

FY 2019-20: DEPARTMENT OF NATURAL RESOURCES
Summary: House Subcommittee Chair's Recommendation
House Bill 4241 (H-1) Draft 2



Analyst: Austin Scott

IDG/IDT	FY 2018-19 YTD as of 3/5/19	FY 2019-20 Executive	FY 2019-20 House	FY 2019-20 Senate	FY 2019-20 Enacted	Difference: House From FY 2018-19 YTD	
						Amount	%
	\$232,200	\$232,200	\$232,200			\$0	0.0
Federal	85,339,700	86,011,600	86,008,800			669,100	0.8
Local	0	0	0			0	--
Private	12,431,400	7,431,600	7,431,600			(4,999,800)	(40.2)
Restricted	309,185,800	329,545,300	306,012,900			(3,172,900)	(1.0)
GF/GP	77,241,800	51,224,000	47,001,900			(30,239,900)	(39.1)
Gross	\$484,430,900	\$474,444,700	\$446,687,400			(\$37,743,500)	(7.8)
FTEs	2,340.3	2,366.1	2,342.3			2.0	0.1

Notes: (1) FY 2018-19 year-to-date figures include mid-year budget adjustments through March 5, 2019. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Natural Resources (DNR) manages Michigan's natural and cultural resources through conservation and protection. State parks, wildlife, fisheries, forests, and minerals management are all administered by the DNR.

Major Budget Changes From FY 2018-19 YTD Appropriations		FY 2018-19 Year-to-Date (as of 3/5/19)	FY 2019-20 House Change
1. Chronic Wasting Disease – Wildlife Management			
<u>Executive</u> increases the Wildlife Management appropriation by \$2.3 million GF/GP for Chronic Wasting Disease research costs (\$2.0 million one-time) and increased laboratory costs associated with the rising number of deer tested (\$300,000 ongoing).	FTE	221.5	0.0
<u>House</u> concurs.	Gross	\$44,917,900	\$2,300,000
	Federal	25,164,900	0
	Private	315,700	0
	Restricted	14,986,600	0
	GF/GP	\$4,450,700	\$2,300,000
2. Minerals Management			
<u>Executive</u> increases the Minerals Management Program by \$1.4 million in one-time GF/GP and authorizes 3.0 FTE positions for an inventory of hazardous materials pipelines that cross waterways to prioritize which crossings need attention.	FTEs	19.0	0.0
<u>House</u> does not include funding.	Gross	\$2,881,000	\$0
	Restricted	2,881,000	0
	GF/GP	\$0	\$0
3. Recreation Infrastructure Improvement Projects			
<u>Executive</u> includes an increase of \$21.4 million in restricted funding for improvements to public recreation infrastructure and facilities. This additional revenue is projected from the proposed gas tax increase; the DNR receives 2% of gas tax in accordance with constitutional revenue distribution.	Gross	NA	\$0
<u>House</u> does not include funding.	Restricted	NA	0
	GF/GP	NA	\$0
4. Parks and Recreation Division			
<u>Executive</u> includes an increase of \$1.6 million in restricted funding to the Parks and Recreation Division to support the following programs: Forest Recreation and Trails (\$1.2 million and 6.1 FTE positions), Recreational Boating (\$218,500 and 0.9 FTE positions), and State Parks (\$200,000 and 11.8 FTE positions).	FTEs	NA	0.0
<u>House</u> concurs with increase of \$1.6 million in restricted funding but does not include additional FTEs.	Gross	NA	\$1,613,100
	Restricted	NA	1,613,100
	GF/GP	NA	\$0

Major Budget Changes From FY 2018-19 YTD Appropriations		FY 2018-19 Year-to-Date (as of 3/5/19)	FY 2019-20 House Change
5. Forest Resources Division – Forest Development Fund revenue			
<u>Executive</u> increases the Forest Development Fund appropriation by \$2.1 million to support the following programs: Forest Management and Timber Market Development (\$1.4 million and 2.0 FTE positions), Wildfire Protection (\$689,300), and the Michigan Registered Forester Program (\$30,000), which was transferred from Licensing and Regulatory Affairs by 2018 PA 116. A decrease of \$574,300 GF/GP is exceeded by the \$689,300 restricted funding increase for Wildfire Protection.	FTEs	NA	2.0
	Gross	NA	\$1,560,000
	Restricted	NA	2,134,300
	GF/GP	NA	(\$574,300)
<u>House</u> concurs.			
6. Michigan Historical Center			
<u>Executive</u> includes an increase of \$850,000 in federal funding and authorizes 2.0 FTE positions to the Michigan Historical Center, which includes the Michigan Historical Museum System, State Archives, and Mann House in Concord.	FTEs	54.5	0.0
	Gross	\$6,134,900	\$650,000
	Federal	150,000	850,000
	Private	396,200	0
	Restricted	829,600	0
<u>House</u> includes an increase of \$850,000 in federal funding and a decrease of \$200,000 GF/GP.	GF/GP	\$4,759,100	(\$200,000)
7. Recreation Passport revenue			
<u>Executive</u> authorizes an additional \$350,000 in Recreation Passport revenue for Recreation Passport Local Grants (\$325,000), as well as Marketing and Outreach (\$25,000).	Gross	NA	\$350,000
	Restricted	NA	350,000
	GF/GP	NA	\$0
<u>House</u> concurs.			
8. Off-road Vehicle Safety Training Grants			
<u>Executive</u> includes an increase of \$30,800 from the ORV Safety Education Fund for grants to public school districts for off-road vehicle safety education courses.	Gross	\$29,200	\$30,800
	Restricted	29,200	30,800
	GF/GP	\$0	\$0
<u>House</u> concurs.			
9. Grants GF/GP Reductions			
<u>Executive</u> reduces the budget by \$300,000 GF/GP: Dam Management Grants (\$150,000) and Nonmotorized Trail Development and Maintenance Grants (\$150,000). The FY 2018-19 DNR budget includes \$9.9 million GF/GP for Dam Management and \$350,000 GF/GP for Nonmotorized Trail Development and Maintenance.	Gross	NA	(\$500,000)
	GF/GP	NA	(\$500,000)
<u>House</u> concurs with Executive reductions and eliminates remaining \$200,000 GF/GP for Dam Management Grants for a gross reduction of \$500,000 GF/GP.			
10. Removal of FY 2018-19 Capital Outlay Projects and One-time Funding			
<u>Executive</u> eliminates \$42.1 million Gross (\$29.3 million GF/GP): \$2.5 million for FY 2018-19 capital outlay projects that require no additional appropriation and \$39.6 million for one-time projects included in the FY 2018-19 budget.	Gross	NA	(\$42,106,000)
	Federal	NA	(643,000)
	Private	NA	(5,000,000)
	Restricted	NA	(7,193,000)
	GF/GP	NA	(\$29,270,000)
<u>House</u> concurs.			
11. Technical Adjustments			
<u>Executive</u> removes \$605,200 in restricted funding to align spending authorization with available restricted revenues.	Gross	NA	(\$605,200)
	Restricted	NA	(605,200)
	GF/GP	NA	\$0
<u>House</u> concurs.			
12. Economic Adjustments			
<u>Executive</u> reflects increased costs of \$3.7 million Gross (\$591,500 GF/GP) for negotiated salary and wage increases (2.0% ongoing, 2.0% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	Gross	NA	\$3,713,300
	Federal	NA	464,900
	Private	NA	200
	Restricted	NA	2,656,700
	GF/GP	NA	\$591,500
<u>House</u> concurs.			

Major Budget Changes From FY 2018-19 YTD Appropriations		FY 2018-19 Year-to-Date (as of 3/5/19)	FY 2019-20 House Change
13. General Law Enforcement		FTEs 293.0	0.0
<u>House</u> reduces \$1.1 million GF/GP for general law enforcement. The Law Enforcement Division enforces natural resources, environmental pollution, and outdoor recreation laws.		Gross \$44,284,200	(\$1,100,000)
	Federal	6,588,300	0
	Restricted	25,362,300	0
	GF/GP	12,333,600	(\$1,100,000)
14. Michigan Conservation Corps		Gross \$1,000,000	(\$600,000)
<u>House</u> reduces \$600,000 GF/GP for the Michigan Conservation Corp, a statewide summer employment program for at-risk youth and returning veterans up to 27 years of age. Funding is provided to partner organizations to hire individuals for work that is approved or managed by DNR employees.		GF/GP \$1,000,000	(\$600,000)
15. Cormorant Population Mitigation Program		Gross \$150,000	(\$150,000)
<u>House</u> eliminates funding for the cormorant population mitigation program which supports activities related to controlling the cormorant population.		GF/GP \$150,000	(\$150,000)
16. Wildlife Management fund shift		FTEs 221.5	0.0
<u>House</u> shifts \$300,000 million in spending authorization from GF/GP to the Forest Development Fund (\$200,000) and Turkey Permit Fees (\$100,000).		Gross \$44,917,900	\$0
	Federal	25,164,900	0
	Private	315,700	0
	Restricted	14,986,600	300,000
	GF/GP	\$4,450,700	(\$300,000)
17. Wildlife and Fisheries Health Study		Gross \$115,000	\$85,000
<u>House</u> appropriates an additional \$85,000 in one-time GF/GP for a study to investigate the effect of PFAS contamination on Michigan's wildlife and fisheries populations.		GF/GP \$115,000	\$85,000
18. Deer Habitat Improvement Initiative		Gross \$200,000	\$100,000
<u>House</u> includes an increase of \$100,000 GF/GP for the Deer Habitat Improvement Initiative which provides grants to projects that improve the habitat for deer.		Restricted 200,000	0
	GF/GP	\$0	\$100,000
19. Marketing and Outreach – Oak Wilt outreach & media campaign		Gross \$13,978,700	\$100,000
<u>House</u> authorizes an additional \$100,000 GF/GP for marketing and outreach to administer a public outreach and mass media campaign regarding the spread of oak wilt.		Federal 1,507,100	0
	Restricted	12,047,600	0
	GF/GP	\$424,000	\$100,000
20. Snowmobile Trail Extension Project		Gross NA	\$50,000
<u>House</u> includes \$50,000 GF/GP to complete a snowmobile trail through Rogers City.		GF/GP NA	\$50,000
21. Administrative Efficiencies		Gross NA	(\$596,700)
<u>House</u> reduces operational funding throughout the budget, reflecting a 3% reduction to be achieved through administrative efficiencies		Federal NA	(2,800)
	Restricted	NA	(120,400)
	GF/GP	NA	(\$473,500)
22. Information Technology Reduction		Gross \$10,458,700	(\$2,637,800)
<u>House</u> reduces funding available for information technology services and projects by 25%.		Restricted 9,275,300	(2,339,200)
	GF/GP	\$1,183,400	(\$298,600)

Major Boilerplate Changes From FY 2018-19

Sec. 220. Disciplinary Action Against State Employees – RETAINED

Prohibits DNR from disciplining state employees for communicating with members of the legislature and their staffs.
Executive deletes, House retains.

Sec. 221. Contracts and Grants for Local Governments, Colleges and Universities, Nonprofits – NEW

Authorizes DNR to contract with or provide grants to local governments, institutions of higher education, or nonprofits.
Executive adds new section, House concurs.

Sec. 401. Oak Wilt Public Outreach and Mass Media Campaign – NEW

Earmarks \$100,000 of the marketing and outreach appropriation for the department to administer a public outreach and mass media campaign regarding the spread of oak wilt.
House adds new section.

Sec. 408. Land Transactions – RETAINED

Requires detailed report to legislature on land purchases, sales, and exchanges.
Executive deletes, House retains.

Sec. 503. Invasive Species Order Enforcement – RETAINED

Requires report on efforts taken to enforce the Natural Resources Commission's invasive species order concerning raising feral swine in Michigan.
Executive deletes, House retains.

Sec. 504. Cervid Operation Fees – RETAINED

Requires report on use of registration fees from privately owned cervid operations.
Executive deletes, House retains.

Sec. 601. Stream Habitat Improvement Grants – RETAINED

Appropriates \$758,000 to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat improvement projects.
Executive deletes, House retains.

Sec. 602. Water Control Structure Certification – RETAINED

Directs Fisheries Division not to interfere with the certification process for dams and other water control structures.
Executive deletes, House retains.

Sec. 603. Fish Hatcheries Report – NEW

Requires annual report on fish hatcheries by March 31.
House adds new section.

Sec. 603. Cormorant Management – DELETED

Requires annual report on use of cormorant management funding; requires DNR to submit funding to the USDA to pay for increased taking of cormorants and their nests; requires any retained or additional funds for cormorant control to be used for program.
Executive deletes, House concurs.

Sec. 651. Buffalo Reef – DELETED

Authorizes unexpended funds appropriated for Buffalo Reef to be considered work project appropriations and carried forward until the projects have been completed. The projects will be accomplished using state resources, contracts, and/or grants and have a tentative completion date of September 30, 2023.
Executive deletes, House concurs.

Sec. 652. Dam Management Grant Program – DELETED

Authorizes unexpended funds appropriated for the Dam Management Grant Program to be considered work project appropriations and carried forward until the projects have been completed. The projects will be accomplished using state resources, contracts, and/or grants and have a tentative completion date of September 30, 2023.
Executive deletes, House concurs.

Sec. 653. Leland – Good Harbor Reef Improvements – DELETED

Authorizes unexpended funds appropriated for Leland – Good Harbor Reef Improvements to be considered work project appropriations and carried forward until the projects have been completed. The projects will be accomplished using state resources, contracts, and/or grants and have a tentative completion date of September 30, 2023.
Executive deletes, House concurs.

Sec. 654. Michigan Infrastructure Fund – DELETED

Requires the \$8.0 million GF/GP appropriated for Michigan Infrastructure Fund to be deposited into the Michigan Infrastructure Fund for FY 2018-19.

Executive deletes, House concurs.

Sec. 655. Grand River Dredging – DELETED

Requires funds appropriated for Grand River Dredging to be used for dredging to facilitate recreational boating traffic in the Grand River between the Fulton Street Bridge in Kent County and the Bass River inlet in Ottawa County, in accordance with DTMB's feasibility study. Funds will be expended pending satisfactory sediment tests and required permits. Authorizes unexpended funds to be considered work project appropriations and carried forward until the projects have been completed. This project will be accomplished by issuing requests for proposals and using contracts and has a tentative completion date of September 30, 2022.

Executive deletes, House concurs.

Sec. 656. Pheasant Hunting Initiative – DELETED

Requires \$180,000 appropriation to be distributed for purchase of pheasants to release on state game areas to improve hunting opportunity and to recruit, retain, and reactivate small game hunters; requires DNR to evaluate program for possible renewal in the future; designates appropriation as a work project appropriation.

Executive deletes, House concurs.

Sec. 901. Snowmobile Law Enforcement Grants – RETAINED

Provides snowmobile law enforcement grant funds to county law enforcement agencies in counties with state snowmobile trails.

Executive deletes, House retains.

Sec. 902. Marine Safety Grants – RETAINED

Requires report on the Marine Safety Grant Program. Report to include watercraft registrations revenues, revenues and expenditures of the Marine Safety Fund, grant distribution methodology, and a list of grant awards by county.

Executive deletes, House retains.

Sec. 1002. Silver Lake Law Enforcement Reimbursement – RETAINED

Appropriates \$35,000 in off-road vehicle trail improvement grant funding for reimbursing local units of government for costs related to seasonal law enforcement at Silver Lake.

Executive deletes, House retains.

Sec. 1201. Snowmobile Trail Extension Project – NEW

Appropriates \$50,000 for the department to complete a snowmobile trail extension through Rogers City, Presque Isle County.

House adds new section.

Sec. 1201. Swimmer's Itch Pilot Program – DELETED

Appropriates \$250,000 to be distributed to a Michigan-based nonprofit organization for swimmer's itch mitigation and research and requires a progress report.

Executive deletes, House concurs.

Sec. 1202. Lake Level Assessment Reimbursements – RETAINED

Appropriates \$35,000 to reimburse qualifying costs related to lake level assessments.

Executive deletes, House retains.

Sec. 1203. Long Lake Boat Launch – DELETED

Requires DNR to use funds appropriated to develop a boat launch at Long Lake in Alpena County.

Executive deletes, House concurs.

Sec. 1204. Grindstone Harbor Development Grant – DELETED

Requires DNR to use funds appropriated for planning and development costs at Grindstone Harbor in Huron County.

Executive deletes, House concurs.

Sec. 1205. Dam Management Grant Program (One-Time) – DELETED

Requires DNR to use funds appropriated for the Dam Management Grant Program to remove a dam in the City of Grand Rapids and designates the appropriation as work project appropriations.

Executive deletes, House concurs.

Sec. 1206. Wildlife and Fisheries Health Study – RETAINED

Requires DNR to use funds appropriated to investigate the effect of PFAS contamination on Michigan's wildlife and fisheries populations.

Executive deletes, House retains.

Sec. 1207. Wayne County Soil Mapping Program – DELETED

Requires appropriation for the cooperative resource program (one-time) to fund the Wayne County soil mapping program.
Executive deletes, House concurs.