



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 766 (S-1, Draft 1 as reported)
 Committee: Appropriations

Throughout this document, Senate means Subcommittee

FY 2013-14 Year-to-Date Gross Appropriation	\$517,168,800
Changes from FY 2013-14 Year-to-Date:	
1. Recycling Initiative. The Governor 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 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. Hazardous Waste Management Program. The Governor and Senate included \$1.9 million in GF/GP funding to replace one-time funding and a fee increase proposal from last year that was not successful. The Senate removed \$1.5 million in excess Environmental Pollution Prevention Fund which, combined with the removal of one-time funding from FY13-14, would maintain the program at its current level.	400,000
4. Compliance Assistance. The Governor and Senate included GF/GP funding to increase compliance assistance including the retired engineers technical assistance program.	1,000,000
5. Drinking Water Revolving Fund Match. The Governor 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
6. Refined Petroleum Product Cleanup and Administration. The Governor and Senate removed the remaining RPF revenue that has been supporting debt service in Treasury and moved it to DEQ to support RPF cleanups and related Department staff.	3,014,500
7. Strategic Water Quality Initiatives Loans. The Governor and Senate removed this line-item. \$97.0 million for SWQIF grants and loans authorization was retained.	(9,600,000)
8. Environmental Cleanup and Redevelopment Program. The Governor and Senate reduced the program from \$30.0 million to \$15.0 million, based on needs of the program.	(15,000,000)
9. Electronic Document Management One-Time Funding. The Governor and Senate 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.	2,500,000
10. Mancelona TCE Plume Cleanup. The Senate included a placeholder for this project.	100
11. Hazardous Waste Fee Sunset. The Governor and Senate based the DEQ budget on the assumption the fee sunsets in the Hazardous Waste Management Program would be delayed. These fees generate approximately \$1.1 million annually.	0
12. 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
13. 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, and removal of FY14 one-time appropriations.	(4,788,600)
14. Comparison to Governor's Recommendation. The Senate is \$1,499,900 Gross under and \$0 GF/GP over/under the Governor.	
Total Changes	(\$14,576,900)
FY 2014-15 Senate Appropriations Subcommittee Gross Appropriation.....	\$502,591,900

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

1. **Report Retention.** The Governor removed and Senate retained a section requiring the Department to abide by State and Federal guidelines for record retention. (Sec. 207)
2. **Disciplinary Action.** The Governor removed and Senate retained a section prohibiting disciplinary action from being taken against employees who communicate with the Legislature. (Sec. 212)
3. **Small Business Rules.** The Governor remove and Senate retained a section prohibiting rules that have a disproportionate impact on small businesses. (Sec. 213)
4. **FTE Reports.** The Governor removed reports on the number of funded FTEs in the Department. The Senate retained the Sec. 223 report. (Sec. 223 & 224)
5. **Customer Satisfaction Report.** The Governor removed and Senate retained a report on the customer satisfaction program. (Sec. 228)
6. **Expedited Permit Program Report.** The Governor removed and Senate retained a report on this program. (Sec. 229)
7. **Restricted Fund Transfer.** The Governor removed a section transferring \$72,600 from the Publication Revenue Fund to the Oil and Gas Regulatory Fund. (Sec. 232)
8. **No RFPs before RFIs.** The Governor and Senate 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)
9. **Legacy Costs in Budget.** The Governor and Senate included a new section detailing legacy costs that are included as part of the FY15 DEQ budget. (Sec. 234)
10. **RPF Repayment.** The Governor removed and Senate retained a section establishing intent that \$70.0M borrowed from the Refined Petroleum Fund in FY 2006-07 be repaid. (Sec. 305)
11. **RPF Site List.** The Governor removed and Senate retained a list of sites to be funded with Refined Petroleum Fund revenue in part 1. (Sec. 306)
12. **Aquatic Nuisance Control (ANC) Program.** The Governor removed and Senate retained a section requiring \$700,000 and 5.0 FTEs to be allocated to this program. (Sec. 401)
13. **Sodium in Groundwater Discharge.** The Governor and Senate removed a prohibition on the establishment or enforcement of limits on the amount of sodium in groundwater discharge. (Sec. 407)
14. **Lake St. Clair Metropark Beach Monitoring.** The Governor and Senate removed a \$100,000 earmark for water quality monitoring at this beach. (Sec. 408)
15. **Drug and Chemical Disposal.** The Governor and Senate 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)
16. **EPPF Usage.** The Governor and Senate removed a section allowing other fund appropriations to be spent as though they were made from the Environmental Pollution Prevention Fund. (Sec. 603)
17. **Stormwater, Asset Management, and Wastewater (SAW) Grants Report.** The Senate included a new section requiring a report on all previously awarded SAW grants. (Sec. 603 of Chairman's Rec.)
18. **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. (Sec. 604)
19. **FY16 Appropriation Intent.** The Governor removed two sections stating legislative intent for appropriations in FY16. The Senate retained the legacy costs language in Sen. 1202. (Sec. 1201 & 1202)

Date Completed: 4-22-14

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