



Background Briefing

ENVIRONMENTAL QUALITY

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December 2014

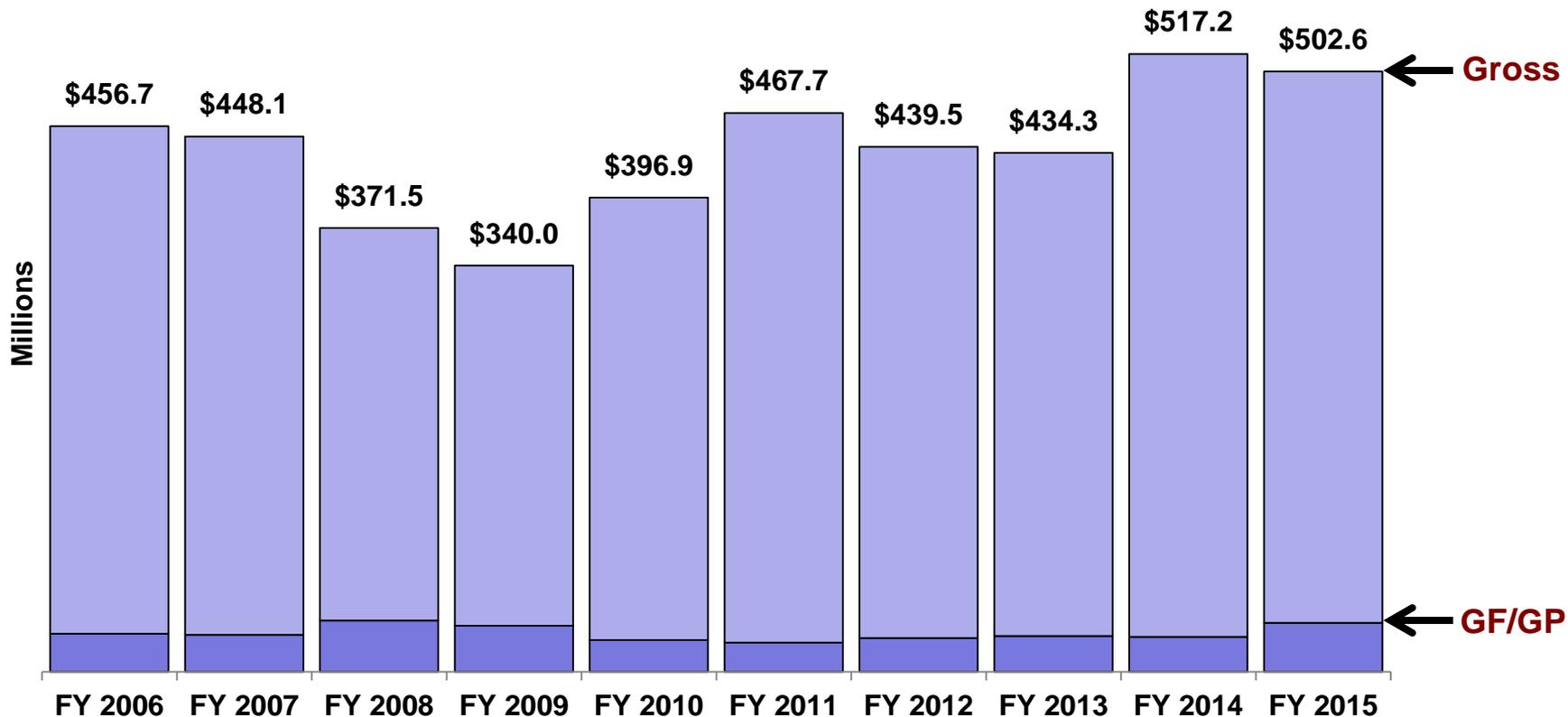
DEQ Program Areas

Major DEQ programs do the following:

- Administer cleanup and reuse of contaminated properties
- Protect water quality of surface waters and local water supplies
- Administer environmental protection programs and regulate disposal of hazardous and non-hazardous wastes and products
- Monitor and regulate air pollution emissions through air quality permits

DEQ: Gross Appropriations

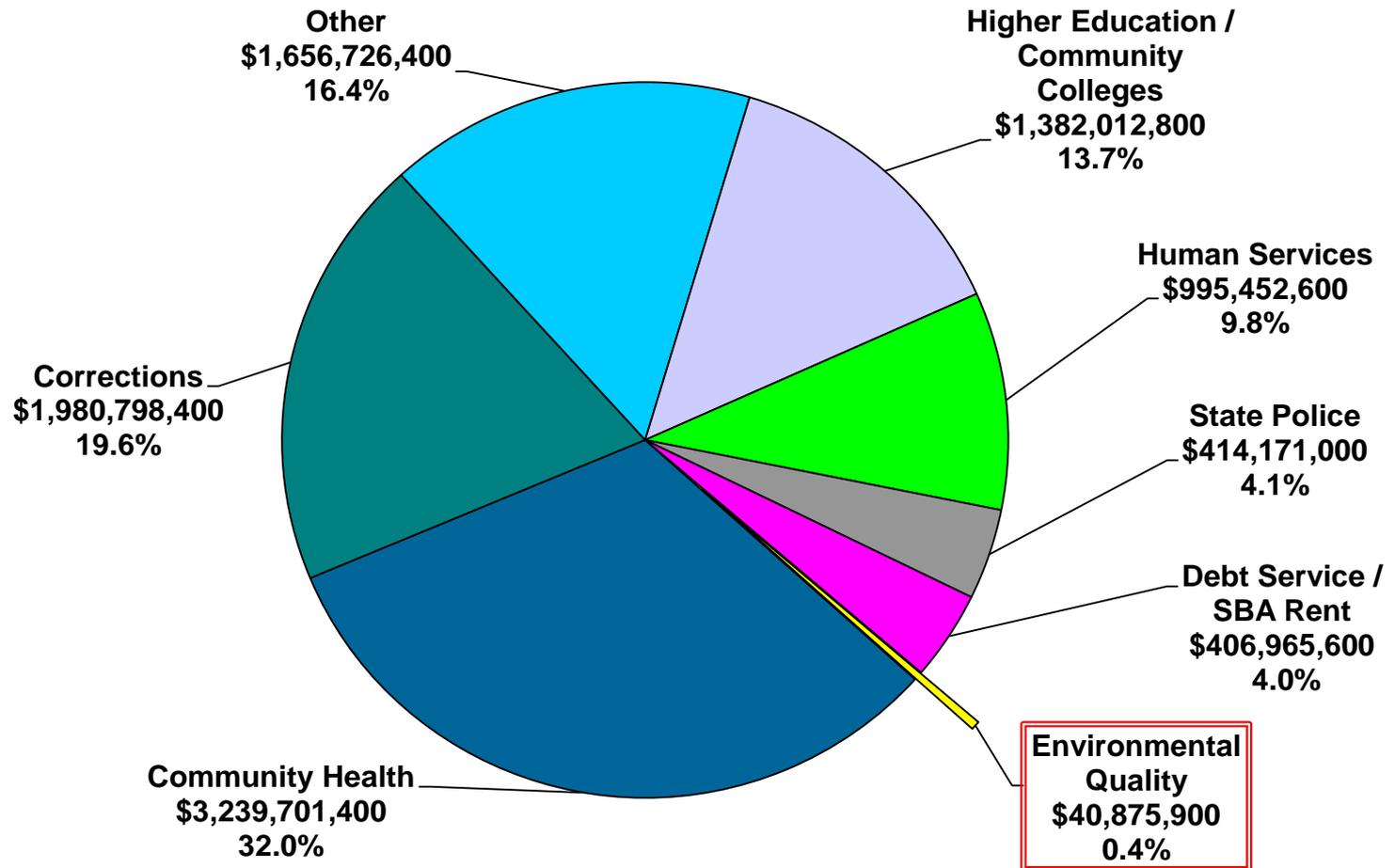
FY 2011 includes \$70.0 million in new SWQIF funding. FY 2014 and FY 2015 includes \$100.0 million in additional SWQIF funding (\$97.0 million for grants/loans and \$3.0 million for wetland mitigation banks).



DEQ Share of State GF/GP

DEQ makes up 0.4% of the total state GF/GP budget

FY 2014-15 GF/GP Total = \$10,116,704,100

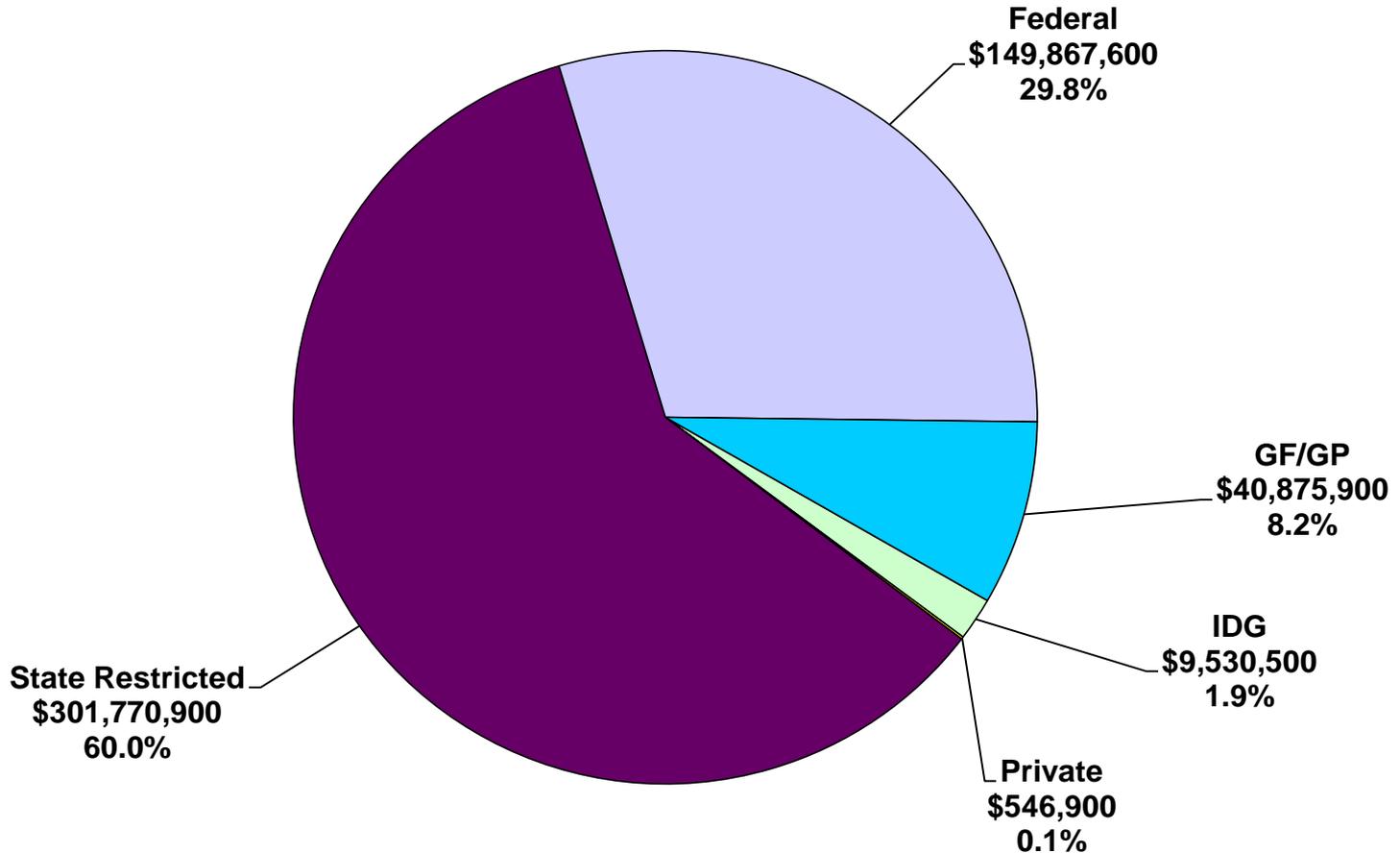


SOURCES OF FUNDING

DEQ Budget

State restricted funds and federal revenue represent 90% of funding in the DEQ budget.

FY 2014-15 Gross = \$502,591,800



DEQ APPROPRIATIONS

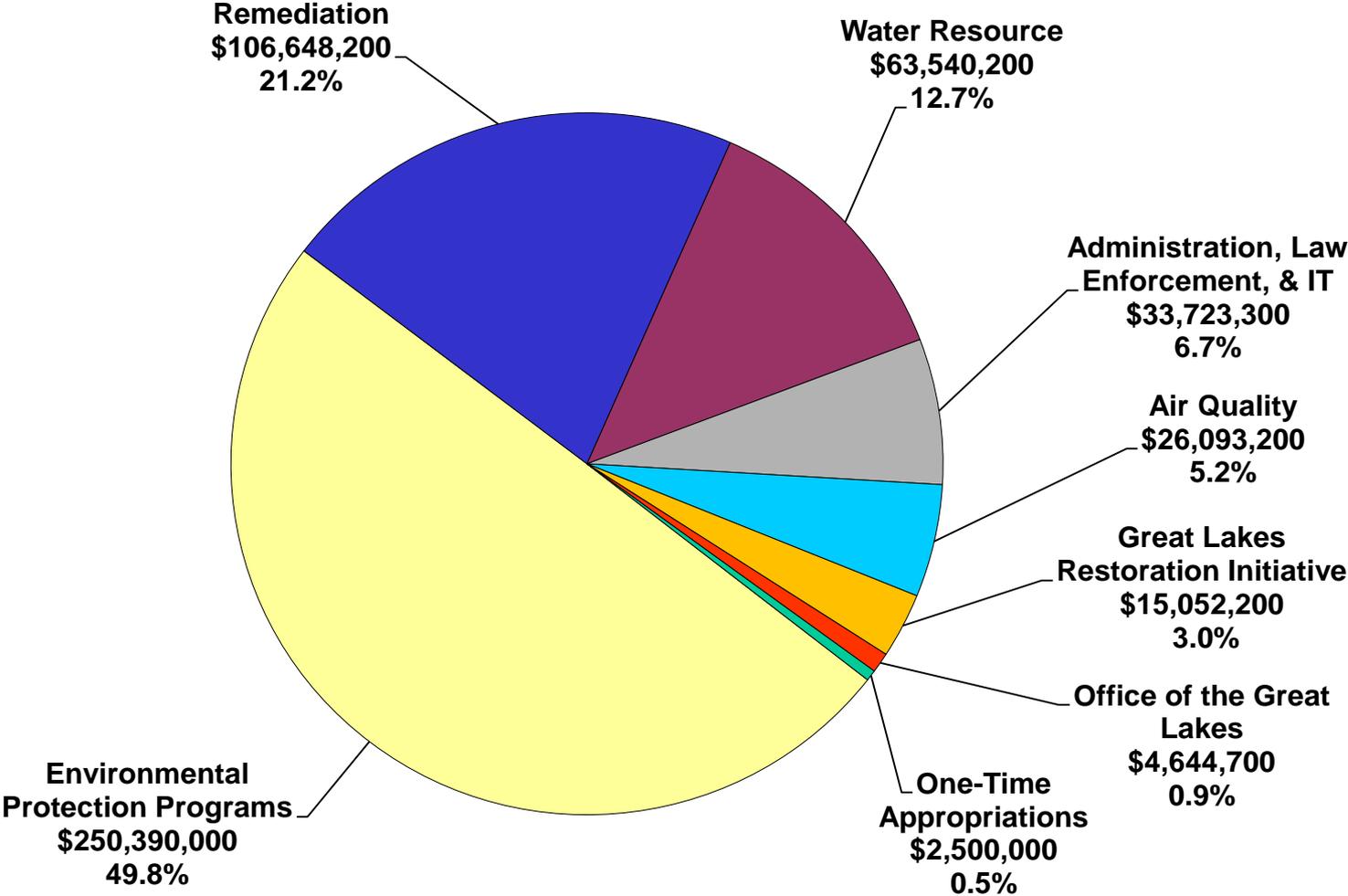
DEQ Appropriations

The DEQ budget is allocated into the following major spending areas:

- Administration/Law Enforcement/Information Technology
- Office of the Great Lakes
- Water Resource
- Air Quality
- Remediation (Environmental Cleanups)
- Environmental Protection Programs
- Great Lakes Restoration Initiative

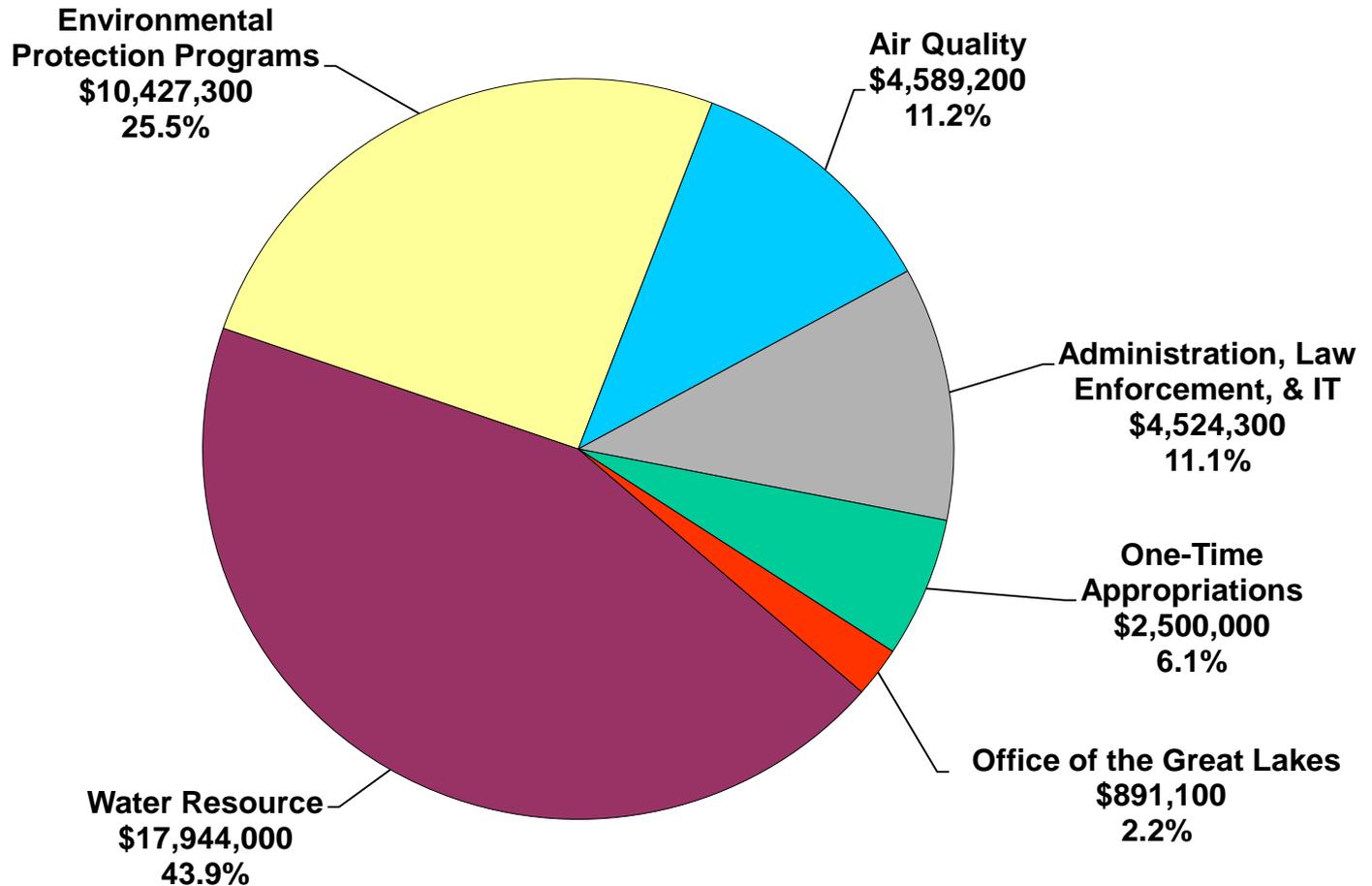
DEQ Appropriations

FY 2014-15 Gross = \$502,591,800



DEQ GF/GP Appropriations by Category

FY 2014-15 GF/GP = \$40,875,900



MAJOR BUDGET ISSUES

DEQ Major Programs

The DEQ budget supports the following major programs:

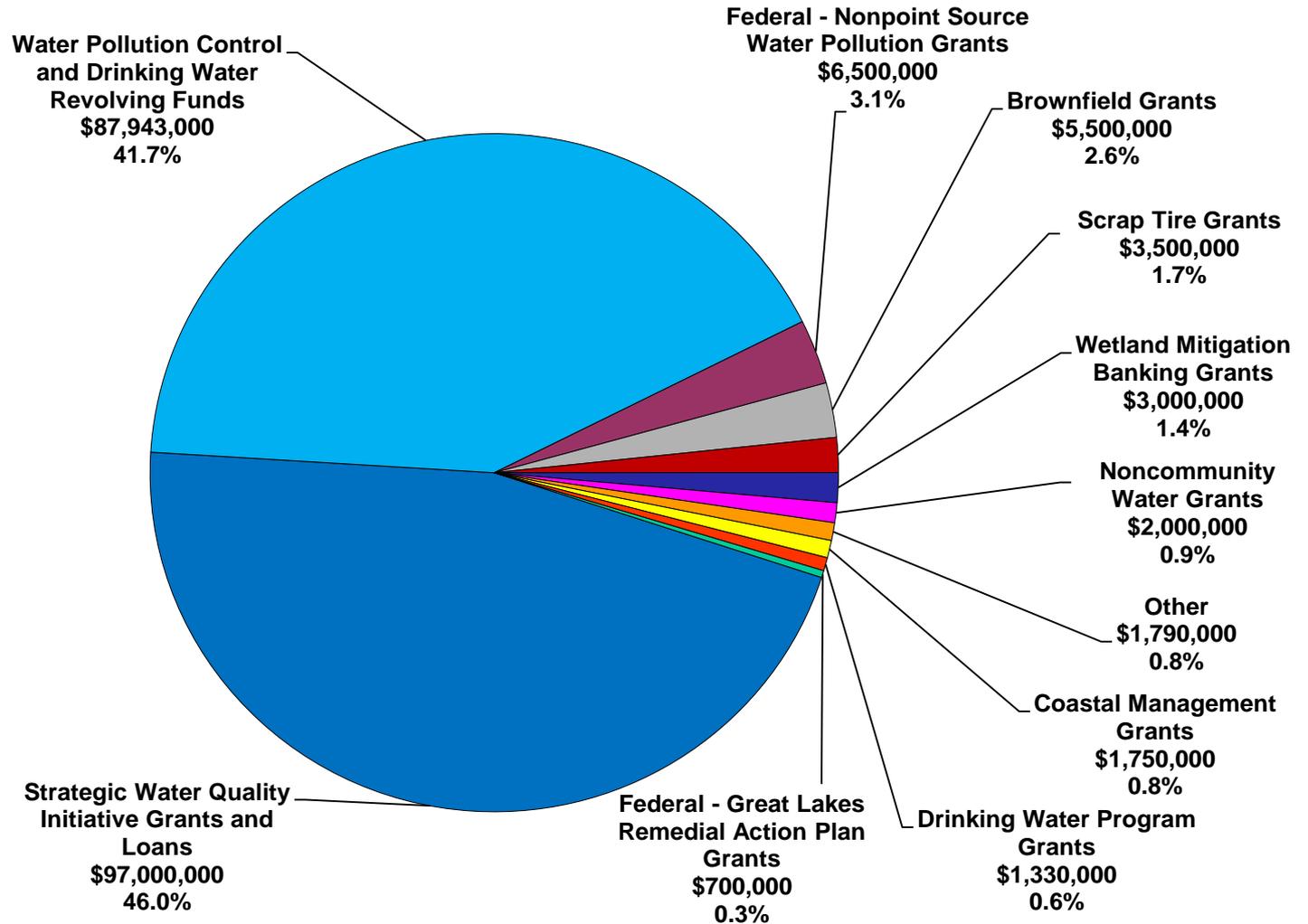
- **Office of the Great Lakes** – lead state agency for the policies and programs to protect and guide the management of the Great Lakes.
- **Surface Water** – protects the water quality of the state’s surface waters, issues permits for the discharge of industrial and municipal waste waters, inspects wastewater treatment facilities, and monitors large scale water withdrawals.
- **Air Quality** – protects the state’s air quality through monitoring air pollution emissions, inspecting emission sources, and issuing air quality permits.
- **Environmental Protection Programs** – regulates the disposal of hazardous and non-hazardous solid and liquid wastes, scrap tires, radioactive materials, and the land application of processed solid waste; provides grants and loans to local governments to improve sewage collection and treatment systems.
- **Environmental Cleanups** – promotes the cleanup and reuse of contaminated properties through response activities at contamination sites and funds the cleanup of leaking underground storage tanks.

DEQ Grants and Loan Programs

- The DEQ awards grants, administers loan programs and distributes payments to local units of government and nonprofit organizations.
- 41.8% of total department funding is distributed to communities and nonprofit organizations through these programs (\$209.8 million).
- There are 13 specific grant and/or loan programs. Of the \$209.8 million grant/loan program funding:
 - 46.2% is for the Strategic Water Quality Initiative grants and loans (\$97 million).
 - 41.9% of the funding is for the Water Pollution Control and Drinking Water Revolving Fund grants and loans which fund water pollution and drinking water capital projects (\$87.9 Million).
- The remaining grants fund pollution prevention programs, Great Lakes research, radon detection programs, septage waste transportation programs, and scrap tire removal.

DEQ Grant Programs

FY 2014-15 Gross = \$211,013,000



DEQ Revenue

- For FY 2014-15, the DEQ budget totals \$502.6 million. Of that amount, only 8.1% is GF/GP funding (\$40.9 million).
- From FY 1999-2000 to FY 2014-15, GF/GP funding has decreased by 57.5%: from \$96.3 million to \$40.9 million.
- 60% of funding is from state restricted revenue, mainly license and permit fees and state bond proceeds.
- The largest restricted fund appropriation is from the Strategic Water Quality Initiatives Fund (SWQIF) – \$116.2 million. The SWQIF receives revenue generated from the sale of bond issues under the Great Lakes Water Quality Bond.
- The second largest restricted fund appropriation is from the Refined Petroleum Fund (RFP) – \$53.6 million. The RFP receives a fee of 7/8th of one cent for each gallon of refined petroleum sold in the state.

New Programs FY 2014-15

- Water Quality and Usage Initiative
 - \$3,977,200
 - GF/GP
 - Water use assessment tool
 - Permit process improvements
 - Real-time beach monitoring
- Statewide Recycling Initiative
 - \$1,000,000
 - GF/GP
 - Education and outreach
 - Technical assistance to counties
 - Developing a measurement system
- Electronic Document Management
 - \$2,500,000
 - GF/GP
 - One-time basis only appropriation
 - Improve record keeping efficiency
 - Improved customer service

Fee Sunsets FY 2015-16

The DEQ fees listed below are scheduled to sunset in calendar year 2015.

Fee Title	Fee Amount	Sunset	Annual Rev.
Sewer Expedited Permit	\$1,000 to \$4,000 depending on the activity	9/30/15	\$ 31,800
Air Emissions Fees	\$250 to \$356,000 based on air emission levels	10/1/15	\$ 9,600,000
Solid Waste Surcharge	12 cents per cubic yard; captive facilities \$500 - \$3,000 annually	10/1/15	\$ 5,300,000
Electronic Device Manufacturer's Registration	\$3,000 per year until the fund reaches \$600,000 at which time no fee is charged	10/1/15	\$ 230,000
Electronic Device Recycler Registration	\$2,000 per year	10/1/15	\$ 50,000
Groundwater Discharge Permit	\$200 - \$3,650 permit fee	10/1/15	\$ 1,190,000
Surface Water Discharge Permit	\$75 - \$213,000 permit fee	10/1/15	\$ 2,816,800
Stormwater Discharge Fee	\$260 - \$7,000 based on population	10/1/15	\$ 1,625,100
Ordinary High Water Mark Establishment	\$500 service fee		
Floodplain Application Fee	\$100 - \$500 application fee plus \$1,500 hydraulic review fee		
Submerged Lands Application Fees	\$50 - \$2,000 permit fee	10/1/15	\$ 2,100,000
Great Lakes Shoreline Permits	\$50 - \$500 permit fee		
Pre-application Meeting	\$100 - \$1,000 fee		
Inland Lakes and Streams Application Fee	\$50 - \$2,000 permit fee		
Tire Disposal Surcharge	\$1.50 per certificate of title (collected by Secretary of State)	12/31/15	\$ 4,200,000
Data source: Department of Environmental Quality			FY 2016 Sunsets \$ 27,143,700

**For more information about the
Environmental Quality budget, contact:**

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