# SUBSTITUTE FOR SENATE BILL NO. 181

A bill to make appropriations for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2026; and to provide for the expenditure of the appropriations.

#### THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

8	APPROPRIATION SUMMARY
7	ENERGY
6	DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND
5	September 30, 2026, from the following funds:
4	environment, Great Lakes, and energy for the fiscal year ending
3	Sec. 101. There is appropriated for the department of
2	LINE-ITEM APPROPRIATIONS
1	PART 1

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,666.0	
GROSS APPROPRIATION		\$ 1,034,667,500
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and		
intradepartmental transfers		4,129,10
ADJUSTED GROSS APPROPRIATION		\$ 1,030,538,40
Federal revenues:		
Total federal revenues		464,268,50
Special revenue funds:		
Total local revenues		
mai alla anchi alla con con con		1,404,20
Total private revenues		_, _, _,
Total private revenues  Total other state restricted revenues		
		\$ 377,453,70
Total other state restricted revenues		\$ 377,453,70
Total other state restricted revenues  State general fund/general purpose		\$ 377,453,70
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND	6.0	\$ 377,453,70
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT	6.0	\$ 377,453,70
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT  Full-time equated unclassified positions		377,453,70 <b>187,412,00</b>
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT  Full-time equated unclassified positions  Full-time equated classified positions	106.0	377, 453, 70 <b>187, 412,00</b> 993, 10
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT  Full-time equated unclassified positions  Full-time equated classified positions  Unclassified salariesFTE positions	106.0	377, 453, 70 <b>187, 412,00</b> 993,10 1,576,90
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT  Full-time equated unclassified positions  Full-time equated classified positions  Unclassified salariesFTE positions  Accounting service center	106.0	377, 453, 70 <b>187, 412,00</b> 993, 10  1,576, 90  906, 60
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT  Full-time equated unclassified positions  Full-time equated classified positions  Unclassified salariesFTE positions  Accounting service center  Administrative hearings officers	106.0	377, 453, 70 <b>187, 412, 00</b> 993, 10  1, 576, 90  906, 60  2, 459, 40
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT  Full-time equated unclassified positions  Full-time equated classified positions  Unclassified salariesFTE positions  Accounting service center  Administrative hearings officers  Environmental investigationsFTEs	106.0	377, 453, 70 <b>187, 412, 00</b> 993, 10  1, 576, 90  906, 60  2, 459, 40  9, 465, 70
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT  Full-time equated unclassified positions  Full-time equated classified positions  Unclassified salariesFTE positions  Accounting service center  Administrative hearings officers  Environmental investigationsFTEs  Environmental supportFTEs	106.0 6.0 12.0 56.0	377, 453, 70 <b>187, 412, 00</b> 993, 10  1, 576, 90  906, 60  2, 459, 40  9, 465, 70  4, 480, 80
Total other state restricted revenues  State general fund/general purpose  Sec. 102. DEPARTMENTAL ADMINISTRATION AND  SUPPORT  Full-time equated unclassified positions  Full-time equated classified positions  Unclassified salariesFTE positions  Accounting service center  Administrative hearings officers  Environmental investigationsFTEs  Environmental supportFTEs  Executive directionFTEs	106.0 6.0 12.0 56.0	993,10 187,412,00 993,10 1,576,90 906,60 2,459,40 9,465,70 4,480,80 1,000,00 10,890,70

1	Property management	8,098,900
2	GROSS APPROPRIATION	\$ 42,872,100
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from Michigan department of state police	82,800
6	IDG from state transportation department	108,400
7	Federal revenues:	
8	Federal funds	766,700
9	Special revenue funds:	
10	Private funds	711,600
11	Air emissions fees	1,054,500
12	Aquatic nuisance control fund	79,500
13	Campground fund	25,900
14	Cleanup and redevelopment fund	2,808,900
15	Coal ash care fund	17,100
16	Electronic waste recycling fund	36,200
17	Environmental education fund	237,400
18	Environmental pollution prevention fund	558,100
19	Fees and collections	19,800
20	Financial instruments	8,561,500
21	Great Lakes protection fund	548,100
22	Groundwater discharge permit fees	123,800
23	Infrastructure construction fund	2,700
24	Laboratory services fees	673,700
25	Land and water permit fees	198,500
26	Medical waste emergency response fund	36,200
27	Metallic mining surveillance fee revenue	5,800
28	Mineral well regulatory fee revenue	17,100

	Nonferrous metallic mineral surveillance		16,200
	NPDES fees		359,700
	Oil and gas regulatory fund		466,300
	Orphan well fund		71,200
	Public swimming pool fund		50,300
	Public utility assessments		750,500
	Public water supply fees		385,000
	Refined petroleum fund		3,371,100
	Renew Michigan fund		4,734,000
0	Sand extraction fee revenue		2,700
1	Scrap tire regulatory fund		186,000
2	Septage waste program fund		48,500
3	Settlement funds		2,000,400
4	Sewage sludge land application fees		74,400
5	Soil erosion and sedimentation control training		
6	fund		11,700
7	Solid waste management fund - staff account		769,200
В	Stormwater permit fees		185,600
9	Technologically enhanced naturally occurring		
0	radioactive material		34,500
L	Underground storage tank cleanup fund		255,500
2	Wastewater operator training fees		44,900
3	Water quality protection fund		8,700
4	Water use reporting fees		19,900
5	State general fund/general purpose		\$ 12,351,500
6	Sec. 103. WATER RESOURCES DIVISION		
7	Full-time equated classified positions	408.0	
8	Aquatic nuisance control programFTEs	6.0	\$ 1,000,700

	Federal - Great Lakes remedial action plan		
	grants		583,800
_	Fish contaminant monitoring		316,100
_	Great Lakes restoration initiativeFTEs	9.0	11,288,300
_	Groundwater data collectionFTEs	0.0	(
_	Nonpoint source pollution prevention and		
	control project program		4,083,300
_	Technology advancements for water monitoring		500,000
_	Water quality programsFTEs	225.0	36,580,800
_	Water quality protection grants		100,000
_	Water resource programsFTEs	168.0	28,639,600
_	Watershed council grants		600,000
_	GROSS APPROPRIATION	\$	83,692,600
_	Appropriated from:		
_	Interdepartmental grant revenues:		
_	IDG from state transportation department		2,056,400
_	Federal revenues:		
_	Federal funds		35,144,300
_	Special revenue funds:		
_	Aquatic nuisance control fund		1,000,700
_	Aquifer protection revolving fund		(
_	Environmental response fund		590,000
_	Groundwater discharge permit fees		2,246,90
_	Infrastructure construction fund		52,00
_	Land and water permit fees		2,487,300
_	NPDES fees		4,523,900
_	Refined petroleum fund		456,000
_	Sewage sludge land application fees		918,900

Soil erosion and sedimentation control training		
fund		143,50
Stormwater permit fees		2,364,00
Wastewater operator training fees		317,40
Water pollution control revolving fund		152,50
Water quality protection fund		100,00
Water use reporting fees		30
State general fund/general purpose		\$ 31,138,50
Sec. 104. AIR QUALITY DIVISION		
Full-time equated classified positions	228.0	
Air quality programsFTEs	228.0	\$ 39,730,00
GROSS APPROPRIATION		\$ 39,730,00
Appropriated from:		
Federal revenues:		
Federal funds		7,762,70
Special revenue funds:		
Air emissions fees		11,290,10
Asbestos inspection fund		2,000,00
Fees and collections		214,30
Oil and gas regulatory fund		148,70
Public utility assessments		150,00
Refined petroleum fund		2,138,50
State general fund/general purpose		\$ 16,025,70
Sec. 105. REMEDIATION AND REDEVELOPMENT DIVISION		
Full-time equated classified positions	327.0	
Contaminated site remediation and redevelopment		
programsFTEs	327.0	\$ 83,030,30
Emergency cleanup actions		2,000,00

Environmental cleanup and redevelopment program		27,600,00
Superfund cleanup		9,000,00
GROSS APPROPRIATION		\$ 121,630,30
Appropriated from:		
Federal revenues:		
Federal funds		16,759,20
Special revenue funds:		
Cleanup and redevelopment fund		55,444,20
Environmental response fund		1,442,10
Laboratory services fees		11,392,00
Public water supply fees		330,70
Refined petroleum fund		33,867,50
State brownfield redevelopment fund		2,100,00
State general fund/general purpose		\$ 294,60
ec. 106. UNDERGROUND STORAGE TANK AUTHORITY		
mull time constant along find weekling	100	
Full-time equated classified positions	12.0	
Underground storage tank cleanup programFTEs	12.0	\$ 32,139,20
		\$ 
Underground storage tank cleanup programFTEs		 
Underground storage tank cleanup programFTEs  GROSS APPROPRIATION		 
Underground storage tank cleanup programFTEs  GROSS APPROPRIATION  Appropriated from:		 
Underground storage tank cleanup programFTEs  GROSS APPROPRIATION  Appropriated from: Federal funds		 
Underground storage tank cleanup programFTEs  GROSS APPROPRIATION  Appropriated from: Federal funds  Special revenue funds:		 32,139,20
Underground storage tank cleanup programFTEs  GROSS APPROPRIATION  Appropriated from: Federal funds  Special revenue funds: Private funds		 32,139,20
Underground storage tank cleanup programFTEs  GROSS APPROPRIATION  Appropriated from: Federal funds  Special revenue funds: Private funds  Underground storage tank cleanup fund		\$ 32,139,20
Underground storage tank cleanup programFTEs  GROSS APPROPRIATION  Appropriated from: Federal funds  Special revenue funds: Private funds  Underground storage tank cleanup fund  State general fund/general purpose		\$ 32,139,20
Underground storage tank cleanup programFTES  GROSS APPROPRIATION  Appropriated from: Federal funds  Special revenue funds: Private funds  Underground storage tank cleanup fund  State general fund/general purpose  ec. 107. RENEWING MICHIGAN'S ENVIRONMENT	12.0	\$ 32,139,20 32,139,20 32,139,20 7,094,10

G	GROSS APPROPRIATION	\$ 77,831,300
P	Appropriated from:	
I	Interdepartmental grant revenues:	
I	DG from Michigan department of state police	6,800
I	DG from state transportation department	6,300
F	Tederal revenues:	
F	Tederal funds	5,800
	Special revenue funds:	
E	Private funds	0
	Air emissions fees	67,900
	Aquatic nuisance control fund	4,600
	Campground fund	1,200
	Cleanup and redevelopment fund	184,700
	Coal ash care fund	1,000
E	Electronic waste recycling fund	1,100
E	Environmental pollution prevention fund	39,800
F	Tees and collections	120,200
F	Financial instruments	281,600
(-	Great Lakes protection fund	1,200
-	Groundwater discharge permit fees	10,700
I	Laboratory services fees	45,500
I	and and water permit fees	14,400
	Medical waste emergency response fund	1,100
	Mineral well regulatory fee revenue	500
	Nonferrous metallic mineral surveillance	1,300
N	NPDES fees	24,900
	oil and gas regulatory fund	33,300
	Orphan well fund	5,500

-	Public swimming pool fund	1,400
-	Public water supply fees	26,900
-	Refined petroleum fund	229,600
-	Renew Michigan fund	71,052,600
-	Scrap tire regulatory fund	13,200
_		
-	Septage waste program fund	1,600
_	Sewage sludge land application fees	4,600
	Soil erosion and sedimentation control training	
	fund	200
	Solid waste management fund - staff account	59 <b>,</b> 100
-	Stormwater permit fees	12,300
_	Strategic water quality initiatives fund	0
-	Technologically enhanced naturally occurring	
	radioactive material	2,000
-	Underground storage tank cleanup fund	17,000
-	Wastewater operator training fees	2,800
-	Water quality protection fund	500
-	Water use reporting fees	1,100
-	State general fund/general purpose	\$ 5,547,000
5	Sec. 108. INFORMATION TECHNOLOGY	
-	Information technology services and projects	\$ 10,439,700
-	GROSS APPROPRIATION	\$ 10,439,700
-	Appropriated from:	
-	Interdepartmental grant revenues:	
-	IDG from Michigan department of state police	23,700
-	IDG from state transportation department	31,100
-	Federal revenues:	
-	Federal funds	2,062,300

1	Special revenue funds:	
2	Air emissions fees	246,800
3	Aquatic nuisance control fund	22,900
4	Campground fund	7,300
5	Cleanup and redevelopment fund	807,100
6	Coal ash care fund	5,000
7	Electronic waste recycling fund	10,600
8	Environmental pollution prevention fund	158,500
9	Fees and collections	5,700
10	Financial instruments	1,084,000
11	Great Lakes protection fund	11,400
12	Groundwater discharge permit fees	35,200
13	Infrastructure construction fund	800
14	Laboratory services fees	189,600
15	Land and water permit fees	56,400
16	Medical waste emergency response fund	10,600
17	Metallic mining surveillance fee revenue	1,700
18	Mineral well regulatory fee revenue	5,000
19	Nonferrous metallic mineral surveillance	5,000
20	NPDES fees	101,400
21	Oil and gas regulatory fund	131,600
22	Orphan well fund	20,400
23	Public swimming pool fund	14,800
24	Public utility assessments	19,600
25	Public water supply fees	108,600
26	Refined petroleum fund	961,200
27	Renew Michigan fund	1,459,000
28	Sand extraction fee revenue	800

Scrap tire	regulatory fund		53,10
Septage was	ste program fund		13,90
Sewage sluc	dge land application fees		21,20
Soil erosio	on and sedimentation control training		
fund			3,30
Solid waste	e management fund - staff account		211,70
Stormwater	permit fees		53,10
Technologic	cally enhanced naturally occurring		
radioactiv	ve material		9,80
Underground	d storage tank cleanup fund		73,60
Wastewater	operator training fees		13,10
Water pollu	ition control revolving fund		33,20
			2,40
Water quali	ty protection fund		2,40
	reporting fees		·
Water use 1			\$ 5,70 2,347,50
Water use n	reporting fees		\$ 5,70
Water use n	reporting fees ral fund/general purpose		\$ 5,70
Water use n State gener Sec. 109. DE	reporting fees ral fund/general purpose	176.0	\$ 5,70
Water use n  State gener  Sec. 109. DE  HEALTH  Full-time 6	reporting fees ral fund/general purpose RINKING WATER AND ENVIRONMENTAL	176.0 176.0	5,70 2,347,50
Water use n  State gener  Sec. 109. DE  HEALTH  Full-time 6	reporting fees  ral fund/general purpose  RINKING WATER AND ENVIRONMENTAL  equated classified positions  ater and environmental healthFTEs		5,70 2,347,50 43,994,20
Water use no state general Sec. 109. DE HEALTH  Full-time expression of the prinking was sections.	reporting fees  ral fund/general purpose RINKING WATER AND ENVIRONMENTAL  equated classified positions ater and environmental healthFTEs  OPRIATION		\$ 5,70 2,347,50 43,994,20
Water use no State general Sec. 109. DE HEALTH  Full-time en Drinking was GROSS APPRO	reporting fees  ral fund/general purpose RINKING WATER AND ENVIRONMENTAL  equated classified positions ater and environmental healthFTEs  OPRIATION  ed from:		\$ 5,70 2,347,50 43,994,20
Water use in State general Sec. 109. DE HEALTH  Full-time en Drinking was GROSS APPRO	reporting fees ral fund/general purpose RINKING WATER AND ENVIRONMENTAL equated classified positions ater and environmental healthFTEs DPRIATION ed from: renues:		\$ 5,70 2,347,50 43,994,20 43,994,20
Water use in State general Sec. 109. DE HEALTH  Full-time of Drinking was GROSS APPROAPPROPRIATE Federal revenue.	reporting fees ral fund/general purpose RINKING WATER AND ENVIRONMENTAL equated classified positions ater and environmental healthFTEs DPRIATION ed from: renues:		\$ 5,70 2,347,50 43,994,20 43,994,20
Water use in State general Sec. 109. DE HEALTH  Full-time of Drinking was GROSS APPROAPPROPRIATE Federal revenue.	reporting fees ral fund/general purpose RINKING WATER AND ENVIRONMENTAL  equated classified positions ater and environmental healthFTEs  PRIATION ed from: renues: nds renue funds:		\$ 5,70 2,347,50 43,994,20 43,994,20
Water use in State general Sec. 109. DE HEALTH  Full-time of Drinking was GROSS APPRO Appropriate Federal reverse Federal fur Special reverse second	reporting fees ral fund/general purpose RINKING WATER AND ENVIRONMENTAL  equated classified positions ater and environmental healthFTEs  PRIATION ed from: renues: nds renue funds: fund		\$ 5,70 2,347,50 43,994,20 43,994,20 13,755,90
Water use in State general Sec. 109. DE HEALTH  Full-time of Drinking was GROSS APPRO Appropriate Federal revenue Federal fur Special revenue Campground Fees and control of the state of t	reporting fees ral fund/general purpose RINKING WATER AND ENVIRONMENTAL  equated classified positions ater and environmental healthFTEs  PRIATION ed from: renues: nds renue funds: fund		\$ 5,70

Refi	ned petroleum fund		761,100
Septa	age waste program fund		628,900
Waste	ewater operator training fees		267,700
State	e general fund/general purpose		\$ 22,321,000
Sec.	110. MATERIALS MANAGEMENT DIVISION		
Full	-time equated classified positions	136.0	
Ener	gy programs FTEs	15.0	\$ 6,677,200
Mate	rial management programs FTEs	121.0	25,184,200
GROS	S APPROPRIATION		\$ 31,861,400
Appr	opriated from:		
Inte	rdepartmental grant revenues:		
IDG	from Michigan department of state police		1,590,500
Fede	ral revenues:		
Fede	ral funds		7,353,300
Spec	ial revenue funds:		
Priva	ate funds		652,600
Clear	nup and redevelopment fund		1,090,500
Coal	ash care fund		268,100
Comm	unity pollution prevention fund		250,000
Comm	unity surcharge reimbursement fund		C
Elec	tronic waste recycling fund		333,700
Ener	gy efficiency and renewable energy		
rev	olving loan fund		250,100
Envi	ronmental pollution prevention fund		4,167,300
Host	community grant funds		C
Mate	rials management planning fund		C
Medi	cal waste emergency response fund		454,500
Publ	ic utility assessments		1,806,200

Retired engineers technical assistance program		
fund		491,20
Scrap tire regulatory fund		5,147,30
Small business pollution prevention revolving		
loan fund		134,40
Solid waste management fund - staff account		6,204,20
Technologically enhanced naturally occurring		
radioactive material		465,50
State general fund/general purpose		\$ 1,202,00
Sec. 111. GEOLOGIC RESOURCES MANAGEMENT DIVISION		
Full-time equated classified positions	73.0	
Geologic resources managementFTEs	73.0	\$ 26,531,10
GROSS APPROPRIATION		\$ 26,531,10
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of licensing and regulatory		
affairs		223,10
Federal revenues:		
Federal funds		153,10
Infrastructure investment and jobs act fund		5,155,40
Special revenue funds:		
Private funds		40,00
Aquifer protection revolving fund		520,00
Metallic mining surveillance fee revenue		92,50
Mineral well regulatory fee revenue		216,00
Native copper mine fund		50,00
Nonferrous metallic mineral surveillance		385,80
Oil and gas regulatory fund		8,538,90

Orphan well fund		2,351,500
Sand extraction fee revenue		91,100
Water use reporting fees		351,000
State general fund/general purpose		\$ 8,362,700
Sec. 112. WATER INFRASTRUCTURE		
Full-time equated classified positions	30.0	
Municipal assistanceFTEs	30.0	\$ 6,744,30
Water infrastructure		23,601,30
Water infrastructure risks and reserve fund		5,000,00
Water state revolving funds		468,599,70
GROSS APPROPRIATION		\$ 503,945,30
Appropriated from:		
Federal revenues:		
Federal funds		105,349,80
Infrastructure investment and jobs act fund		270,000,00
Special revenue funds:		
Community infrastructure fund		45,000,00
Revolving loan revenue bonds		15,000,00
Water pollution control revolving fund		774,30
State general fund/general purpose		\$ 67,821,20
Sec. 113. ONE-TIME APPROPRIATIONS		
Electric charging infrastructure		\$ 10,000,00
Jefferson-Chalmers flood mitigation		10
Information management initiative		10,000,00
Septic system database		10
Water use advisory council recommendations		10
<u> </u>		

1	Federal revenues:					
2	Federal funds		0			
3	Special revenue funds:					
4	State general fund/general purpose	\$	20,000,300			
5						
6	PART 2					
7	PROVISIONS CONCERNING APPROPRIATIONS					
3	FOR FISCAL YEAR 2025-2026					
9	GENERAL SECTIONS					
10	Sec. 201. In accordance with section 30 of article IX	of	the			
11	state constitution of 1963, for the fiscal year ending Sep	temb	er			
12	30, 2026, total state spending under part 1 from state rese	ourc	es is			
L3	\$560,265,700.00 and state spending under part 1 from state sources					
L4	to be paid to local units of government is \$55,733,300.00. The					
15	following itemized statement identifies appropriations from	m wh	ich			
16	spending to local units of government will occur:					
17	DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND					
18	ENERGY					
L9	Brownfield grants	\$	1,000,000			
20	Drinking water and environmental health		8,786,000			
21	Emergency cleanup actions		116,000			
22	Energy programs		460,000			
23	Lead service line replacement		23,601,300			
24	Material management programs		1,270,000			
25	Renew Michigan program		20,000,000			
26	Technology advancements for water monitoring		500,000			
27	TOTAL	\$	55,733,300			

Sec. 202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101

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- **1** to 18.1594.
- 2 Sec. 203. As used in this part and part 1:
- 3 (a) "Department" means the department of environment, Great4 Lakes, and energy.
- 5 (b) "Director" means the director of the department.
- 6 (c) "FTE" means full-time equated.
- 7 (d) "IDG" means interdepartmental grant.
- 8 (e) "NPDES" means the national pollutant discharge elimination9 system.
- 10 (f) "Standard report recipients" means the senate
  11 appropriations subcommittee on environment, Great Lakes, and
  12 energy; the house appropriations subcommittee on environment, Great
  13 Lakes, and energy; the senate and house fiscal agencies; the senate
  14 and house policy offices; and the state budget office.
- Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the required recipients by email and posting the reports on an internet site.
  - Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:
    - (a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- (b) Preference must be given to goods or services, or both,
  manufactured or provided by Michigan businesses, if they are
  competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both,

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that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

(d) Preference must be given to goods or services, or both, that are manufactured in facilities that employ union members.

Sec. 206. The department shall not take disciplinary action against an employee of the department for communicating with a member of the legislature or legislative staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department shall prepare a report on out-of-state travel expenses not later than January 1. The report must list travel outside of this state by classified and unclassified employees in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department shall submit the report to the standard report recipients and to the senate and house appropriations committees. The report must include all of the following information:

- (a) The dates of each travel occurrence.
- (b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 208. The department shall not use funds appropriated in part 1 to hire a person to provide legal services that are the responsibility of the attorney general. This section does not apply to legal services for bonding activities or to outside legal

services that the attorney general authorizes.

Sec. 209. Not later than December 15, the state budget office shall prepare and submit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

- (2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$15,800,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- Sec. 211. The department shall cooperate with the department

- of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:
  - (a) Fiscal year-to-date expenditures by category.
  - (b) Fiscal year-to-date expenditures by appropriation unit.
- 6 (c) Fiscal year-to-date payments to a selected vendor,
  7 including the vendor name, payment date, payment amount, and
  8 payment description.
- 9 (d) The number of active department employees by job10 classification.
  - (e) Job specifications and wage rates.
  - Sec. 212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.
  - Sec. 214. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.
  - (2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.
  - Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure geographically-disadvantaged business enterprises compete for and perform contracts to provide

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- services or supplies, or both. The director shall strongly
  encourage firms with which the department contracts to subcontract
  with certified geographically-disadvantaged business enterprises
  for services, supplies, or both. As used in this section,
  "geographically-disadvantaged business enterprises" means that term
  as defined in Executive Directive 2023-1.
  - Sec. 216. On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the standard report recipients and the senate and house appropriations committees.
  - Sec. 218. The department shall make each report required to be submitted under this part readily accessible to the public and conspicuously post each required report on the department's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's website, the department shall maintain on its website all reports placed on the website from previous fiscal years.
  - Sec. 219. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.
- Sec. 220. Not later than April 1, the department shall report

- on each specific policy change made to implement a public act
  affecting the department that took effect during the previous
  calendar year. The department shall submit the report to the
  standard report recipients, to the senate and house appropriations
  committees, and to the joint committee on administrative rules.
  - Sec. 222. To the extent possible, the department shall not expend appropriations in part 1 until all existing authorized work project funds available for the same purposes are exhausted.
  - Sec. 223. (1) General fund appropriations in part 1 shall not be expended for items if federal funding or private grant funding is available for the same expenditures.
    - (2) If the department is required to make a reduction in expenditures under section 395(1) or (2) of the management and budget act, 1984 PA 431, MCL 18.1395, for any appropriation under this part or part 1, the department must notify the standard report recipients not later than 10 days after the reduction. The notification must include, but not be limited to, the following:
    - (a) A description of the fund source that is insufficient to support the expenditures being reduced and the amount of the reduction.
- 21 (b) A description of the cause for the reduction, if any such cause is known.
  - (c) A description of the functions of state government or services to residents that will be affected by the reduction.
    - Sec. 224. (1) Within 10 days after the effective date of this act, the department must provide a report to the standard report recipients containing the following information:
- (a) A list of any sections in this act that the departmentdetermines to be unenforceable, with a detailed legal rationale for

those determinations, as applicable.

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- (b) If a determination under subdivision (a) would affect the operations of a program or programs within the department, the department must report the estimated difference in cost between the policy outlined in the section determined to be unenforceable and the policy the department intends to pursue.
- (2) The department may coordinate with the executive office of the governor or other state departments or agencies to compile a statewide report for any departments or agencies required to submit a report substantially similar to the report described under subsection (1).
- Sec. 225. The department must provide a quarterly report to the standard report recipients detailing federal policy changes that do, or are expected to do, any of the following:
  - (a) Affect the operations of the department.
- 16 (b) Affect an industry, community, population, or other group
  17 regulated or served by, or that otherwise engages with, the
  18 department.
- 19 (c) Affect regulations that currently protect the public to
  20 the extent that the regulations affect an industry, community,
  21 population, or other group regulated or served by, or that
  22 otherwise engages with, the department.
- (d) Create a regulatory gap that could negatively impact thepublic.
  - Sec. 227. (1) The department may expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of the environmental cleanup and redevelopment program, environmental cleanup support, contaminated site remediation and redevelopment programs, contaminated site cleanup, contaminated

- site cleanup contingency reserve, premcor remediation activities,
- 2 PFAS remediation grant program, the renew Michigan program, the
- 3 refined petroleum product cleanup program, brownfield grants and
- 4 loans, waterfront grants, and the environmental bond site
- 5 reclamation program.
- **6** (2) Unexpended and unencumbered amounts remaining from
- 7 appropriations from the clean Michigan initiative fund response
- 8 activities contained in 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015
- **9** PA 84, 2016 PA 268, and 2017 PA 107, are appropriated for
- 10 expenditure.
- 11 (3) Unexpended and unencumbered amounts remaining from
- 12 appropriations from the refined petroleum fund activities contained
- 13 in 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107,
- 14 2018 PA 207, 2019 PA 57, 2020 PA 166, 2021 PA 87, 2022 PA 166, 2023
- 15 PA 119, and 2024 PA 121 are appropriated for expenditure.
- 16 (4) Unexpended and unencumbered amounts remaining from the
- 17 appropriations from the strategic water quality initiatives fund
- 18 contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014
- 19 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, and 2018 PA 207, are
- 20 appropriated for expenditure.
- 21 (5) For the strategic water quality initiatives fund, funds
- 22 not yet disbursed are appropriated for expenditure for the same
- program under sections 5201, 5202, and 5204e of the natural
- 24 resources and environmental protection act, 1994 PA 451, MCL
- 25 324.5201, 324.5202, and 324.5204e.
- 26 (6) Unexpended and unencumbered amounts remaining from the
- 27 appropriations from the renew Michigan fund contained in 2018 PA
- 28 207, 2019 PA 57, 2020 PA 166, 2021 PA 87, 2022 PA 166, 2023 PA 119,
- and 2024 PA 121 are appropriated for expenditure.

- (7) Unexpended and unencumbered amounts remaining from the appropriations from the contaminated site cleanup contingency fund contained in 2021 PA 87 and 2022 PA 166, are appropriated for expenditure.
  - (8) Unexpended and unencumbered amounts remaining from the appropriations from the cleanup and redevelopment fund contained in 2022 PA 166 and 2023 PA 119 are appropriated for expenditure.
- 8 Sec. 228. Revenues that remain in the settlements fund at the 9 end of the fiscal year carry forward into the succeeding fiscal 10 year.
- Sec. 235. (1) Semiannually, the department shall prepare a report that contains information regarding all remediation and redevelopment efforts funded from part 1.
  - (2) The report must contain the following information:
- (a) List of sites where work is planned to occur, includingthe county for each site.
- 17 (b) The type of site, whether refined petroleum cleanup,
  18 nonrefined petroleum cleanup, brownfield, or a combination of
  19 types.
- (c) A brief description of how the issue will be addressed,including whether contractors will be utilized.
- 22 (d) The estimated date for project completion.
- (e) The amount and funding source or sources allocated to the site.
- 25 (3) The report must be submitted to the senate and house26 subcommittees on the environment, Great Lakes, and energy and the27 state budget director.
- 28 Sec. 238. The department shall submit a report to the senate 29 and house standing committees and appropriations subcommittees with

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- primary responsibility for issues under the jurisdiction of the 1 department that details departmental activities of the most recent fiscal year in administering permitting programs. The report must 3 include, at a minimum, all of the following:
  - (a) The number of FTEs assigned to each permitting program and the number of unfilled positions at the beginning and end of the most recent fiscal year.
  - (b) The number of permit applications received by the department in the preceding year, including applications for new and increased uses and reissuances.
    - (c) The number of permits for each program approved.
    - (d) The number of permits for each program denied.
- (e) The percentage and number of permit applications that were 13 14 reviewed for administrative completeness within statutory time frames. 15
- 16 (f) The percentage and number of permit applications for which 17 a final action was taken by the department within statutory time frames for new and increased uses and reissuances. 18
  - (q) Activities to reduce any backlog of permits that exceed the statutory time frames and the average time frame for permit approvals for each program.
  - (h) Activities to reduce the percentage of permit applications submitted as incomplete, in need of modification, or additional information before final determination.
  - (i) Under conditions in which the department states a permit is incomplete or denied, the department shall provide an explanation as to the reason or reasons the permit is insufficient and how the permit can be strengthened or made complete.
- 29 Sec. 242. If the department responds to a significant incident

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- 1 to protect life or property, as soon as possible and within 24
- 2 hours after the department responds to the significant incident,
- 3 the department shall notify, in writing, the senate and house
- 4 members whose district includes the site.
- 5 Sec. 244. In expending federal funds, the department shall
- 6 comply with the requirements of the Justice40 Initiative, where
- 7 applicable.
- 8 Sec. 245. (1) For any grant program or project funded in part
- 9 1 intended for a single recipient organization or unit of local
- 10 government, the grant program or project is for a public purpose
- 11 and the department shall follow procurement statutes of this state,
- 12 including any bidding requirements, unless the department can fully
- validate, through information detailed in this part or public
- 14 supporting documents, both of the following:
- 15 (a) The specific organization or unit of local government that
- 16 will receive or administer the funds.
- 17 (b) How the funds will be administered and expended.
- 18 (2) To be eligible to receive a grant described in subsection
- 19 (1), both of the following must occur:
- 20 (a) A recipient must submit the application under subsection
- 21 (3) not later than 60 days after the effective date of this act.
- 22 (b) A recipient must be 1 of the following:
- 23 (i) A unit of local government, as that term is defined in
- 24 section 115 of the management and budget act, 1984 PA 431, MCL
- **25** 18.1115.
- 26 (ii) An institution of higher education.
- (iii) A state agency, as that term is defined in section 115 of
- 28 the management and budget act, 1984 PA 431, MCL 18.1115.
- (iv) An entity registered with the department of licensing and

- regulatory affairs or the department of attorney general that has been in existence for at least the 12 months preceding the effective date of this act.
  - (v) Another entity that can demonstrate, through state or federal tax filings or other state or federal government records, that it has been in existence for at least the 12 months preceding the effective date of this act.
  - (3) Notwithstanding any other conditions or requirements for direct appropriation grants, the department shall work with the state budget office to perform at least all of the following activities to administer the grants described in subsection (1):
- (a) Develop a standard application process using the electronic submission portal developed by the state budget office, grantee reporting requirements, and any other necessary documentation, including sponsorship information as specified under subsection (4). If the electronic submission portal identified in this subdivision is not fully functional by 60 days after the effective date of this act, the state budget office shall ensure that the standard application process and form are available promptly and paper submission is acceptable. The state budget office shall promptly submit application material received to the department for departmental review.
- (b) Establish a process to review, complete, and execute a grant agreement with a grant recipient. The department shall not execute a grant agreement unless all necessary documentation has been submitted and reviewed.
- (c) Verify to the extent possible that a grant recipient will
  use funds for a public purpose that serves the economic prosperity,
  health, safety, or general welfare of the residents of this state.

- (d) Review and verify all necessary information to ensure the grant recipient is reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with all applicable state and federal statutes. The department may deduct the cost of background checks and any other efforts performed as part of this verification from the amount of the designated grant award.
- (e) Establish a standard timeline to review all documents submitted by grant recipients and provide a response within 45 business days stating whether submitted documents by a grant recipient are sufficient or in need of additional information. If additional information is needed, the 60-day deadline in subsection (2) is considered to have been met if a sponsor has been identified for that grant. If a grant recipient does not provide information sufficient to execute a grant agreement not later than 60 days after being notified by the department of grant approval, the department shall return funds associated with the grant to the state treasury.
- (f) Make an initial disbursement of up to 50% of the grant to the grant recipient not later than 60 days after a grant agreement has been executed. Disbursements must be consistent with part II, chapter 10, section 200 of the Financial Management Guide.
- (g) Disburse the funds remaining after the initial disbursement under subdivision (f) per the grant disbursement schedule in the executed grant agreement on a reimbursement basis after the grantee has provided sufficient documentation, as determined by the department, to verify that expenditures were made in accordance with the project purpose.
- 28 (4) The process for the identification and sponsorship of a
  29 grant described in subsection (1) is as follows:

- (a) Not later than the effective date of this act, the state budget office shall provide an initial list of grants that require legislative sponsorship to the legislature and shall make public an initial list of grants that likely will be sponsored by the department or by the state budget office.
- (b) A sponsor of a grant described in subsection (1) must be a legislator, the department, or the state budget office.
- (c) A legislative sponsor must be identified through a letter submitted by that legislator's office to the department and state budget director containing the name of the grant recipient, the intended amount of the grant, a certification from that legislator that the grant is for a public purpose, and specific citation of the section and subsection of the public act that authorizes the grant, as applicable.
- (d) Within 10 business days after the effective date of this act, the senate and house of representatives shall compile an initial list of legislative grant sponsors for their respective chambers and submit those compiled lists to the state budget office and the department, and the state budget office shall identify department— or state budget office—sponsored grants. The state budget director may grant an extension of this deadline of not more than 30 days on a case—by—case basis. The state budget office shall make the compiled lists public within 14 business days after the effective date of this act.
- (e) Not later than 60 days after the effective date of this act, the state budget office shall publish a final list of grants requiring sponsorship. If a legislative sponsor is not identified within 60 days after the effective date of this act, the department shall do 1 of the following:

- $\left(i\right)$  Identify the department or the state budget office as the sponsor.
  - (ii) Decline to execute the grant agreement and lapse the associated funds at the end of the fiscal year.
  - (f) At any point during the fiscal year, legislative grant sponsors may be added to a grant request.
- (5) An executed grant agreement under this section between the department and a grant recipient must include at least all of the following:
- (a) All necessary identifying information for the grant recipient, including any tax and financial information for the department to administer funds under this section.
- (b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. The department shall not reimburse expenditures that are outside of the project purpose, as stated in the executed grant agreement, from appropriations in part 1. The grantee shall return to the treasury any interest in excess of \$1,000.00 earned on the grant funds while unexpended and in possession of the grantee.
- (c) Unless otherwise specified in department policy, a requirement that funds appropriated for the grants described in subsection (1) may be used only for expenditures that occur on or after the effective date of this act.
- (d) A requirement for reporting by the grant recipient to the department and the legislative sponsor that provides the status of the project and an accounting of all funds expended by the grant recipient, as determined by the department.
- (e) A claw-back provision that allows the department of treasury to recoup or otherwise collect any funds that are

declined, unspent, or otherwise misused.

- (f) The signed legislative sponsorship letter required under subsection (4), incorporated into the grant agreement and included as an appendix or attachment.
- (g) If a grant recipient has provided information sufficient to execute a grant agreement, the state budget office shall promptly transmit that information to the department for the department's review of the grant application. If a grant recipient has provided information sufficient to execute a grant agreement within 60 days after the effective date of this act, but the grant application needs technical fixes or additional legislative action, as identified by the state budget office, the 60-day deadline in this subdivision is considered to have been met, if a sponsor has been identified for that grant. If a grant recipient does not provide information sufficient to execute a grant agreement not later than 60 days after being notified by the department of grant approval, the department shall return funds associated with the grant to the state treasury.
- (6) If appropriate to improve the administration or oversight of a grant described in subsection (1), the department may adopt a memorandum of understanding with another state department to perform the required duties under this section.
- (7) A grant recipient shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for not less than 7 years, and the grant may be subject to monitoring, site visits, and audits as determined by the department. The grant agreement required under this section must include signed assurance by the chief executive officer or other executive officer of the grant recipient that the

requirements of this subsection will be met.

- (8) The grant recipient shall expend all funds awarded and complete all projects not later than September 30, 2030. If at that time any unexpended funds remain, the grant recipient shall return those funds to the state treasury.
- (9) Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant.
- (10) The state budget director may, on a case-by-case basis, extend the deadline in subsection (8) on request by a grant recipient if a sponsor has been identified for the grant. The state budget director shall notify the chairs of the senate and house of representatives appropriations committees not later than 5 days after an extension is granted.
- (11) By March 1 of the current fiscal year, the state budget office shall post a report in a publicly accessible location on its website. The report must list the grant recipient, project purpose, and location of the project for each grant described in subsection (1), the status of funds allocated and disbursed under the grant agreement, and the legislative sponsor, if applicable. After March 1, the state budget office shall update the report monthly and shall post the updated report each month. The state budget office shall include in the report the most comprehensive information the office has available at the time of posting for grants awarded. The state budget office may compile the information required in this report across all departments. The department shall assist the state budget office with the compilation of the report required under this subsection.
- (12) On request, beginning 75 days after the effective date of

- this act, the state budget office shall release information received for grant applications.
- (13) As applicable, the legislative sponsor of a grant described in subsection (1) shall not sponsor a grant, or ask another legislator to sponsor a grant, if there is a conflict of interest related to the grant recipient.
- (14) If the department reasonably determines that the funds allocated for an executed grant agreement under this section were misused or that use of the funds was misrepresented by the grant recipient, the department shall not award any additional funds under the executed grant agreement and shall refer the grant for review following internal audit protocols.

Sec. 246. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. A department or agency receiving an appropriation under this part or part 1 must notify the standard report recipients if an appropriation of funds described under this section is projected to lapse.

#### REMEDIATION AND REDEVELOPMENT DIVISION

Sec. 301. Revenues remaining in the laboratory services fees fund at the end of the fiscal year carry forward into the succeeding fiscal year.

Sec. 302. The unexpended funds appropriated in part 1 for contaminated site investigations, cleanup and revitalization, emergency cleanup actions, and environmental cleanup and redevelopment program are designated as work project appropriations, and any unencumbered or unallotted funds shall not

- lapse at the end of the fiscal year and shall be available for
  expenditures for projects under this section until the projects
  have been completed. The following is in compliance with section
  451a of the management and budget act, 1984 PA 431, MCL 18.1451a:
  - (a) The purpose of the projects is to provide contaminated site cleanup.
  - (b) The projects will be accomplished by utilizing contracts with service providers.
  - (c) The total estimated cost of all projects is identified in each line-item appropriation.
    - (d) The tentative completion date is September 30, 2029.
  - Sec. 304. (1) In addition to the money appropriated in part 1, the department may receive and expend money from the subaccounts of the cleanup and redevelopment fund as described under section 20108 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20108, including the environmental response fund or the natural resource damages fund, to provide funding for actions by the department that are authorized by a court of competent jurisdiction and set forth in a final court order or judgment in an action to which the department is a party.
  - (2) By January 30, the department shall submit a report to the appropriations subcommittees, the fiscal agencies, and the state budget office that provides a summary of the expenditures incurred under this section during the preceding fiscal year.

#### WATER RESOURCES DIVISION

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental

- protection act, 1994 PA 451, MCL 324.11701 to 324.11721, then the 1 department may spend funds appropriated in part 1 for drinking water and environmental health in accordance with section 11716 of 3 4 the natural resources and environmental protection act, 1994 PA 5 451, MCL 324.11716.
  - Sec. 410. From the funds appropriated in part 1, the department shall compile a report by November 1 of every fiscal year ending in an odd number on the status of the implementation plan for the western Lake Erie basin collaborative agreement. In an effort to learn more about the presence and timing of harmful algal blooms, the report shall contain all of the following:
- (a) An estimated cost of removal of total phosphorus per pound 12 13 at the 4 major wastewater treatment plants.
  - (b) A description of the grants that have been awarded.
- 15 (c) A description of the work that has commenced on the issue 16 of dissolved reactive phosphorus, the expected objectives and 17 outcomes of that work, and a list of the parties involved in that effort. 18
  - (d) A description of the efforts and outcomes aimed at the total phosphorus reduction for the River Raisin watershed.

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#### UNDERGROUND STORAGE TANK AUTHORITY

Sec. 701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431,

- MCL 18.1451a:
- 2 (a) The purpose of the project is to provide underground3 storage tank cleanup.
  - (b) The project will be accomplished by utilizing contracts with service providers.
    - (c) The total estimated cost of the project is \$20,000,000.00.
    - (d) The tentative completion date is September 30, 2029.

#### RENEWING MICHIGAN'S ENVIRONMENT

Sec. 801. The unexpended funds appropriated in part 1 for the renewing Michigan's environment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is for environmental cleanup and redevelopment, waste management, and recycling.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
  - (c) The total estimated cost of the project is \$70,495,800.00.
    - (d) The tentative completion date is September 30, 2029.

#### MATERIALS MANAGEMENT DIVISION

Sec. 901. In addition to the money appropriated in part 1, the department may receive and expend money from the Volkswagen Environmental Mitigation Trust Agreement to provide funding for activities as outlined within the State's Mitigation Plan. The

department shall prepare a report to the appropriations subcommittees, the fiscal agencies, and the state budget office by February 1, 2026 of the expenditures incurred under this section during the fiscal year ending September 30, 2026.

### GEOLOGIC RESOURCES MANAGEMENT DIVISION

Sec. 925. As a condition on the funds appropriated in part 1, the department shall coordinate and convene with relevant stakeholders to discuss methods to improve program funding with a goal of aligning fee revenue with program costs for geologic resources management in future fiscal years.

## WATER INFRASTRUCTURE

Sec. 951. The funds appropriated in part 1 for lead service line replacement must be used to support lead service line replacement and associated activities, including, but not limited to, water main replacement to promote coordinated water infrastructure work in overburdened and significantly overburdened communities, as those terms are defined by the department in accordance with the requirements under parts 53 and 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316 and 324.5401 to 324.5418.

Sec. 952. (1) The funds appropriated in part 1 for water state revolving funds from the community infrastructure fund must be used to offset unanticipated increased project costs due to higher federal tariffs affecting foreign trade and the cost and availability of construction materials. The funds may be used to do either of the following:

(a) Offset the increased costs due to supply chain issues in

- the delivery of materials used for water infrastructure projects, lead service line replacement projects, drinking water projects, or any combination of these projects.
  - (b) Offset federal funding for shovel-ready projects that have already been approved and federal funding has recently been revoked or reduced.
  - (2) Funding should be prioritized to fill gaps in projects that are closest to completion or provide the most protection for public health, as determined by the department.
  - (3) The unexpended funds appropriated in part 1 for water state revolving funds from the community infrastructure fund are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the projects under this section until the project has been completed. The following is in compliance with the management and budget act, 1984 PA 431, MCL 18.1451a:
  - (a) The purpose of the project is to assist in the completion of infrastructure projects by offsetting increased project costs.
  - (b) The projects will be accomplished by utilizing state resources or contracts with service providers, or both.
    - (c) The total estimated cost of the project is \$40,000,000.00.
    - (d) The tentative completion date is September 30, 2030.
  - Sec. 953. (1) The funds appropriated in part 1 for the water infrastructure risks and reserve fund shall be used to provide grants and loans to communities experiencing water infrastructure emergencies. A minimum of 40% of the funds must be awarded to communities located within environmental justice communities, as that term is determined by the department, and overburdened and

- significantly overburdened communities, as those terms are defined by the department, in accordance with the requirements under parts and 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316 and 324.5401 to 324.5418.
  - (2) The funds must be utilized for the following:
  - (a) To provide grants to assist communities experiencing water infrastructure emergencies, as determined by the department, and to assist with immediate needs related to water infrastructure.
  - (b) To provide funding to assist with grants or loans to aid communities experiencing water infrastructure emergencies that will facilitate the repair, rebuilding, or remediating of the effects of the emergency related to water infrastructure, as determined by the department.
  - (3) The unexpended funds appropriated in part 1 for water infrastructure risks and reserve fund are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the projects under this section until the project has been completed. The following is in compliance with the management and budget act, 1984 PA 431, MCL 18.1451a:
  - (a) The purpose of the project is to assist communities dealing with a water infrastructure emergency.
  - (b) The fund shall not be depleted unless there is a public health emergency or natural disaster declaration.
- (c) The projects will be accomplished by utilizing stateresources or contracts with service providers, or both.
- 29 (d) The total estimated cost of the project is \$5,000,000.00.

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(e) The tentative completion date is September 30, 2030.

## ONE-TIME APPROPRIATIONS

Sec. 1001. (1) The funds appropriated in part 1 for electric charging infrastructure shall be used for grants to support the deployment of electric vehicle charging stations and hydrogen fueling infrastructure.

- (2) Grants awarded under this section may be used for, but not limited to, any of the following activities:
- (a) Filling gaps in fast charging systems outside of this state's identified alternative fuel corridors.
- (b) Deploying publicly or nonpublicly available charging and fueling stations, including, but not limited to, light-, medium- and heavy-duty fleet lots and transit systems.
- (c) Purchasing and leasing alternative fuel public and private light, medium, and heavy-duty fleet vehicles.
- (d) Deploying charging and clean fuel infrastructure in rural communities.
- (e) Deploying publicly or nonpublicly available charging and fueling stations and supporting enabling upgrades to support deployment at single and multifamily housing units.
- (3) The department shall utilize assessments and tools to identify the most appropriate locations to deploy clean fuel and charging infrastructure supported by this appropriation.
- (4) The unexpended funds appropriated in part 1 for electric charging infrastructure are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the projects under this section until the project

has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support the installation of charging and clean fuel infrastructure, and accelerate the adoption of alternative fuel vehicles to enable the transition to sustainable transportation options.
- (b) The project will be accomplished by utilizing state resources or contracts with service providers, or both.
  - (c) The total estimated cost of the project is \$10,000,000.00.
  - (d) The tentative completion date is September 30, 2030.
- (5) The department shall expend no more than 5% from the funds appropriated in part 1 for electric vehicle infrastructure for administrative purposes.

Sec. 1003. The unexpended funds appropriated in part 1 for information management initiative are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the projects under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support the digitization and indexing of department records.
- (b) The project will be accomplished by utilizing state resources or contracts with service providers, or both.
  - (c) The total estimated cost of the project is \$10,000,000.00.
- (d) The tentative completion date is September 30, 2030.