

Wetland Advisory Council
General Permitting, Program Funding, and Public Outreach Subcommittee

Subcommittee Members: Jeff Auch (chair), Dan Coffey, Susan Harley, Steve Shine, Mindy Koch, Chris Reidy, Joseph Rivet, statewide association of manufacturers (vacant), and local units of government representative (vacant); DEQ staff: Kim Fish, Todd Losee

Responsibilities:

Section 30329(9)

(c) The appropriate means and level of program funding under this part.

(d) Minor project categories and general permits under section 30312b(1) to (3).

(f) The promotion of the development of wetland mitigation banks.

(g) Ways for the public and interested parties to advise the department on a continuing basis concerning the administration and enforcement of this part.

Minutes:

June 9, 2011

Rachel Carson Conference Room, Constitution Hall

9:00 – 11:00 AM

1. Minor project categories and general permits

Losee provided overview of minor/general permit public notice and the ongoing DEQ review. DEQ working with major stakeholders to try and address concerns; as well as working with USEPA regarding exemptions language. Over 300 pages of comments received regarding the public notice. Discussion by subcommittee regarding some MP/GPs needing a change in statute to go into effect and to eliminate exemptions.

2. Appropriate means and level of program funding

Auch and Fish provided overview of current wetlands programs/functions. FY 2010 data shows that 45,704 hours logged to Wetland Program (approx. 22 FTEs); but does not include hours where other NREPA permits would take precedence (e.g., Part 301).

- a. Wetland Permitting
- b. Wetland Technical Assistance
 - i. Wetland Identification Program
 - ii. Wetlands Mapping
- c. Wetland Banking
- d. Wetland Outreach and Education
- e. Wetland Restoration and Watershed Planning (Wetland Functionality)
- f. T & E Species Protection

Wetlands activities funded through permit fees and EPF fund allocation - EPF (Environmental Protection Fund) monies associated with the Bottle Deposit Bill. EPF also funds other environmental programs and surplus is expected to be used up by end of Fiscal Year 2011-2012. Current fee revenue for all permits (across all permit NREPA programs) is \$1.68, and the EPF allocation is \$2 million. Together, permit fees to cover wetlands program would need to generate \$3.68 million to function at current level. Auch provided information regarding New Jersey's program and permit fee structure. In general, subcommittee felt New Jersey's fee structure was excessive and reflected a program where the majority of the infrastructure was already fully developed and preservation/restoration essential for wetlands in that state.

Auch provided overview of permit fee structure materials requested from DEQ necessary to replace wetlands program funding. Scenarios developed proposed funding to replace 3.6 million and 7.2 million. Subcommittee felt both scenarios would increase fees excessively and would be hard to pass within the legislature. Subcommittee discussed possible cost/benefit analysis for increased fees (e.g., increased fees increasing speed or scope of services). Overall, general consensus that some reasonable increase would be necessary but that fees alone could not cover entire wetlands program funding.

Subcommittee discussed other funding options including general fund allocation, researching use of restricted funds, and dedicated revenues. Need to research underutilized funds that may be available due to slow down in development (Brownfield Funds). Subcommittee will reconvene in July to further discuss funding options.

Minutes:

July 28, 2011

Conference Call

10:00 – 11:30 AM

1. Appropriate means and level of program funding

Auch initiated discussion related to permit fees increases and reviewed prior 3.6 million and 7.2 million fee structure scenarios. Subcommittee discussed fees related to services provided. Approximately 75% of staff time within the Wetlands Program is used for permit and permit related activities (compliance). Utilizing this estimate, the permitting associated activities would need to generate 2.7 million in revenue. Subcommittee concurred this revenue amount would still lead to unacceptable fee increases. Subcommittee discussed essential services and fees asked DEQ to prepare a "reasonable" fee increase scenario.

Subcommittee discussed need to utilize outside assistance for review of Michigan's budget and determine appropriate funding allocations within current budget/funding structure. Subcommittee discussed utilizing Public Sector Consultants. Rivet will make contact with PSC,

summarize assistance, and ask for submittal of a proposal. Rivet will also seek support from foundations to fund PSC proposal.

Subcommittee discussed utilizing other sources of funding for the Wetlands Program or generating new sources of funding similar to Michigan's Recreational Passport. Discussion included how the benefit of wetlands to the public provided environmental services, water quality, hunting/fishing, and recreation. Subcommittee will research possible use of boat license fees and marine fuel tax.

2. *Ways for public and interested parties to advise department*

Subcommittee briefly discussed formation of an advisory committee - structured similar to several of DNR's Advisory Committees. Other committees/councils already exist that advise DEQ; including the Environmental Advisory Council.