

**FY 2021-22: DEPARTMENT OF ENVIRONMENT,  
GREAT LAKES, AND ENERGY**  
Summary: As Reported by House Subcommittee  
House Bill 4397 (H-1)



Analyst: Austin Scott

	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: House From FY 2020-21 YTD	
						Amount	%
<b>IDG/IDT</b>	\$3,337,700	\$3,544,900	\$885,900	\$	\$	(\$2,451,800)	(73.5)
<b>Federal</b>	171,973,000	171,889,200	42,972,300			(129,000,700)	(75.0)
<b>Local</b>	0	0	0			0	--
<b>Private</b>	1,412,800	1,411,200	352,700			(1,060,100)	(75.0)
<b>Restricted</b>	275,191,800	600,471,200	76,076,300			(199,115,500)	(72.4)
<b>GF/GP</b>	59,443,900	128,700,400	35,316,000			(24,127,900)	(40.6)
<b>Gross</b>	<b>\$511,359,200</b>	<b>\$906,016,900</b>	<b>\$155,603,200</b>	<b>\$</b>	<b>\$</b>	<b>(\$355,756,000)</b>	<b>(69.6)</b>
<b>FTEs</b>	1,424.0	1,466.0	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**

<b>FY 2020-21 Year-to-Date (as of 2/11/21)</b>	<b>FY 2021-22 House Change</b>
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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.

<b>Gross</b>	<b>NA</b>	<b>\$0</b>
GF/GP	NA	\$0

**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 does not include.

<b>Gross</b>	<b>NA</b>	<b>\$0</b>
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 concurs.

<b>Gross</b>	<b>NA</b>	<b>\$15,000,000</b>
GF/GP	NA	\$15,000,000

**4. MI Clean Water Plan (One-Time)**

Executive 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).

House does not appropriate.

<b>Gross</b>	<b>NA</b>	<b>\$0</b>
Restricted	NA	0
GF/GP	NA	\$0

<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 House Change</u>
<b>5. Fee Increase – Land and Water Interface Permit Programs</b>	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.	<b>Gross</b>	<b>\$12,649,600</b>	<b>\$0</b>
<u>House</u> does not concur.	IDG	1,338,700	0
	Federal	2,099,100	0
	Restricted	2,410,300	0
	GF/GP	\$6,801,500	\$0
<b>6. Fee Increase – Surface Water and Environmental Health</b>	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.	<b>Gross</b>	<b>NA</b>	<b>\$0</b>
<u>House</u> does not concur.	Restricted	NA	0
	GF/GP	NA	\$0
<b>7. Fee Increase – NPDES Nonstormwater Program</b>	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.	<b>Gross</b>	<b>\$13,685,200</b>	<b>\$0</b>
<u>House</u> does not concur.	Federal	6,902,400	0
	Restricted	4,305,100	0
	GF/GP	\$2,477,700	\$0
<b>8. Fee Increase – Hazardous Waste Management Program</b>	<b>Gross</b>	<b>\$5,851,200</b>	<b>\$0</b>
<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> does not concur.	Restricted	3,520,800	0
	GF/GP	\$0	\$0
<b>9. Environmental Cleanup Support – Premcor Settlement</b>	<b>Gross</b>	<b>\$1,000,000</b>	<b>\$29,300,000</b>
<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> concurs.	GF/GP	\$0	\$0
<b>10. Laboratory Services</b>	FTE	39.0	3.0
<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.	<b>Gross</b>	<b>\$6,995,400</b>	<b>\$1,450,000</b>
<u>House</u> concurs.	Restricted	6,995,400	1,450,000
	GF/GP	\$0	\$0
<b>11. Brownfield Grants</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,100,000</b>
<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> concurs.	GF/GP	NA	\$0

		FY 2020-21 Year-to-Date (as of 2/11/21)	FY 2021-22 House Change
<b>Major Budget Changes from FY 2020-21 YTD Appropriations</b>			
<b>12. Environmental Support Projects</b>	<b>Gross</b>	<b>\$5,000,000</b>	<b>\$1,000,000</b>
<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> concurs.	GF/GP	\$0	\$0
<b>13. Oil, Gas, and Mineral Services</b>	FTE	57.0	2.0
<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.	<b>Gross</b>	<b>\$11,312,600</b>	<b>\$370,000</b>
<u>House</u> concurs.	IDG	0	220,000
	Federal	0	150,000
	Restricted	6,901,100	0
	GF/GP	\$4,411,500	\$0
<b>14. Scrap Tire Grants</b>	<b>Gross</b>	<b>\$6,500,000</b>	<b>(\$3,000,000)</b>
<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> concurs.	GF/GP	\$0	\$0
<b>15. Removal of FY 2020-21 One-Time Funding</b>	<b>Gross</b>	<b>\$5,560,000</b>	<b>(\$5,560,000)</b>
<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> concurs.			
<b>16. Renewing Michigan's Environment Program</b>	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.	<b>Gross</b>	<b>\$70,060,200</b>	<b>\$0</b>
<u>House</u> does not transfer.	Restricted	70,060,200	0
	GF/GP	\$0	\$0
<b>17. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>(\$765,700)</b>
<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	(11,600)
<u>House</u> concurs but excludes increased building occupancy charges within Property Management.	Federal	NA	(233,800)
	Private	NA	(1,300)
	Restricted	NA	(376,500)
	GF/GP	NA	(\$142,500)
<b>18. Unclassified Salaries</b>	FTE	6.0	(5.0)
<u>House</u> reduces funding for Unclassified Salaries by \$680,300 Gross (\$175,700 GF/GP) and 5.0 unclassified FTE positions.	<b>Gross</b>	<b>\$828,600</b>	<b>(\$680,300)</b>
	IDG	6,400	0
	Restricted	606,500	(504,600)
	GF/GP	\$214,100	(\$175,700)
<b>19. Property Management</b>	<b>Gross</b>	<b>\$8,557,900</b>	<b>(\$847,500)</b>
<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
	Private	16,200	0
	Restricted	6,275,900	(627,500)
	GF/GP	2,199,300	(\$220,000)
<b>20. Dam Safety Grant Program</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
<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	\$1,000,000

<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 House Change</u>
<b>21. Funding Swap – Land and Water Interface Permit Programs</b>	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.	<b>Gross</b>	<b>\$12,649,600</b>	<b>\$0</b>
	IDG	1,338,700	0
	Federal	2,099,100	0
	Restricted	2,410,300	1,000,000
	GF/GP	\$6,801,500	(\$1,000,000)
<b>22. PFAS and Emerging Contaminants (one-time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$25,000,000</b>
<u>House</u> provides funding for grants to drinking water systems for PFAS contaminant remediation or alternate water system connection costs.	GF/GP	NA	\$25,000,000

**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 retains.

**Sec. 209. GF/GP Lapse – RETAINED**

Requires report of estimated GF/GP appropriation lapses at close of previous year.  
Executive revises due date to December 31, House retains November 30 due date.

**Sec. 210. Contingency Fund Transfer Authority – RETAINED**

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.

**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 retains.

**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 retains.

**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 retains.

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

Requires department to receive and retain copies of all reports.  
Executive deletes, House retains.

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

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 deletes, 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 retains.

**Sec. 225. Severance Reporting – NEW**

Requires the department to report details of severance pay for certain departmental employees.  
House adds new section.

## **Major Boilerplate Changes from FY 2020-21**

### **Sec. 226. COVID-19 Vaccine Disclosure – NEW**

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.

### **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 retains.

### **Sec. 302. Contaminated Site Investigations Staffing Costs – NEW**

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

House adds new section.

### **Sec. 303. Contaminated Site Investigations Cleanup Site List – NEW**

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.

### **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 retains.

### **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 retains.

### **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 concurs.

### **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 concurs.

### **Sec. 401. Land and Water Interface Permit Programs Dam Safety Earmark – RETAINED**

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

Executive revises to exclude FTE positions earmark, House retains.

### **Sec. 402. Dam Safety Grant Program – NEW**

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

House adds new section.

### **Sec. 902. Scrap Tire Grants Earmark – DELETED**

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

Executive deletes, House concurs.

### **Sec. 1004. Dam Safety Emergency Fund – NEW**

Requires annual report on activities of the fund.

House adds new section.

### **Sec. 1005. Private Well Testing – DELETED**

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.

## **Major Boilerplate Changes from FY 2020-21**

### **Sec. 1005. Work Project – Dam Safety Emergency Fund – NEW**

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.

### **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 concurs.

### **Sec. 1007. Cooperative Lakes Monitoring Program – DELETED**

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.

### **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 concurs.

### **Sec. 1008. PFAS and Emerging Contaminants (One-Time) – NEW**

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.

### **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 concurs.

### **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 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 concurs.

### **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 concurs.

### **Sec. 1013. Watershed Council Grants – DELETED**

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.