

**Summary: Executive Budget Recommendation  
for Fiscal Year 2025-26**

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, & ENERGY**



**Analyst: Austin Scott**

	FY 2024-25	FY 2025-26	Difference: FY 2025-26 vs. FY 2024-25	
	Year-to-Date as of 2/5/25	Executive	Amount	%
IDG/IDT	\$4,085,900	\$4,129,100	\$43,200	1.1
Federal	463,788,900	464,268,500	479,600	0.1
Local	0	0	0	--
Private	1,364,200	1,404,200	40,000	2.9
Restricted	309,149,300	420,631,500	111,482,200	36.1
GF/GP	260,710,300	296,389,800	35,679,500	13.7
<b>Gross</b>	<b>\$1,039,098,600</b>	<b>\$1,186,823,100</b>	<b>\$147,724,500</b>	<b>14.2</b>
FTEs	1,652.0	1,786.0	134.0	8.1

Note: 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.

<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>	<b>FY 2024-25 YTD (as of 2/5/25)</b>	<b>Executive Change from YTD</b>
<b>1. Fee Increase – Landfill Tipping Fee</b>	FTE NA	36.0
Provides \$80.0 million in state restricted funding and authorizes 36.0 new FTE positions from a proposed increase in the landfill tipping fee from \$0.36 per ton to \$5.00 per ton. New revenue would be expended for contaminated site remediation and redevelopment (\$40.7 million) and for material management programs (\$39.3 million and 36.0 FTE positions).	<b>Gross NA</b>	<b>\$80,000,000</b>
	Restricted NA	80,000,000
	GF/GP NA	\$0
<b>2. Fee Increase – Water Resources Division</b>	FTE NA	41.0
Appropriates \$7.3 million in state restricted funding and authorizes 41.0 new FTE positions from a proposed 300% increase in land and water permit fees and a proposed 40% increase in certain water fees. New revenue would be expended for permitting stormwater, wastewater, and shoreline permitting.	<b>Gross NA</b>	<b>\$7,312,300</b>
	Restricted NA	7,312,300
	GF/GP NA	\$0
<b>3. Fee Increase – Hazardous Waste</b>	FTE 121.0	17.0
Includes \$5.0 million from the Environmental Pollution Prevention Fund and authorizes 17.0 new FTE positions from a proposed doubling of hazardous waste fees. New revenue would be expended for hazardous waste oversight and regulation.	<b>Gross \$24,721,800</b>	<b>\$5,000,000</b>
	IDG 1,566,600	0
	Federal 3,444,100	0
	Private 510,700	0
	Restricted 18,455,600	5,000,000
	GF/GP \$744,800	\$0
<b>4. Fee Increase – Oil and Gas Wells</b>	FTE 63.0	3.0
Provides \$465,500 from the Oil and Gas Regulatory Fund and authorizes 3.0 new FTE positions from a proposed increase on oil and gas well permits from \$20 per year to \$250 per year. New revenue would be expended for oil and gas well oversight and regulation.	<b>Gross \$22,711,600</b>	<b>\$465,500</b>
	IDG 223,100	0
	Federal 5,308,500	0
	Restricted 7,068,700	465,500
	GF/GP \$10,111,300	\$0

<b>Major Budget Changes from FY 2024-25 Year-to-Date (YTD) Appropriations</b>	<b>FY 2024-25 YTD (as of 2/5/25)</b>	<b>Executive Change from YTD</b>
<b>5. Water Infrastructure Projects and Lead Service Line Replacement</b> Appropriates \$80.0 million GF/GP for water infrastructure projects, \$50.0 million of which is designated as one-time and earmarked in boilerplate section 1002 for lead service line replacement.	<b>Gross</b> NA GF/GP NA	<b>\$80,000,000</b> \$80,000,000
<b>6. Information Management Initiative (One-time)</b> Includes \$39.0 million GF/GP to digitize and index historical department records.	<b>Gross</b> \$0 GF/GP \$0	<b>\$39,000,000</b> \$39,000,000
<b>7. Electric Charging Infrastructure (One-time)</b> Provides \$10.0 million GF/GP for grants for electric charging and hydrogen fueling vehicle infrastructure projects.	<b>Gross</b> \$0 GF/GP \$0	<b>\$10,000,000</b> \$10,000,000
<b>8. Septic System Database (One-time)</b> Appropriates \$7.0 million GF/GP to establish a statewide database to track the permitting of septic systems.	<b>Gross</b> \$0 GF/GP \$0	<b>\$7,000,000</b> \$7,000,000
<b>9. Drinking Water and Environmental Health Division Staff</b> Includes \$6.0 million GF/GP and authorizes 35.0 new FTE positions to expand clean water enforcement, inspections and permitting.	FTE NA <b>Gross</b> NA GF/GP NA	35.0 <b>\$5,955,700</b> \$5,955,700
<b>10. Energy Programs Staff</b> Includes \$370,000 GF/GP and authorizes 2.0 new FTE positions to expand energy programs planning and implementation.	FTE 13.0 <b>Gross</b> \$6,278,500 Federal 3,837,000 Private 141,900 Restricted 2,299,600 GF/GP \$0	3.0 <b>\$370,000</b> 0 0 0 \$370,000
<b>11. Technical Adjustments</b> Includes \$16.7 million Gross (\$0 GF/GP) for technical adjustments to align expenditures and increased available state restricted revenues (\$16.6 million) and private revenues (\$40,000).	<b>Gross</b> NA Private NA Restricted NA GF/GP NA	<b>\$16,679,800</b> 40,000 16,639,800 \$0
<b>12. Water Resources Division Rollup</b> Rolls funding for groundwater data collection (\$2.0 million Gross and 3.0 FTE positions) and water quality programs (\$1.6 million Gross and 7.0 FTE positions) into oil, gas, and mineral services, which is renamed geologic resources management, for a net zero change.	FTE 10.0 <b>Gross</b> \$3,631,500 Restricted 871,000 GF/GP \$2,760,500	0.0 <b>\$0</b> 0 \$0
<b>13. Removal of FY 2024-25 One-time Appropriations</b> Removes \$109.0 million GF/GP of one-time funding that was included in the FY 2024-25 budget to support the following: <ul style="list-style-type: none"> <li>Clean fuel and charging infrastructure (\$30.0 million)</li> <li>Drinking water infrastructure (\$35.3 million)</li> <li>Drinking water intake monitoring program (\$1.5 million)</li> <li>Lead service line replacement one-time (\$8.0 million)</li> <li>Microplastics research (\$2.0 million)</li> <li>Solar array project (\$3.0 million)</li> <li>Water infrastructure initiative (\$10.0 million)</li> <li>Water infrastructure projects (\$17.0 million)</li> <li>Water use advisory council recommendations (\$1.2 million)</li> <li>Wetlands mapping (\$1.0 million)</li> </ul>	<b>Gross</b> \$109,000,000 GF/GP \$109,000,000	<b>(\$109,000,000)</b> (\$109,000,000)
<b>14. Economic Adjustments</b> Reflects increased costs of \$4.9 million Gross (\$2.4 million GF/GP) for negotiated salary and wage increases (3.0% on October 1, 2025), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments.	<b>Gross</b> NA IDG NA Federal NA Restricted NA GF/GP NA	<b>\$4,941,200</b> 43,200 479,600 2,064,600 \$2,353,800

## **Major Boilerplate Changes from FY 2024-25**

### **Sec. 206. Disciplinary Action Against State Employees – DELETED**

Prohibits department from disciplining state employees for communicating with members of the legislature and their staffs, unless communication is prohibited by law. *(Governor deemed this section unenforceable in FY 2024-25.)*

### **Sec. 210. Legislative Contingency Transfer Authorization – REVISED**

Allows for the legislative transfer process to increase federal authorization by up to \$100.0 million, state restricted authorization by up to \$3.0 million, and private authorization by up to \$10.0 million private. Revises to increase state restricted authorization to up to \$10.0 million and decrease private authorization to up to \$3.0 million.

### **Sec. 212. Restricted Fund Revenues, Expenditures, and Fund Balances Report – DELETED**

Requires annual report on fund balances, revenues, and expenditures for state restricted funds for previous and current fiscal years.

### **Sec. 219. Receipt and Retention of Reports – DELETED**

Requires department to receive and retain copies of all reports.

### **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.

### **Sec. 222. Expending Available Work Project Authorization – DELETED**

Advises department not to expend appropriations until existing work project authorization for the same purpose has been expended. *(Governor deemed this section unenforceable in FY 2024-25.)*

### **Sec. 236. Flint Supplemental Funding Report – DELETED**

Requires annual report on use of funds appropriated for drinking water declaration of emergency.

### **Sec. 245. Single Grant Recipient Requirements – DELETED**

Provides process requirements for grants or projects awarded to single recipient organizations or local governments.

### **Sec. 246. State Fiscal Recovery Funds – DELETED**

Requires the state budget director to ensure that State Fiscal Recovery Funds allocated under the American Rescue Pan Act of 2021 be expended before 2027; requires the state budget director to notify the House and Senate Appropriations Committees of reallocations made under this section.

### **Sec. 303. Bonding – DELETED**

Authorizes department, if approved by state budget director, to expend GF/GP funding for cash flow requirements of projects financed by bonds, if bonds have not yet been authorized; funding to be repaid to GF/GP when bonds are sold.

### **Sec. 902. Community Surcharge Reimbursement Fund – NEW**

Creates new fund to receive a portion of revenue from proposed landfill tipping fee increase; fund revenue may be expended for the support of program operations.

### **Sec. 903. Host Community Grants Fund – NEW**

Creates new fund to receive a portion of revenue from proposed landfill tipping fee increase; fund revenue may be expended for the support of program operations.

### **Sec. 904. Materials Management Planning Fund – NEW**

Creates new fund to receive a portion of revenue from proposed landfill tipping fee increase; fund revenue may be expended for the support of program operations.

### **Sec. 951. Lead Service Line Replacement – REVISED**

Earmarks the Lead Service Line Replacement appropriation to support lead line replacement activities in overburdened and significantly overburdened communities as defined in NREPA. Revised to reflect the replacement of the Lead Service Line Replacement appropriation with the Water Infrastructure appropriation which has a broader scope of water infrastructure projects.

### **Sec. 1001. Work Project – Electric Charging Infrastructure – NEW**

Authorizes unexpended funds for Electric Charging Infrastructure totaling \$10.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support the installation of charging and clean fuel infrastructure.

### **Sec. 1001. Work Project – Clean Fuel and Charging Infrastructure – DELETED**

Authorizes unexpended funds for Clean Fuel and Charging Infrastructure totaling \$30.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to install clean energy charging stations.

## **Major Boilerplate Changes from FY 2024-25**

### ***Sec. 1002. Work Project – Drinking Water Infrastructure – NEW***

Authorizes unexpended funds for Drinking Water Infrastructure totaling \$50.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support lead line replacement and associated activities.

### ***Sec. 1002. Work Project – Drinking Water Infrastructure – DELETED***

Authorizes unexpended funds for Drinking Water Infrastructure totaling \$35.3 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to access funding to upgrade or replace drinking water infrastructure.

### ***Sec. 1003. Work Project – Information Management Initiative – NEW***

Authorizes unexpended funds for Information Management Initiative totaling \$39.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support the digitization and indexing of department records.

### ***Sec. 1003. Drinking Water Intake Monitoring Program – DELETED***

Awards funding totaling \$1.5 million to the Southeast Michigan Council of Governments for software to monitor drinking water threats and contamination.

### ***Sec. 1004. Work Project – Lead Service Line Replacement One-time – DELETED***

Earmarks the Lead Service Line Replacement One-time appropriation for lead service line replacement in Wyandotte (\$4.7 million), Douglas (\$1.3 million), and Redford Township (\$2.0 million); authorizes unexpended funds to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to replace lead service lines within drinking water infrastructure.

### ***Sec. 1005. Work Project – Microplastics Research – DELETED***

Authorizes unexpended funds for Microplastics Research totaling \$2.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to support research and provide recommendations for addressing microplastics contamination.

### ***Sec. 1006. Work Project – Solar Array Project – DELETED***

Awards funding for Solar Array Project to Grand Rapids for necessary infrastructure upgrades to install a solar array at the former Butterworth Landfill site.

### ***Sec. 1007. Work Project – Water Infrastructure Initiative – DELETED***

Authorizes unexpended funds for Water Infrastructure Initiative totaling \$10.0 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used for grants to support stormwater projects that reduce the impacts of climate change.

### ***Sec. 1008. Earmarks and Work Project – Water Infrastructure Projects – DELETED***

Earmarks the Water Infrastructure Projects appropriation for a watermain extension project in Bingham Township (\$1.0 million); an underground storage tank replacement project in Northville (\$1.0 million); a wastewater project in Redford Charter Township (\$3.0 million); a wastewater and sanitary sewer infrastructure project in Grand Ledge (\$5.0 million); replacement of a failing iron removal plant for drinking water in Pottersville (\$4.0 million); watermain replacements and looping, supply well improvements, wellhouse improvements, and lead service line replacements in Vermontville (\$2.0 million); and watermain replacement in Clawson (\$1.0 million); authorizes unexpended funds to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used for water infrastructure projects.

### ***Sec. 1009. Work Project – Water Use Advisory Council Recommendations – DELETED***

Authorizes unexpended funds for Water Use Advisory Council Recommendations totaling \$1.2 million to be considered a work project appropriation and carried forward into succeeding fiscal year; funds will be used to fund the 2022 report recommendations of the Water Use Advisory Council.

### ***Sec. 1010. Wetland Mapping – DELETED***

Requires funding for Wetland Mapping to improve or expand wetlands identification and mapping and permits the department to contract with outside entities to accomplish these objectives.

**Supplemental Recommendations for FY 2024-25 Appropriations**

**FY 2024-25  
Recommendation**

<b>1. Contaminated Site Remediation and Redevelopment Programs – Brownfield Redevelopment</b>	<b>Gross</b>	<b>\$15,000,000</b>
Appropriates \$15.0 million from the Clean Michigan Initiative Response Activities fund for local grants to redevelop contaminated brownfield sites.	Restricted	15,000,000
	GF/GP	\$0
<b>2. Great Lakes Restoration Initiative</b>	<b>Gross</b>	<b>\$7,561,800</b>
Provides \$7.6 million from the Infrastructure Investment and Jobs Act Fund to evaluate Detroit River Area of Concern sediment data.	Federal	7,561,800
	GF/GP	\$0
<b>3. Energy Programs – US Department of Energy Grant</b>	<b>Gross</b>	<b>\$1,980,000</b>
Includes \$2.0 million from the Inflation Reduction Act for a US Department of Energy grant for technical engagement and energy planning.	Federal	1,980,000
	GF/GP	\$0
<b>4. Energy Programs – Lake Michigan Circuit</b>	<b>Gross</b>	<b>\$325,000</b>
Provides \$325,000 million from the Energy Efficiency and Renewable Energy Revolving Loan Fund for tourism infrastructure to complete the shoreline scenic route along the multi-state Lake Michigan Circuit.	Restricted	325,000
	GF/GP	\$0
<b>5. Executive Direction – Small, Underserved, and Disadvantaged Communities Grant</b>	<b>Gross</b>	<b>\$1,455,000</b>
Includes \$1.5 million from the Environmental Protection Agency for grant funding to public water systems in small, underserved, and disadvantaged communities to comply with the federal Safe Drinking Water Act.	Federal	1,455,000
	GF/GP	\$0
<b>6. AmeriCorps and Office of Climate and Energy</b>	<b>Gross</b>	<b>\$796,800</b>
Appropriates \$796,800 Gross (\$156,800 GF/GP) from federal funds and required GF/GP match to expand AmeriCorps.	Federal	640,000
	GF/GP	\$156,800