \$700,000 and 5.0 FTEs to be allocated to this program. (Sec. 401)
11. **Water Quality and Use Initiative Report.** The House included a new section requiring a report on the use of funds for this program. The Conference retained this report. (Sec. 402)
12. **Drug and Chemical Disposal.** The Governor, Senate, and Conference removed a section encouraging the Department to work with other agencies to maintain and expand programs for the safe disposal of drugs and chemicals. (Sec. 602 of House Bill)
13. **EPPF Revenue Shortfall.** The Governor and Senate removed a section requiring EPPF appropriations to be used for the Hazardous Waste Management Program as a priority if EPPF revenues are not sufficient to cover all appropriations of the fund. The House and Conference retained this section. (Sec. 604)
14. **Air Quality Grants.** The House included a new section requiring the Department to fund a \$1.0M in grants to businesses financially harmed by the 1995 EPA "once in, always in" policy. The Conference did not include this section. (Sec. 501 of House Bill)
15. **Air Quality Penalties.** The House included a new section prohibiting the Department from issuing additional penalties for violations committed by a facility's previous owner, unless compelled by a legal agreement. The Conference included this section. (Sec. 502)
16. **State Septic Code.** The House included a section requiring a study on the establishment of a statewide septic code. The Conference did not include this item. (Sec. 601 of House Bill)
17. **Stormwater, Asset Management, and Wastewater (SAW) Grants Report.** The House and Senate included a new section requiring a report on all previously awarded SAW grants. The Conference included a modified version of this section. (Sec. 603)

Date Completed: 6-9-14

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