

SENATE BILL NO. 565

June 24, 2021, Introduced by Senators BUMSTEAD, VICTORY, MCBROOM, RUNESTAD, DALEY, MACDONALD, BIZON, ZORN, THEIS, OUTMAN, NESBITT, HORN, LAUWERS, VANDERWALL, JOHNSON, LASATA, STAMAS, BARRETT and SCHMIDT and referred to the Committee on Appropriations.

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2021; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2021, from the following funds:

1	APPROPRIATION SUMMARY		
2	GROSS APPROPRIATION	\$	2,500,000,000
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		0
6	ADJUSTED GROSS APPROPRIATION	\$	2,500,000,000
7	Federal revenues:		
8	Total other federal revenues		2,210,000,000
9	Special revenue funds:		
10	Total local revenues		0
11	Total private revenues		0
12	Total other state restricted revenues		290,000,000
13	State general fund/general purpose	\$	0
14	Sec. 102. DEPARTMENT OF AGRICULTURE AND RURAL		
15	DEVELOPMENT		
16	(1) APPROPRIATION SUMMARY		
17	GROSS APPROPRIATION	\$	15,000,000
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and		
20	intradepartmental transfers		0
21	ADJUSTED GROSS APPROPRIATION	\$	15,000,000
22	Federal revenues:		
23	Total other federal revenues		15,000,000
24	Special revenue funds:		
25	Total local revenues		0
26	Total private revenues		0
27	Total other state restricted revenues		0
28	State general fund/general purpose	\$	0

1	(2) ONE-TIME APPROPRIATIONS	
2	Agriculture pollution prevention fund	\$ 15,000,000
3	GROSS APPROPRIATION	\$ 15,000,000
4	Appropriated from:	
5	Federal revenues:	
6	Coronavirus state fiscal recovery fund	15,000,000
7	State general fund/general purpose	\$ 0
8	Sec. 103. DEPARTMENT OF ENVIRONMENT, GREAT	
9	LAKES, AND ENERGY	
10	(1) APPROPRIATION SUMMARY	
11	GROSS APPROPRIATION	\$ 2,485,000,000
12	Interdepartmental grant revenues:	
13	Total interdepartmental grants and	
14	intradepartmental transfers	0
15	ADJUSTED GROSS APPROPRIATION	\$ 2,485,000,000
16	Federal revenues:	
17	Total other federal revenues	2,195,000,000
18	Special revenue funds:	
19	Total local revenues	0
20	Total private revenues	0
21	Total other state restricted revenues	290,000,000
22	State general fund/general purpose	\$ 0
23	(2) ONE-TIME APPROPRIATIONS	
24	Clean water infrastructure	\$ 235,000,000
25	Dam risk reduction revolving loan fund	650,000,000
26	Drinking water program	400,000,000
27	Emergency dam safety action fund	15,000,000
28	Emergency dam safety grant program	15,000,000

1	Failing septic system loans	35,000,000
2	Geologic data collection	15,000,000
3	Healthy hydration	85,000,000
4	Lead line replacement	600,000,000
5	Michigan water use advisory council	
6	recommendations	5,000,000
7	PFAS remediation grant program	100,000,000
8	Public health risk reduction grants	20,000,000
9	Stormwater, asset management, and wastewater	
10	program grants	100,000,000
11	Waste water - clean water infrastructure grants	200,000,000
12	Wetland mitigation grants	10,000,000
13	GROSS APPROPRIATION	\$ 2,485,000,000
14	Appropriated from:	
15	Federal revenues:	
16	Coronavirus state fiscal recovery fund	2,195,000,000
17	Special revenues:	
18	Great Lakes water quality bond	290,000,000
19	State general fund/general purpose	\$ 0

20

21 PART 2

22 PROVISIONS CONCERNING APPROPRIATIONS

23

24 **GENERAL SECTIONS**

25 Sec. 201. Pursuant to section 30 of article IX of the state
26 constitution of 1963, total state spending from state sources under
27 part 1 for the fiscal year ending September 30, 2021 is
28 \$290,000,000.00 and total state spending from state sources to be
29 paid to local units of government is \$0.00.

1 Sec. 202. The appropriations made and expenditures authorized
2 under this part and part 1 and the departments, commissions,
3 boards, offices, and programs for which appropriations are made
4 under this part and part 1 are subject to the management and budget
5 act, 1984 PA 431, MCL 18.1101 to 18.1594.

6 Sec. 203. If the state administrative board, acting under
7 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
8 appropriated under this act, the legislature may, by a concurrent
9 resolution adopted by a majority of the members elected to and
10 serving in each house, intertransfer funds within this act for the
11 particular department, board, commission, office, or institution.

12
13 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

14 Sec. 301. (1) From the funds appropriated in part 1 for
15 agriculture pollution prevention fund, \$10,000,000.00 shall be used
16 for incentives or cost sharing to assist farmers and landowners
17 with implementing conservation, environmental risk reduction, and
18 natural resource protection with a special focus on efforts
19 resulting in an impact on the western Lake Erie basin.

20 (2) From the funds appropriated in part 1 for agriculture
21 pollution prevention fund, \$5,000,000.00 shall be used as a grant
22 program to conservation districts to provide increased services to
23 those seeking assistance from the Michigan agriculture
24 environmental assistance program (MAEAP).

25 (3) Funds appropriated in part 1 for agriculture pollution
26 prevention fund must not be spent or otherwise distributed unless
27 Senate Bill No. 494 of the 101st Legislature is enacted into law.

28
29 **DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**

1 Sec. 401. Funds appropriated in part 1 for clean water
2 infrastructure must not be spent or otherwise distributed unless
3 Senate Bill No. 319 and Senate Bill No. 320 of the 101st
4 Legislature are enacted into law.

5 Sec. 402. Funds appropriated in part 1 for emergency dam
6 safety grant program, emergency dam safety action fund, and dam
7 risk reduction revolving loan fund must not be spent or otherwise
8 distributed unless Senate Bill No. 470 of the 101st Legislature is
9 enacted into law.

10 Sec. 403. (1) From the funds appropriated in part 1 for
11 drinking water program, \$100,000,000.00 shall be used for a grant
12 program for water suppliers to connect adjacent water systems or to
13 allow 2 or more systems to consolidate.

14 (2) From the funds appropriated in part 1 for drinking water
15 program, \$50,000,000.00 shall be used for private well owner
16 resources, including 1 or more of the following:

17 (a) Grants to private well owners to connect to an adjacent
18 community water system as a result of contamination or failure.

19 (b) Grants to private well owners to replace or increase the
20 depth of a well as a result of contamination or failure.

21 (c) Grants to local health departments to provide free or low-
22 cost water testing to private well owners. Testing offered must
23 include coliforms, nitrates/nitrites, arsenic, and other
24 contaminants as determined by application.

25 (3) From the funds appropriated in part 1 for drinking water
26 program, \$200,000,000.00 shall be designated as a work project
27 appropriation for use as the state 20% match for the federal
28 drinking water revolving fund. Any unencumbered or unallotted funds
29 allocated pursuant to this subsection shall not lapse at the end of

1 the fiscal year and shall be available for expenditures for
2 projects under this section until the projects have been completed.
3 The following is in compliance with section 451a(1) of the
4 management and budget act, 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the work project is to provide 20% match
6 funding for the federal drinking water revolving fund.

7 (b) The projects will be accomplished by utilizing state
8 employees or contracts with service providers, or both.

9 (c) The total estimated cost of the work project is
10 \$200,000,000.00.

11 (d) The tentative completion date is September 30, 2025.

12 Sec. 404. Funds appropriated in part 1 for failing septic
13 system loans must not be spent or otherwise distributed unless
14 Senate Bill No. 319 of the 101st Legislature is enacted into law.

15 Sec. 405. (1) From the funds appropriated in part 1 for
16 geologic data collection, the department of environment, Great
17 Lakes, and energy shall annually make \$3,000,000.00 available to
18 the United States Geological Survey (USGS) to conduct data
19 collection and mapping to expand geologic information in up to 25
20 targeted areas in this state.

21 (2) Funds appropriated in part 1 for geologic data collection
22 must not be spent or otherwise distributed unless Senate Bill No.
23 488 of the 101st Legislature is enacted into law.

24 Sec. 406. (1) From the funds appropriated in part 1 for
25 healthy hydration, the department of environment, Great Lakes, and
26 energy shall award grants to schools for the installation of
27 filtered drinking water stations. Grant applicants shall provide a
28 30% match.

29 (2) Funds appropriated in part 1 for healthy hydration must

1 not be spent or otherwise distributed unless Senate Bill No. 184
2 and Senate Bill No. 185 of the 101st Legislature are enacted into
3 law.

4 Sec. 407. From the funds appropriated in part 1 for lead line
5 replacement, the department of environment, Great Lakes, and energy
6 shall award grants to water suppliers for costs related to service
7 line replacement to meet the Michigan lead and copper rule. Grant
8 applicants shall provide a 50% project match. Not less than 25%
9 annually shall be spent in rural communities with a population of
10 not more than 10,000 people according to the most recent federal
11 decennial census.

12 Sec. 409. Funds appropriated in part 1 for public health risk
13 reduction grants must not be spent or otherwise distributed unless
14 Senate Bill No. 320 of the 101st Legislature is enacted into law.

15 Sec. 411. (1) From the funds appropriated in part 1 for waste
16 water - clean water infrastructure grants, the department of
17 environment, Great Lakes, and energy shall award grants for design
18 and construction projects to address sanitary and combined sewer
19 overflows, and correct illicit connections to municipal drainage
20 systems.

21 (2) Not less than \$40,000,000.00 shall be allocated for grants
22 to small communities for the design and construction of community
23 wastewater facilities for communities with a population of not more
24 than 5,000 according to the most recent decennial census where the
25 majority of residents rely solely on individual septic systems for
26 waste water.

27 Sec. 412. From the funds appropriated in part 1 for waste
28 water - small community septic replacement grants, the department
29 of environment, Great Lakes, and energy shall award grants for

1 design and construction of community wastewater facilities for
2 communities with a population of not more than 5,000 according to
3 the most recent decennial census where the majority of residents
4 rely solely on individual septic systems for waste water.

5 Sec. 413. From the funds appropriated in part 1 for PFAS
6 Remediation grant program, the department shall award grants for
7 PFAS remediation projects at sites with no identified responsible
8 party and shall address drinking water, groundwater, or surface
9 water contamination from PFAS.

10 Sec. 414. (1) From the funds appropriated in part 1 for
11 wetland mitigation grants, the department shall award grants to
12 provide assistance for wetland mitigation actions including the
13 purchase of wetland mitigation banking credits when available.
14 Grant applicants must provide a 20% match. The grant program would
15 provide assistance to those with approved wetland mitigation
16 requirements resulting from permit applications under part 303 of
17 the natural resources and environmental protection act, 1994 PA
18 451, MCL 324.30301 to 324.30328.

19 (2) The grant agreement shall contain terms established by the
20 department and the requirement that the grant recipient repay the
21 grant, within 90 days of being informed to do so, with interest at
22 a rate not to exceed 8% per year, in the event that the part 303
23 permit is not issued.

24 Sec. 415. (1) From the funds appropriated in part 1 for
25 Michigan water use advisory council (WUAC) recommendations for
26 water conservation, data collection, and modeling, the department
27 shall utilize the following as recommended in the December 2020
28 report by the WUAC:

29 (a) \$2,100,000.00 for the creation of the Michigan hydrologic

1 framework.

2 (b) \$485,000.00 for the installation and development of a
3 groundwater monitoring well network.

4 (c) \$350,000.00, in coordination with the United States
5 Geologic Survey, for streamflow gauges.

6 (d) \$250,000.00 for the Michigan integrated water management
7 database.

8 (e) \$200,000.00, in coordination with Michigan State
9 University Extension, to develop and execute an educational program
10 for agricultural water use efficiency.

11 (f) \$55,000.00 to update statewide key aquifer properties for
12 use in the water withdrawal assessment tool (WWAT).

13 (g) \$50,000.00 to update the user interface for the WWAT.

14 (h) \$50,000.00 for analysis and planning for long-term data
15 collection priorities.

16 (i) \$50,000.00 for a report identifying water conservation
17 programming and policy needs as compared to existing programs at
18 the state and national level.

19 (j) \$40,000.00 for transition probability geostatistical
20 mapping in Cass and Calhoun Counties.

21 (2) The unexpended funds appropriated in part 1 for Michigan
22 water use advisory council recommendations are designated as a work
23 project appropriation, and any unencumbered or unallotted funds
24 shall not lapse at the end of the fiscal year and shall be
25 available for expenditures for projects under this section until
26 the projects have been completed. The following is in compliance
27 with section 451a(1) of the management and budget act, 1984 PA 431,
28 MCL 18.1451a:

29 (a) The purpose of the work project is to support the Michigan

1 water use advisory council recommendations.

2 (b) The projects will be accomplished by utilizing state
3 employees or contracts with service providers, or both.

4 (c) The total estimated cost of the work project is
5 \$5,000,000.00.

6 (d) The tentative completion date is September 30, 2024.