

MEMORANDUM



**DATE:** 2/5/2018  
**TO:** Interested parties  
**FROM:** Austin Scott, Fiscal Analyst  
**RE:** Clean Michigan Initiative

The following information provides background and financial information concerning the Clean Michigan Initiative which is partly administered by the Department of Environmental Quality (DEQ).

**Clean Michigan Initiative (CMI)**

In 1998, Michigan voters approved a \$675.0 million general obligation bond, the Clean Michigan Initiative (CMI), to fund environmental, health, and natural resources protection programs. The Michigan Constitution stipulates that a general obligation bond may be issued if approved by two-thirds of the Legislature and a majority of voters. Of the \$675.0 million approved for the CMI, \$570.0 million is earmarked for environmental protection and clean-up programs overseen by the Department of Environmental Quality (DEQ). \$100.0 million of the funding is dedicated for Natural Resources Protection programs overseen by the Department of Natural Resources (DNR). The remaining \$5.0 million is earmarked for health protection programs under the Department of Health & Human Services (DHHS).

By law, CMI bond proceeds are to be used as follows (MCL 324.19607):

<u>Environmental Protection Programs (DEQ):</u>	<u>Not More Than:</u>
Response activities at facilities	\$335.0 million
Waterfront improvements	50.0 million
Remediation of contaminated lake and river sediments	25.0 million
Nonpoint source pollution prevention and control projects or wellhead protection projects	50.0 million
Water quality monitoring, water resources protection, and Pollution control activities	90.0 million
Pollution prevention programs	20.0 million
 <u>Health Protection Programs (DHHS):</u>	
Abatement of lead hazards	5.0 million
 <u>Natural Resources Protection Programs (DNR):</u>	
State park infrastructure improvements	50.0 million
Local recreation projects	<u>50.0 million</u>
 TOTAL	 \$675.0 million

The DHHS and DNR portions have been exhausted. There are six CMI programs administered by the DEQ through its various divisions. Bond proceeds are required to be used for programs that would clean up and redevelop contaminated sites, protect and improve water quality, prevent pollution, abate lead contamination, reclaim and revitalize community waterfronts, enhance recreational opportunities, and clean up contaminated sediments in lakes, rivers, and streams. Table A illustrates these programs and their respective appropriations through FY 2017-18.

**Table A  
CMI programs in DEQ**

<b><u>Program</u></b>	<b><u>Authorization</u></b>	<b><u>Appropriated</u></b>	<b><u>Remaining</u></b>	<b><u>Description</u></b>
Response activities	\$335,000,000	\$335,000,000	\$0	Cleanup & redevelopment, Municipal landfill grants, Brownfield grants & loans
Waterfront improvements	50,000,000	49,999,669	331	Waterfront redevelopment grants
Contaminated sediments	25,000,000	25,000,000	0	Contaminated lake & river sediment program
Nonpoint source grants	50,000,000	42,754,352	7,245,648	Nonpoint source pollution control grants
Water quality	90,000,000	90,000,000	0	Water quality monitoring, water infrastructure grant programs, Conservation reserve enhancement
Pollution prevention	20,000,000	19,431,432	568,568	Retired engineer technical assistance, Small business pollution prevention loans, Household hazardous waste
<b>TOTALS</b>	<b>\$570,000,000</b>	<b>\$562,185,453</b>	<b>\$7,814,547</b>	

Source: Department of Environmental Quality

I hope you find this information helpful. If you have questions or need further clarification, feel free to contact me at 3-8080.