

Department of Environmental Quality

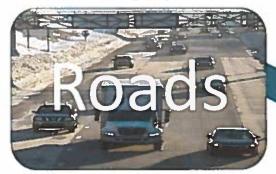
Liesl Clark, Director Amy Epkey, Deputy Director

March 14, 2019

House Natural Resources and Environmental Quality
Subcommittee on Appropriations



Road to Opportunity











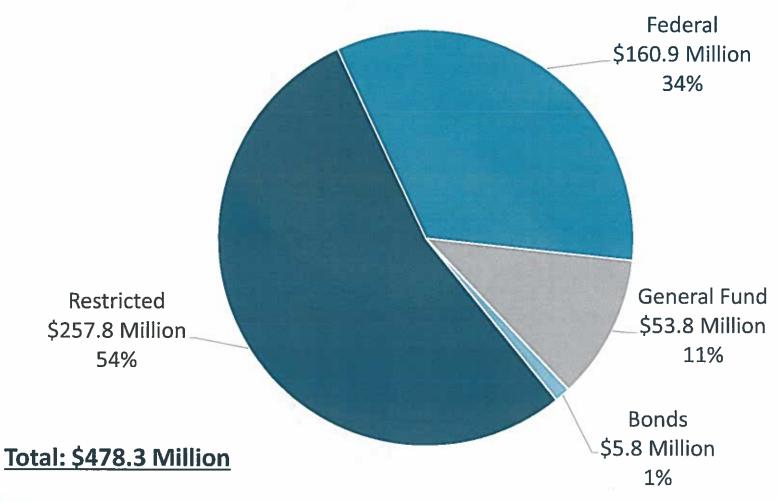








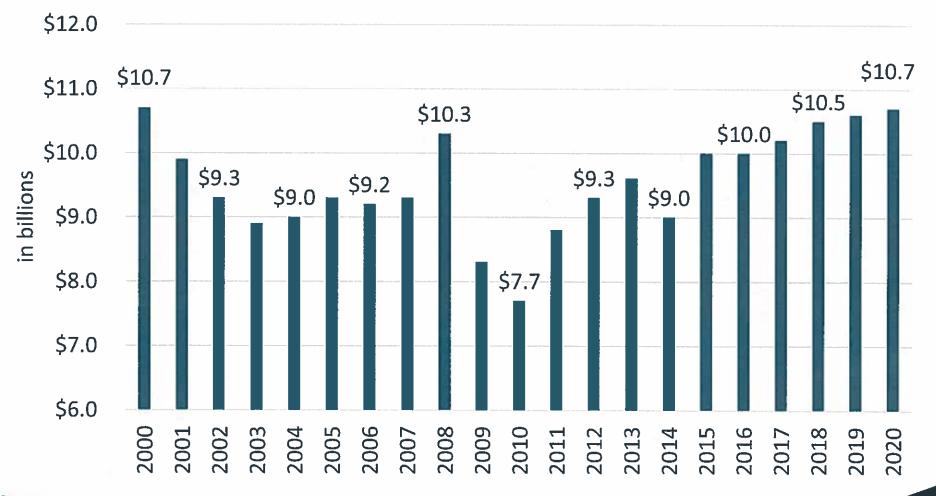
2020 DEQ Proposed Budget



5% Decrease from 2019



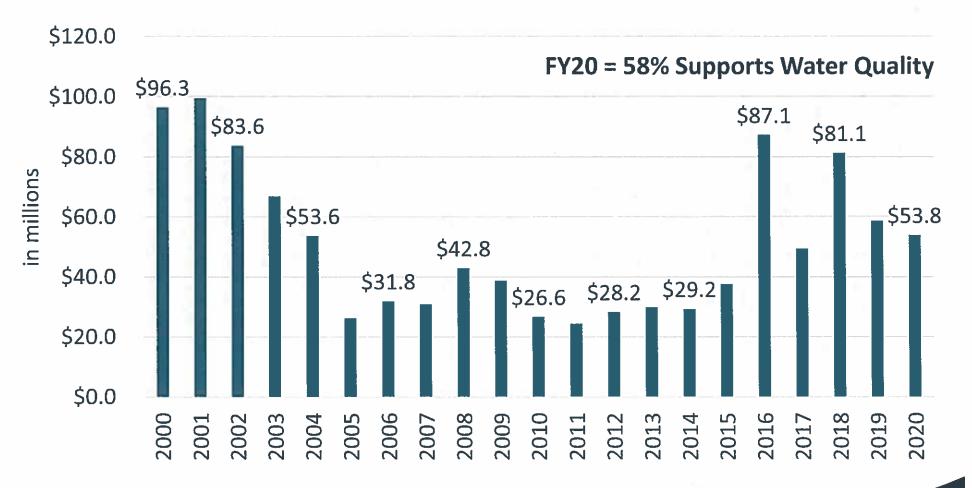
State General Fund Change



Same Level as 20 Years Ago



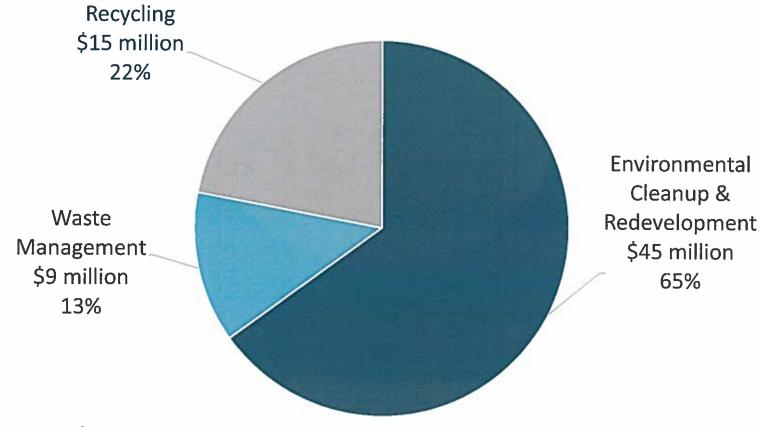
DEQ General Fund Change



44% Reduction in 20 Years



Renew Michigan's Environment Fund



Total: \$69 Million



Executive Budget Recommendation

- Addressing Fee Sunsets
- Enhancing Information Technology
- Providing Drinking Water Compliance Assistance
- Supporting Drinking Water Infrastructure Upgrades

Protecting the Environment and Public Health

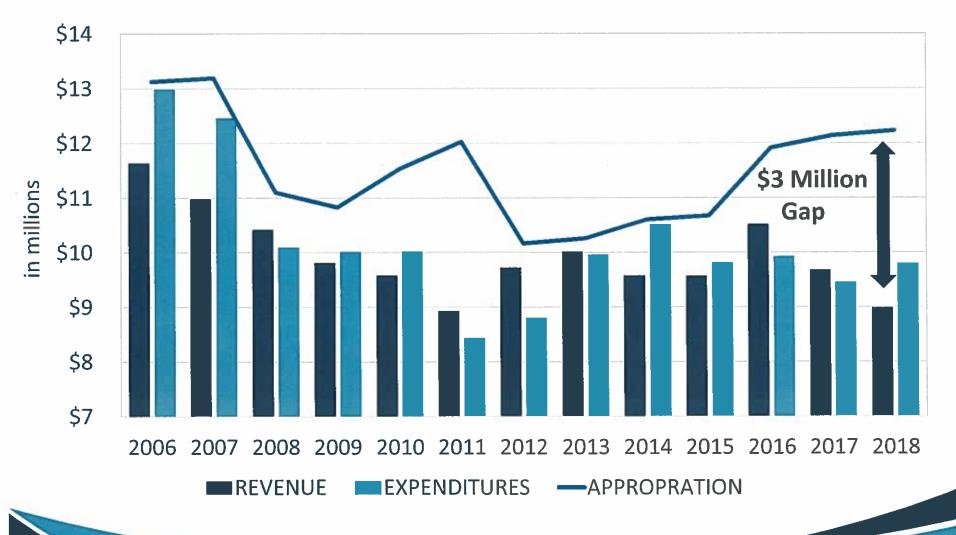


Sunsetting Fees

- 14 fees sunsetting by 2020
- Generates \$27 million in revenue
- Proposal
 - Maintain fee rates for 13 of 14 fees
 - Eliminate sunset dates for all sunsets (14 in 2020, 6 in future years)
 - Add economics adjustment every 3 years
 - Increase air fee to align revenue with appropriation level



Air Emissions Fee





Information Technology

- DTMB Information Technology Investment Fund (ITIF)
- Two projects selected for funding
 - Air quality program \$8.1 million
 - Water program \$1.7 million
- Projects modernize legacy systems and enhance service delivery

Information Technology for Air

- Michigan Air Reporting and Information System (MARIS)
- Consolidates 8 existing systems
- Enhances electronic communication with industry
- Creates public portal for data transparency





Information Technology for Water

- Enhancements to MiWaters web based system
- Improves accessibility of data to public
- Supports record retention process
- Improves security and assures compliance

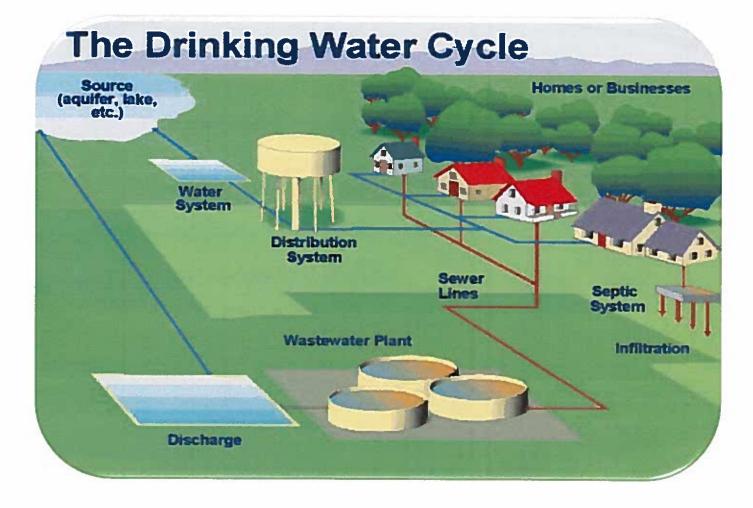




Drinking Water Compliance Assistance

- Enhanced lead and copper rule became effective June 2018
- Designed to protect public health by minimizing lead and copper in drinking water
- \$1.9 million and 10 FTE for FY20 to implement rule





Goal: Assure protection of public health by addressing water infrastructure needs.



2018 Lead Service Line Pilot Grant





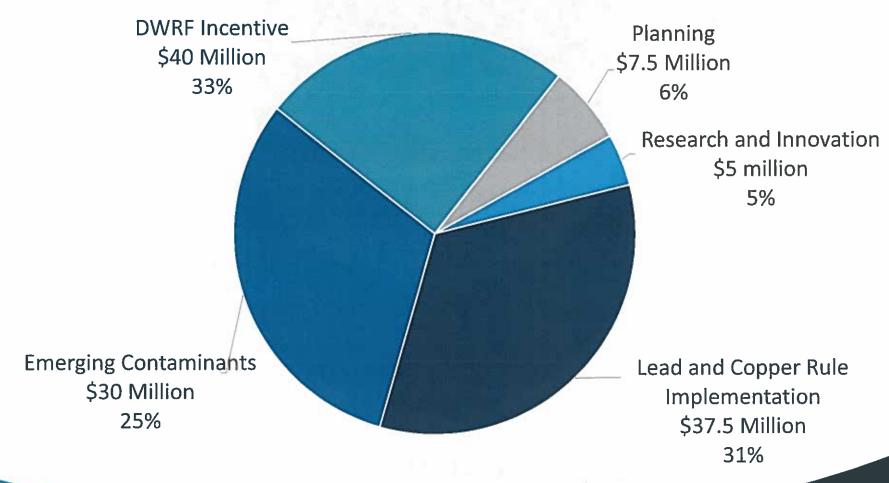
2019 Drinking Water Infrastructure Pilot Grant Program

- \$4 million grant program
- Supports private well connections to community systems for those impacted by PFAS
- Grants capped at \$2 million





Supplemental Request 2019-4 Drinking Water Infrastructure



Total: \$120 Million



Executive Order 2019-6

- Establishes Department of Environment, Great Lakes, and Energy (EGLE) effective April 22, 2019
- Transfers the Michigan Agency for Energy to EGLE
 - Budget: Portion of \$7.1 million budget
 - FTEs: Portion of 26 FTEs
- Transfers the Office of the Great Lakes to EGLE
 - Budget: \$12 million
 - FTEs: 23
- 2020 budget revision forthcoming



Moving Forward

- Continue water infrastructure pilot program and modify program based on lessons learned
- Ongoing coordination with stakeholders on air fee proposal
- Partner with LARA, DNR, and SBO on budget revision submission for Executive Order
- Continual protection of the environment and public health

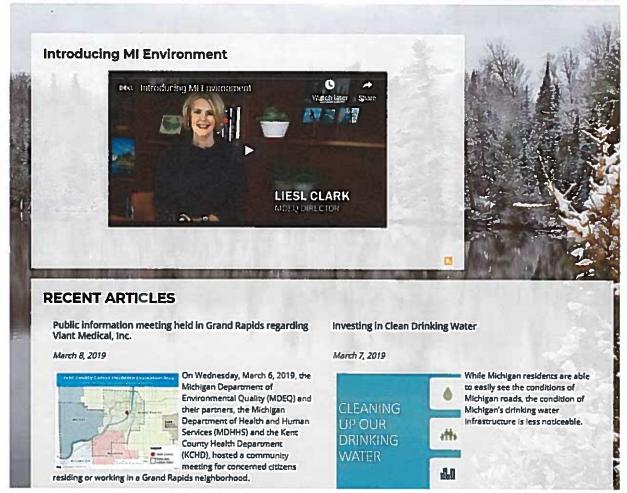


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Questions

