

**FY 2021-22: DEPARTMENT OF ENVIRONMENT,
GREAT LAKES, AND ENERGY**
Summary: As Reported by the Senate
Senate Bill 91 (S-2)



Analyst: Austin Scott

IDG/IDT	FY 2020-21 YTD as of 2/11/21	FY 2021-22 Executive	FY 2021-22 House	FY 2021-22 Senate	FY 2021-22 Conference	Difference: Senate From FY 2020-21 YTD	
						Amount	%
	\$3,337,700	\$3,544,900	\$885,900	\$3,544,900	\$	\$207,100	6.2
Federal	171,973,000	171,889,200	42,972,300	171,889,200		(83,800)	--
Local	0	0	0	0		0	--
Private	1,412,800	1,411,200	352,700	1,411,200		(1,600)	(0.1)
Restricted	275,191,800	600,471,200	76,076,300	304,531,400		29,339,600	10.7
GF/GP	59,443,900	128,700,400	35,316,000	83,893,900		24,450,000	41.1
Gross	\$511,359,200	\$906,016,900	\$155,603,200	\$565,270,500	\$	\$53,911,300	10.5
FTEs	1,424.0	1,466.0	1,424.0	1,424.0		0.0	--

Notes: (1) FY 2020-21 year-to-date figures include mid-year budget adjustments through February 11, 2021. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Environment, Great Lakes, and Energy (EGLE) is responsible for managing Michigan's air, land, water, and energy resources. Departmental functions include improving resource quality, reducing waste, and mitigating threats to Michigan's environment.

Major Budget Changes from FY 2020-21 YTD Appropriations

FY 2020-21 Year-to-Date (as of 2/11/21)	FY 2021-22 Senate Change
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Generally, the House Subcommittee Recommendation appropriates the equivalent of one quarter of the anticipated annual appropriation, except in areas such as the Dam Safety Emergency Fund and Dam Safety Grants, which incorporate the full annual appropriation. For major budget changes listed below the quartered appropriations are annualized for comparison purposes.

1. High Water Infrastructure Grants (One-Time)

Executive provides \$30.0 million GF/GP for infrastructure grants to address flooding, erosion, and other coastal issues; provides \$10.0 million GF/GP for planning grants to address severe weather impacts and changing climate effects.

House does not provide funding.

Senate provides \$10.0 million GF/GP.

Gross	NA	\$10,000,000
GF/GP	NA	\$10,000,000

2. Contaminated Site Cleanup (One-Time)

Executive includes \$20.0 million GF/GP for the prioritization and remediation of newly contaminated properties statewide that emerge throughout the year.

House and Senate do not include.

Gross	NA	\$0
GF/GP	NA	\$0

3. Dam Safety Emergency Fund (One-Time)

Executive includes \$15.0 million GF/GP to create a new fund to respond to dam emergencies where the owner has not adequately maintained their dam.

House and Senate concur.

Gross	NA	\$15,000,000
GF/GP	NA	\$15,000,000

Major Budget Changes from FY 2020-21 YTD Appropriations		FY 2020-21 Year-to-Date (as of 2/11/21)	FY 2021-22 Senate Change
4. MI Clean Water Plan (One-Time)	Gross	NA	\$0
<u>Executive</u> appropriates remaining authorization from the Strategic Water Quality Initiatives Fund to provide grants to local communities for water infrastructure facility projects (\$235.0 million), failing septic system eliminations (\$35.0 million), and public health mitigation projects (\$20.0 million).	Restricted	NA	0
<u>House</u> and <u>Senate</u> do not appropriate.	GF/GP	NA	\$0
5. Fee Increase – Land and Water Interface Permit Programs	FTE	84.0	0.0
<u>Executive</u> proposes to raise rates and eliminate sunsets on Land and Water Permit fees that support programs in flood response, dam safety, construction permitting, and great Lakes Shorelands. Increased revenue would support the addition of 25.0 new FTE positions and \$5.3 million in restricted authorization, 10.0 FTE positions would be transferred from the Renewing Michigan’s Environment Program.	Gross	\$12,649,600	\$0
<u>House</u> and <u>Senate</u> do not concur.	IDG	1,338,700	0
	Federal	2,099,100	0
	Restricted	2,410,300	0
	GF/GP	\$6,801,500	\$0
6. Fee Increase – Surface Water and Environmental Health	FTE	NA	0.0
<u>Executive</u> proposes to raise rates and eliminate the sunset on Wastewater Operator Training Fees that support surface water programs in water quality monitoring, pollutant testing, and wastewater toxicity as well as environmental health programs in drinking water monitoring and emergency response. Increased revenue would support the addition of 1.0 FTE position and \$309,400 from the Wastewater Operator Training Fees Fund.	Gross	NA	\$0
<u>House</u> and <u>Senate</u> do not concur.	Restricted	NA	0
	GF/GP	NA	\$0
7. Fee Increase – NPDES Nonstormwater Program	FTE	83.0	0.0
<u>Executive</u> proposes to raise rates and eliminate the sunset on National Pollutant Discharge Elimination System Fees and Stormwater (NPDES) Fees that support the regulation of hazardous discharges to Michigan waterways. Increased revenue would support the addition of 11.0 new FTE positions and \$194,900 from the NPDES Fees Fund; 4.0 FTE positions would be transferred from the Renewing Michigan’s Environment Program.	Gross	\$13,685,200	\$0
<u>House</u> and <u>Senate</u> do not concur.	Federal	6,902,400	0
	Restricted	4,305,100	0
	GF/GP	\$2,477,700	\$0
8. Fee Increase – Hazardous Waste Management Program	Gross	\$5,851,200	\$0
<u>Executive</u> proposes to raise rates and eliminate the sunset on Hazardous Waste Site Identification Fees that support the processing of new sites for hazardous waste management. Increased revenue would support the addition of \$100,000 from the Environmental Pollution Prevention Fund.	Federal	2,330,400	0
<u>House</u> and <u>Senate</u> do not concur.	Restricted	3,520,800	0
	GF/GP	\$0	\$0
9. Environmental Cleanup Support – Premcor Settlement	Gross	\$1,000,000	\$29,300,000
<u>Executive</u> appropriates \$29.3 million from the Environmental Response Fund to cleanup petroleum contamination at former Premcor Refining Group gas station sites in accordance with legal settlement. Supplemental request 2021-5 includes \$5.0 million from the same fund for this ongoing project in FY 2020-21.	Restricted	1,000,000	29,300,000
<u>House</u> and <u>Senate</u> concur.	GF/GP	\$0	\$0
10. Laboratory Services	FTE	39.0	0.0
<u>Executive</u> appropriates \$1.5 million in available revenue from the Laboratory Services Fees Fund and authorizes 3.0 FTE positions to expand physical, chemical, and biological testing at environmental and drinking water laboratories.	Gross	\$6,995,400	\$1,450,000
<u>House</u> concurs.	Restricted	6,995,400	1,450,000
<u>Senate</u> provides funding increase without additional FTE positions..	GF/GP	\$0	\$0

Major Budget Changes from FY 2020-21 YTD Appropriations		FY 2020-21 Year-to-Date (as of 2/11/21)	FY 2021-22 Senate Change	
11. Brownfield Grants		Gross	NA	\$1,100,000
<u>Executive</u> reestablishes the Brownfield Grants appropriation for the remediation and redevelopment of contaminated sites supported by \$1.1 million from the Brownfield Development Fund.		Restricted	NA	1,100,000
<u>House</u> and <u>Senate</u> concur.		GF/GP	NA	\$0
12. Environmental Support Projects		Gross	\$5,000,000	\$1,000,000
<u>Executive</u> appropriates \$1.0 million in available revenue from the Settlement Fund for environmental remediation at contaminated sites.		Restricted	5,000,000	1,000,000
<u>House</u> and <u>Senate</u> concur.		GF/GP	\$0	\$0
13. Oil, Gas, and Mineral Services		FTE	57.0	0.0
<u>Executive</u> expands the Oil, Gas, and Mineral Services Program by adding 2.0 FTE positions and \$370,000 Gross to recognize the transfer of oversight of underground injection and gas storage wells from the Environmental Protection Agency to EGLE. Interdepartmental support from the Department of Licensing and Regulatory Affairs will provide for partnership between EGLE and the Public Service Commission to regulate gas storage wells.		Gross	\$11,312,600	\$370,000
<u>House</u> concurs.		IDG	0	220,000
Senate provides funding increase without additional FTE positions.		Federal	0	150,000
		Restricted	6,901,100	0
		GF/GP	\$4,411,500	\$0
14. Scrap Tire Grants		Gross	\$6,500,000	(\$3,000,000)
<u>Executive</u> reduces scrap tire grant funding from the Scrap Tire Regulatory Fund by \$3.0 million to reflect available restricted revenue. These grants fund the removal of scrap tires from public lands.		Restricted	6,500,000	(3,000,000)
<u>House</u> and <u>Senate</u> concur.		GF/GP	\$0	\$0
15. Removal of FY 2020-21 One-Time Funding		Gross	\$5,560,000	(\$5,560,000)
<u>Executive</u> removes \$5.6 million GF/GP for one-time programs included in the FY 2019-20 budget. Programs included the Blanchard Dam study, Cooperative Lakes Monitoring, Madison Heights Environmental Cleanup, Lead and Copper Rule Support, Michigan Geological Survey, Multistate Aquifer Study, Parchment Water Treatment Plant Project, and Watershed Council Grants.		GF/GP	\$5,560,000	(\$5,560,000)
<u>House</u> and <u>Senate</u> concur.				
16. Renewing Michigan's Environment Program		FTE	128.0	0.0
<u>Executive</u> transfers 10.0 FTE positions to Land and Water Interface Permit Programs and 4.0 FTE positions to the NPDES Nonstormwater Program to meet departmental personnel needs.		Gross	\$70,060,200	\$0
<u>House</u> and <u>Senate</u> do not transfer.		Restricted	70,060,200	0
		GF/GP	\$0	\$0
17. Economic Adjustments		Gross	NA	(\$923,600)
<u>Executive</u> reflects decreased costs of \$923,600 Gross (\$183,500 GF/GP) for negotiated salary and wage increases (2.0% on October 1, 2021 and 1.0% on April 1, 2022), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.		IDG	NA	(12,800)
<u>House</u> concurs but excludes increased building occupancy charges within Property Management.		Federal	NA	(233,800)
<u>Senate</u> concurs with Executive.		Private	NA	(1,600)
		Restricted	NA	(491,900)
		GF/GP	NA	(\$183,500)
18. Unclassified Salaries		FTE	6.0	0.0
<u>House</u> reduces funding for Unclassified Salaries by \$680,300 Gross (\$175,700 GF/GP) and 5.0 unclassified FTE positions.		Gross	\$828,600	(\$25,100)
<u>Senate</u> reduces funding by \$25,100 Gross (\$6,500 GF/GP) to negate economic adjustments included by Executive.		IDG	6,400	(100)
		Restricted	606,500	(18,500)
		GF/GP	\$214,100	(\$6,500)

<u>Major Budget Changes from FY 2020-21 YTD Appropriations</u>		<u>FY 2020-21 Year-to-Date (as of 2/11/21)</u>	<u>FY 2021-22 Senate Change</u>
19. Property Management	Gross	\$8,557,900	\$0
<u>House</u> reduces funding for Property Management by \$847,500 Gross (\$220,700 GF/GP) to decrease support for facility rents and building occupancy charges.	IDG	66,500	0
<u>Senate</u> does not reduce funding.	Private	16,200	0
	Restricted	6,275,900	0
	GF/GP	2,199,300	\$0
20. Dam Safety Grant Program	Gross	NA	\$0
<u>House</u> provides \$1.0 million GF/GP to establish grants to address imminent threats or significant risks at publicly-owned or privately-owned dams.	GF/GP	NA	\$0
<u>Senate</u> does not provide.			
21. Funding Swap – Land and Water Interface Permit Programs	FTE	84.0	0.0
<u>House</u> decreases GF/GP and increases funding from land and water permit fees that support programs in flood response, dam safety, construction permitting, and great Lakes Shorelands.	Gross	\$12,649,600	\$0
<u>Senate</u> does not swap.	IDG	1,338,700	0
	Federal	2,099,100	0
	Restricted	2,410,300	0
	GF/GP	\$6,801,500	\$0
22. PFAS and Emerging Contaminants (one-time)	Gross	NA	\$0
<u>House</u> provides funding for grants to drinking water systems for PFAS contaminant remediation or alternate water system connection costs.	GF/GP	NA	\$0
<u>Senate</u> does not provide.			
23. Water Use Advisory Council Recommendations (one-time)	Gross	NA	\$5,200,000
<u>Senate</u> provides funding to implement recommendations made by the Water Use Advisory Council.	GF/GP	NA	\$5,200,000

Major Boilerplate Changes from FY 2020-21

Sec. 206. Disciplinary Action Against State Employees – RETAINED

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs, unless communication is prohibited by law.

Executive deletes, House and Senate retain.

Sec. 209. GF/GP Lapse – REVISED

Requires report of estimated GF/GP appropriation lapses at close of previous year.

Executive and Senate revise due date to December 31.

House retains November 30 due date.

Sec. 210. Contingency Fund Transfer Authority – DELETED

Provides authority for contingency authority transfers of up to \$3.0 million restricted; authorizes expenditure after legislative transfer to specific line items.

Executive revises contingency authority to \$30.0 million federal, \$5.0 million restricted, and \$500,000 private.

House retains.

Senate deletes.

Sec. 215. Businesses in Economically Deprived or Depressed Communities – DELETED

Requires director to take reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts.

Senate deletes.

Sec. 216. FTE Vacancies and Remote Work Report – RETAINED

Requires department to report quarterly on the number of FTE positions filled, FTE vacancies, the number of employees working remotely, the number of employees authorized to work remotely, estimated cost savings from remote work, and reduction in office space due to working remotely.

Executive deletes, House and Senate retain.

Major Boilerplate Changes from FY 2020-21

Sec. 217. *Expending Available Work Project Authorization* – RETAINED

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended.

Executive deletes, House and Senate retain.

Sec. 218. *State Administrative Board Transfers* – RETAINED

Authorizes legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers appropriated funds.

Executive deletes, House and Senate retain.

Sec. 219. *Receipt and Retention of Reports* – RETAINED

Requires department to receive and retain copies of all reports.

Executive deletes, House and Senate retain.

Sec. 220. *Report on Policy Changes Made to Implement Public Acts Affecting Department* – DELETED

Requires the department to report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year by April 1.

Executive and Senate delete, House retains.

Sec. 221. *Rule Promulgation* – RETAINED

Requires report on any policy changes made to implement a public act; prohibits department from adopting a rule that applies to a small business if it has a disproportionate economic impact.

Executive deletes, House and Senate retain.

Sec. 225. *Severance Reporting* – DELETED

Requires the department to report details of severance pay for certain departmental employees.

House adds new section, Senate does not.

Sec. 226. *COVID-19 Vaccine Disclosure* – DELETED

Prohibits state officials from requiring COVID-19 vaccine disclosure as a condition of receiving state services or developing a vaccine passport.

House adds new section, Senate does not.

Sec. 237. *Employee Legal Costs Related to Drinking Water Declaration of Emergency* – RETAINED

Requires department to be responsible for payment of current and former department employees' legal costs from legal actions taken related to drinking water declaration of emergency.

Executive deletes, House and Senate retain.

Sec. 301. *Laboratory Services Revenue Carryforward* – DELETED

Authorizes carryforward of unspent interdepartmental laboratory revenue.

Senate deletes.

Sec. 302. *Contaminated Site Investigations Staffing Costs* – DELETED

Limits the department to expending not more than 1% of Contaminated Site Investigations appropriation on staffing costs.

House adds new section, Senate does not.

Sec. 303. *Contaminated Site Investigations Cleanup Site List* – DELETED

Requires list of cleanup sites addressed by Contaminated Site Investigations for the new fiscal year and closed sites from the preceding fiscal year.

House adds new section, Senate does not.

Sec. 305. *Refined Petroleum Fund Repayment* – RETAINED

Expresses legislative intent to restore \$70.0 million Refined Petroleum Fund transferred to General Fund in FY 2006-07.

Executive deletes, House and Senate retain.

Sec. 306. *Refined Petroleum Fund Cleanup Site List* – RETAINED

Requires list of cleanup sites addressed by Refined Petroleum Product Cleanup Program for the new fiscal year and closed sites from the preceding fiscal year.

Executive deletes, House and Senate retain.

Major Boilerplate Changes from FY 2020-21

Sec. 308. Work Projects – Emergency Cleanup Actions and Refined Petroleum Product Cleanup Program – REVISED

Authorizes unexpended funds appropriated for Emergency Cleanup Actions and Refined Petroleum Product Cleanup Program to be considered work project appropriations and carried forward into succeeding fiscal year; program will perform contaminated site cleanups. Revised to add funds appropriated for Emergency Cleanup Support.

Executive revises, House and Senate concur.

Sec. 312. Work Project – Environmental Cleanup Support – NEW

Authorizes unexpended funds appropriated for Environmental Cleanup Support to be considered work project appropriations and carried forward into succeeding fiscal year; program will perform contaminated site cleanup at former Premcor Refining Group gas station sites.

Executive adds new section, House and Senate concur.

Sec. 401. Land and Water Interface Permit Programs Dam Safety Earmark – REVISED

Earmarks \$350,000 and 2.0 FTE positions from Land and Water Interface Permit Programs for Dam Safety Programs.

Executive and Senate revise to exclude FTE positions earmark, House retains.

Sec. 402. Dam Safety Grant Program – DELETED

Directs expenditure of the dam safety grant program for projects to mitigate risky dams, requires annual report on program.

House adds new section, Senate does not.

Sec. 902. Scrap Tire Grants Earmark – DELETED

Earmarks \$3.0 million from Scrap Tire Grants for a project in Alpena.

Executive deletes, House and Senate concur.

Sec. 1004. Dam Safety Emergency Fund – DELETED

Requires annual report on activities of the fund.

House adds new section, Senate does not.

Sec. 1005. Private Well Testing – REVISED

Directs expenditure if funding becomes available for private well testing to local health departments to provide water testing to private well owners; requires report on expenditures.

Executive deletes, House concurs.

Senate revises by removing "if funding becomes available" qualifier.

Sec. 1005. Work Project – Dam Safety Emergency Fund – DELETED

Authorizes unexpended funds appropriated for Dam Safety Emergency Fund to be considered work project appropriations and carried forward into succeeding fiscal year; program will address risks and threats to dam safety.

Executive adds new section, House concurs.

Senate does not add new section.

Sec. 1006. Blanchard Dam Bond Inspection and Repair Needs Study – DELETED

Directs expenditure of funding for the Blanchard Dam bond inspection and repair needs study to conduct a study of repair needs and for inspection at Blanchard Dam in Isabella County.

Executive deletes, House and Senate concur.

Sec. 1006. High Water Emergency Infrastructure Grants – NEW

Directs expenditure of funding for High Water Infrastructure Grants for grants to local communities for severe weather; caps individual grants at \$1.0 million and requires a 20% match.

Senate adds new section.

Sec. 1007. Cooperative Lakes Monitoring Program – RETAINED

Directs expenditure of funding for Cooperative Lakes Monitoring Program to continue the program, which helps volunteers monitor local lake water quality and document changes over time.

Executive deletes, House concurs.

Senate retains.

Sec. 1008. Environmental Cleanup Project (One-Time) – DELETED

Directs expenditure of funding for environmental cleanup project to support demolition costs of an electroplating services building in Madison Heights.

Executive deletes, House and Senate concur.

Major Boilerplate Changes from FY 2020-21

Sec. 1008. PFAS and Emerging Contaminants (One-Time) – DELETED

Directs expenditure of funding for grants to drinking water systems for PAS contaminant remediation or alternate water system connection costs; requires report on expenditures.

House adds new section, Senate does not.

Sec. 1008. Prior Grant Awards Not Disqualifying Applicants – NEW

Prevents grant recipients from being disqualified for future grant awards on account of receiving previous grant awards.

Senate adds new section.

Sec. 1009. Lead and Copper Rule Support – DELETED

Directs expenditure of funding for lead and copper rule support for water line replacement in the City of Clare (\$2.5 million) and the City of Burton (\$250,000).

Executive deletes, House and Senate concur.

Sec. 1009. Dam Safety Action Fund – NEW

Directs expenditure of funding for Dam Safety Action Fund to remediate orphan dams (\$3.0 million) and to award dam safety grants for remediation (\$12.0 million); designates appropriation as a work project; requires annual report on program.

Senate adds new section.

Sec. 1010. Michigan Geological Survey – DELETED

Directs expenditure of funding for Michigan Geological Survey to support basic and applied geological research at Western Michigan University and designates funding as a work project account.

Executive deletes, House and Senate concurs.

Sec. 1011. Multistate Aquifer Study – DELETED

Directs expenditure of funding for multistate aquifer study for a study of the Michindoh Aquifer in Michigan, Indiana, and Ohio and designates funding as a work project account.

Executive deletes, House and Senate concur.

Sec. 1011. Michigan Water Use Advisory Council Recommendations – NEW

Directs expenditure of funding for Michigan Water Use Advisory Council and designates appropriation as a work project.

Senate adds new section.

Sec. 1012. Water Treatment Plant Project – DELETED

Directs expenditure of funding for water treatment plant project for contamination remediation at a water treatment plant in Parchment.

Executive deletes, House and Senate concur.

Sec. 1013. Watershed Council Grants – RETAINED

Directs expenditure of funding for watershed council grants for grants to watershed councils for education, administration, and conservation efforts; caps individual grants at \$40,000; requires report on grant recipients and grant amounts by April 1.

Executive deletes, House concurs.

Senate retains.