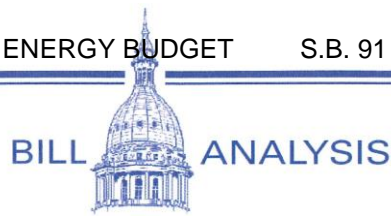




Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-2768

Fax: (517) 373-1986

Senate Bill 91 (S-1 as reported)
Committee: Appropriations

Throughout this document Senate means Subcommittee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE*	FY 2021-22 SENATE SUBCOMM.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	1,418.0	1,418.0	0.0	0.0
GROSS	511,359,200	565,270,500	53,911,300	10.5
Less:				
Interdepartmental Grants Received	3,337,700	3,544,800	207,100	6.2
ADJUSTED GROSS	508,021,500	561,725,700	53,704,200	10.6
Less:				
Federal Funds	171,973,000	171,889,200	(83,800)	(0.0)
Local and Private	1,412,800	1,411,200	(1,600)	(0.1)
TOTAL STATE SPENDING	334,635,700	388,425,300	53,789,600	16.1
Less:				
Other State Restricted Funds	275,191,800	304,531,400	29,339,600	10.7
GENERAL FUND/GENERAL PURPOSE	59,443,900	83,893,900	24,450,000	41.1
PAYMENTS TO LOCALS	44,000,600	41,521,000	(2,479,600)	(5.6)

*As of February 8, 2021

	Gross	GF/GP
FY 2020-21 Year-to-Date Appropriation	\$511,359,200	\$59,443,900

Changes from FY 2020-21 Year-to-Date:

- | | | |
|---|------------|------------|
| 1. Premcor Settlement. Governor included a proposal for funds from the Premcor Administrative Consent order to fund cleanups of petroleum releases at 79 sites. The Senate included the recommendation. | 29,300,000 | 0 |
| 2. Emergency Dam Safety Action Fund. Governor recommended \$15.0 million in funding for emergency response costs related to dams in cases in which a dam owner fails to pay for necessary work. The Senate modified the recommendation to divide the funding up between \$12.0 million in a revolving fund and 3.0 million for emergency responses. | 15,000,000 | 15,000,000 |
| 3. High Water Emergency Infrastructure Grants (one-time). Governor recommended funding to local government to cover high water level and climate resiliency planning and infrastructure needs. There would be \$10.0 million dedicated to planning grants and \$30.0 million for infrastructure grants. The Senate modified the program to be focused on infrastructure needs related to emergency situations and reduced the funding level to \$10.0 million. | 10,000,000 | 10,000,000 |
| 4. Michigan Water Use Advisory Council (WUAC) Recommendations. The Senate included \$5.2 million in funding to support the effort of water conservation, data collection, and modeling recommended by the WUAC in their 2020 Report. | 5,200,000 | 5,200,000 |

5. Drinking Water Laboratory (3.0 FTEs). Governor recommended additional funding and staff levels to support drinking water testing. The Senate included the recommendation for increased funding, but not the increased FTEs.	1,450,000	0
6. Brownfield Redevelopment Fund. Governor recommended the use this funding source. This funding comes from a statute requiring split of Brownfield Tax Increment Revenues with the Michigan Strategic Fund. There is sufficient fund revenue to support proposed efforts within both entities. The Senate included the recommendation.	1,100,000	0
7. Increase Authorization for Remedial Settlement Fund. Governor recommended funding to be used for one-time contamination remediation and cleanup projects. The Senate included the recommendation.	1,000,000	0
8. Federal Oil and Gas Program Oversight Activities (2.0 FTEs). Governor recommended regulatory oversight responsibilities for underground injection and gas storage wells to be transferred from the Environmental Protection Agency to the State of Michigan. The Senate included the recommendation for increased funding, but not the increased FTEs.	370,000	0
9. Increase MI Clean Water Plan (one-time). Governor recommended an appropriation of the remaining \$290.0 million in bonding authority approved by voters in 2002 under the Great Lakes Water Quality Protection Bond. The proposal included programs for wastewater infrastructure grants to local government. The Senate did not include the recommendation for the \$290.0 million in bonds or the programs that were proposed to be funded by them.	0	0
10. Contaminated Site Cleanup (one-time). Governor recommended \$20.0 million in funding to be used to support remediation at new high-risk sites that arise throughout the year. The Senate did not include this recommendation.	0	0
11. Increase Land and Water Resources Fees (35.0 FTEs). Governor recommended a statutory implementation of an increase in land and water resources fees for \$5.3 million in funds to support permitting and compliance activities that impact wetlands, lakes and streams, floodplains, critical dunes, and dam safety. The adjustments also would include a transfer of 10.0 FTEs from Renew Michigan. The Senate did not include the recommendation for a fee increase, sunset change, or the change of 35.0 FTEs.	0	0
12. Increase Drinking Water and Industrial Stormwater Operator Certification Fees (1.0 FTE). Governor recommended statutory implementation of an increase in drinking water and industrial stormwater operator certification fees for \$309,400 in funding. The Senate did not include the recommendation for a fee increase, the increase of 1.0 FTE, or a permanent removal of the fee's sunset.	0	0
13. Increase National Pollutant Discharge Elimination System (NPDES) and Storm Water Fees (15.0 FTEs). Governor recommended a statutory increase in the national pollutant discharge elimination system and storm water fees for \$194,900 in funding. The additional funding and staff would be used to support permitting and compliance activities that affect discharges into State waterways. The adjustments also reflect a transfer of 4.0 FTEs from Renew Michigan. The Senate did not include the recommendation for a fee increase, sunset change, or the increase of 15.0 FTEs.	0	0

14. Increase Hazardous Waste Site Identification Fees. Governor recommended statutory implementation of an increase in hazardous waste site identification fees for \$100,000 in funding and to eliminate the October 1, 2021, sunset of the fee. The additional funding would support the cost of processing new sites. The Senate did not include the recommendation for a fee increase, or a permanent removal of the fee's sunset.	0	0
15. Remove Unclassified Salary Increases. The Senate did not include the recommendation for a salary increase for Unclassified employees.	(25,100)	(6,500)
16. Remove FY 2020-21 Use of Scrap Tire Authorization. Governor recommended removing this funding that was included in a FY 2020-21 supplemental on a one-time basis. The Senate included the recommendation.	(3,000,000)	0
17. Removal of FY 2020-21 One-Time Projects. Governor recommended that eight one-time FY 2020-21 projects be removed from the FY 2021-22 budget, most notably the \$2.75 million for lead and copper rule support. The Senate included the recommendation.	(5,560,000)	(5,560,000)
18. Economic Adjustments. Includes negative \$923,600 Gross and negative \$183,500 GF/GP for total economic adjustments, of which an estimated negative \$5,867,900 Gross and negative \$4,396,600 GF/GP is for legacy retirement costs (pension and retiree health).	(923,600)	(183,500)
19. Comparison to Governor's Recommendation. The Senate is \$340,746,400 Gross and \$44,806,500 GF/GP under the Governor.		
Total Changes	\$53,911,300	\$24,450,000
FY 2021-22 Senate Appropriations Subcommittee Recommendation.....	\$565,270,500	\$83,893,900

Boilerplate Changes from FY 2020-21 Year-to-Date:

1. **Reinstated - Communication with the Legislature.** Governor removed a prohibition against taking disciplinary action against Department employees who communicate with the Legislature. The Senate retained this section. (Sec. 206)
2. **New – GF/GP Lapses Report.** Governor extended the reporting deadline, for the State Budget Office to deliver its report on GF/GP lapses in the previous year, to December 31. The Senate included the recommendation. (Sec. 209)
3. **Deleted - Contingency Funds Limits.** Governor added contingency funding limits to Federal Funds limited, Private Funds, and State Restricted Funds. The Senate removed this section. (Sec. 210)
4. **Deleted/Relocated - Deprived and Depressed Communities.** Governor relocated existing language to Sec. 206. The Senate removed this section. (Sec. 215)
5. **Reinstated - Quarterly Reporting on FTE and Remote Work Status.** Governor removed language requiring the Department to provide the Senate and House quarterly reports on the FTE pay status and remote work levels. The Senate retained this section and updated the dates. (Sec. 216)
6. **Reinstated - Expending on Work Projects.** Governor removed language that encouraged the Department to spend all existing work project authorization before using funding from part 1. The Senate retained this section. (Sec. 217)
7. **Reinstated - Interdepartmental Transfers.** Governor removed language that allowed for a concurrent resolution, that if passed by the Legislature, would allow for intertransfer of funds from the Department. The Senate retained this section. (Sec. 218)
8. **Reinstated - Report Retention.** Governor removed language requiring the Department to retain copies of all reports funded by the appropriation, and to comply with laws. The Senate retained this section. (Sec. 219)

9. **Deleted - Annual Policy Change Report.** Governor removed the requirement that the Department make an annual report of all policy in the prior year. The Senate included the recommendation. (Sec. 220)
10. **Reinstated - Impacts on Small Businesses.** The Governor removed a prohibition against the promulgation of rules that would have a disproportionate impact on small businesses. The Senate retained this section. (Sec. 221)
11. **Reinstated - Flint Water Crisis Legal Fees.** The Governor removed language directing funds for the legal defense of employees named in lawsuits related to the Flint Water Crisis. The Senate retained this section. (Sec. 237).
12. **Deleted - Carryover for Laboratory Service Fees.** The Senate removed language that allowed the fees leftover at the end of the year to carry forward into the next fiscal year. (Sec. 301)
13. **Reinstated - Refined Petroleum Fund (RPF) Repayment.** The Governor removed a statement of legislative intent that the \$70.0 million transferred to the Environmental Protection Fund from the Refined Petroleum Fund in FY 2006-07 be repaid. The Senate retained this section. (Sec. 305)
14. **Reinstated - Refined Petroleum Cleanup Program.** The Governor removed a site list reporting requirement for all refined petroleum product cleanup program projects. The Senate retained this section. (Sec. 306)
15. **New - Work Project Authority for Premcor Settlement.** Governor recommended statutory work language that allows the Department to manage the Premcor legal settlement. The Senate included the recommendation. (Sec. 312)
16. **Deleted - Authority to Use Funds in Settlements.** Governor recommended authorizing the use of Natural Resources Damages Fund and the Environmental Response Fund to provide funding for actions by the Department when authorized by a court. The Senate removed this section. (Sec. 315)
17. **Deleted - Scrap Tire Grants.** Governor recommended removing the section that included \$3.0 million in grants for a county with a specific population. The Senate included the recommendation. (Sec. 902)
18. **Reinstated - Well Water Testing Grants.** Governor recommended removing this one-time appropriation. The Senate retained this section and modified the language. (Sec. 1005)
19. **Reinstated - Cooperative Lakes Monitoring Program.** Governor recommended removing this one-time appropriation. The Senate retained this section. (Sec. 1007)
20. **Reinstated - Watershed Council Grants.** Governor recommended removing this one-time appropriation. The Senate retained this section. (Sec. 1013)
21. **New - Work Project Authority for Dam Safety.** Governor recommended language authorizing the Dam Safety Emergency Fund. (Sec. 1005). The Senate included the recommendation but modified the language and relocated the section. (Sec. 1009)
22. **New - Grants for High Water Emergency Infrastructure.** Governor recommended this section for the high water infrastructure grant program. The Senate included the recommendation but modified the scope of the program for a focus on infrastructure and emergency response with a reduction in funding. (Sec. 1006)
23. **Deleted- Work Project Authority for Michigan Clean Water Plan.** Governor recommended this section to advocate for statutory work project language to ensure the fund does not lapse at the end of the fiscal year into the General Fund. The Senate removed this section. (Sec. 1007)
24. **New - Prior Grant Awards Not Disqualifying Applicants.** The Senate recommended language that allowed that prior receipt of a grant award does not disqualify applicants from future eligibility.
25. **New - WUAC Recommendations.** The Senate recommended language that allowed that specifies the use and allocation of the one-time funding for the WUAC 2020 recommendations.

Date Completed: 4-20-21

Fiscal Analyst: Ben Dawson

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