

**FY 2015-16: DEPARTMENT OF NATURAL RESOURCES
Summary: House Subcommittee Recommendation
House Bill 4091 (H-1) Draft 1**



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	FY 2014-15 Year to Date	FY 2015-16 Executive	FY 2015-16 House	FY 2015-16 Senate	FY 2015-16 Enacted	Difference: House from FY 2014-15 Year to Date	
						Amount	%
IDG/IDT	\$1,355,100	\$1,352,700	\$1,352,700			(2,400)	(0.2)
Federal	71,104,500	76,028,000	76,028,000			4,923,500	6.9
Local	0	0	0			0	0.0
Private	10,286,300	8,157,700	8,157,700			(2,128,600)	(20.7)
Restricted	262,148,000	264,183,000	264,683,000			2,535,000	1.0
GF/GP	46,591,500	39,772,800	37,775,800			(8,815,700)	(18.9)
Gross	\$391,485,400	\$389,494,200	\$387,997,200			(3,488,200)	(0.9)
FTEs	2,228.3	2,225.8	2,225.8			(2.5)	(0.1)

Notes: (1) FY 2014-15 adjusted year-to-date figures include mid-year budget adjustments through March 12, 2015 (including Executive Order 2015-5 and House Bill 4112). (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 DNR.

Major Budget Changes From FY 2014-15 YTD Appropriations

1. Shooting Range Enhancement Projects – One-time

Executive continues a \$1.0 million federal funding increase appropriated for FY 2014-15 in HB 4112 with an additional \$3.0 million Gross (\$750,000 private, \$2.0 million federal, and \$250,000 GF/GP) to support recreational shooting opportunities through range projects in the following 12 priority counties: Alger, Allegan, Alpena/Presque Isle, Barry, Crawford, Jackson, Livingston, Marquette, Oakland, Ontonagon, Roscommon, and St. Clair. Private and GF/GP funding will be used as required non-federal match. House concurs with Executive.

	FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change
Gross	\$1,000,000	\$3,000,000
Private	0	750,000
Federal	1,000,000	2,000,000
GF/GP	\$0	\$250,000

2. Forestry Investment – One-time

Executive continues a \$4.0 million restricted funding increase appropriated for FY 2014-15 in HB 4112; it is designated as a one-time appropriation for FY 2015-16. Funds will be used for timber cultivation equipment and the vegetative management system. This system will assist the DNR's Forest Resources Division in maintaining timber inventory and interacting with industry. House concurs with Executive.

	FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change
Gross	\$4,000,000	\$0
Restricted	4,000,000	0
GF/GP	\$0	\$0

3. Wildlife Restoration

Executive continues a \$2.2 million federal funding increase appropriated for FY 2014-15 in HB 4112 with an additional \$5,000 in federal funding to manage wildlife habitats across the state. House concurs with Executive.

	FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change
Gross	\$2,150,000	\$5,000
Federal	2,150,000	5,000
GF/GP	\$0	\$0

4. Non-Motorized Trail Initiative

Executive restores \$100,000 GF/GP to the non-motorized trail initiative. This initiative was reduced by \$1.25 million GF/GP for FY 2014-15 in EO 2015-5. The non-motorized trail initiative includes appropriations for forest recreation and trails, Mackinac Island state park operations, the Michigan Historical Center, and non-motorized trail development & maintenance grants.

	FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change
Gross	N/A	(\$147,000)
GF/GP	N/A	(\$147,000)

House reduces Michigan Historical Center by \$147,000 GF/GP and non-motorized trail development & maintenance grants by \$100,000 GF/GP. These House reductions of \$247,000 GF/GP exceed the Executive increase of \$100,000 GF/GP for a net change of a \$147,000 GF/GP reduction.

Major Budget Changes From FY 2014-15 YTD Appropriations		FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change
5. Recreation Passport Grants – One-time		Gross	\$1,000,000
<u>Executive</u> increases the recreation passport grants program by \$500,000 in restricted funding. This program provides grants to local units of government for the construction, maintenance, and enhancement of public recreation facilities; it is funded by the sale of Recreation Passports. This one-time appropriation is intended to provide DNR the authority to expend an available fund balance. <u>House</u> concurs with Executive.		Restricted	500,000
		GF/GP	\$0
6. State Parks Repair and Maintenance		Gross	\$12,200,000
<u>Executive</u> continues a \$250,000 GF/GP reduction to state parks repair and maintenance for FY 2014-15 in EO 2015-5 with additional reductions of \$1.25 million GF/GP and \$2.5 million in private funding. These FY 2015-16 reductions are exceeded by an increase of \$4.0 million in restricted funding from the state parks endowment and Recreation Passport fees for a net increase of \$200,000 to the line item. This appropriation addresses capital projects in state parks including trail improvements, road maintenance, and recreation structure repairs.		Private	(2,500,000)
		Restricted	4,450,000
		GF/GP	(\$1,750,000)
<u>House</u> concurs with Executive and adds a \$500,000 reduction in GF/GP matched by a \$500,000 increase in restricted funding from the Michigan State Parks Endowment Fund.			
7. State Game and Wildlife Area Infrastructure		Gross	N/A
<u>Executive</u> increases federal funding for state game and wildlife area infrastructure by \$3.6 million. Federal Pittman-Robertson funds will be used to support maintenance, renovations, repairs, and some construction of facilities in state game and wildlife management areas. <u>House</u> concurs with Executive.		Federal	3,600,000
		GF/GP	\$0
8. Wetland restoration, enhancement, and acquisition		Gross	\$3,000,000
<u>Executive</u> reduces restricted funding for wetland restoration, enhancement, and acquisition by \$3.0 million. The waterfowl hunt stamp program (game and fish protection fund) was used to fund expand water recreation opportunities through projects focused in southern Michigan. <u>House</u> concurs with Executive.		Restricted	(3,000,000)
		GF/GP	\$0
9. Removal of FY 2014-15 One-time GF/GP		Gross	\$4,750,000
<u>Executive</u> removes one-time GF/GP for River Raisin national battlepark foundation (\$2.0 million), Saginaw River feasibility study (\$280,000), Flint River dike repair (\$1.0 million), Hart-Montague Trail (\$470,000), and City of Alma/Alma College public safety land improvements (\$1.0 million). <u>House</u> concurs with Executive.		GF/GP	(\$4,750,000)
10. Cormorant Population Mitigation Program		Gross	\$150,000
<u>Executive</u> removes funding for the cormorant population mitigation program resulting in a reduction of \$150,000 GF/GP. Program was intended to control the cormorant population statewide. <u>House</u> concurs with Executive.		GF/GP	(\$150,000)
11. Hart-Montague Trail		Gross	\$530,000
<u>Executive</u> removes on-going funding for the Hart-Montague trail in west Michigan by reducing \$530,000 GF/GP. The removal of this on-going funding in addition to the removal of one-time funding eliminates support for the trail. <u>House</u> concurs with Executive.		GF/GP	(\$530,000)
12. Great Lakes Research Vessel		Gross	\$2,000,000
<u>Executive</u> removes \$2.0 million Gross funding (\$500,000 private, \$500,000 restricted, and \$1.0 million GF/GP) for the Great Lakes research vessel. This new vessel was purchased to replace an outdated vessel and is used to conduct research on Lake Huron. <u>House</u> concurs with Executive.		Private	(500,000)
		Restricted	(500,000)
		GF/GP	(\$1,000,000)
13. Dam Management Grant Program		Gross	\$350,000
<u>House</u> reduces dam management grant program by \$50,000 GF/GP. This program provides grants for the repair or removal of failing dams from public and private lands.		GF/GP	(\$50,000)

		FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change
Major Budget Changes From FY 2014-15 YTD Appropriations			
14. Michigan Conservation Corps	Gross	\$1,000,000	(\$1,000,000)
<u>House</u> removes \$1.0 million GF/GP for the Michigan Conservation Corps which eliminates program funding. This program provides DNR-supervised summer employment opportunities for at-risk youth and returning veterans up to 27 years of age.	GF/GP	\$1,000,000	(\$1,000,000)
15. State Parks	FTE	661.4	0.0
<u>House</u> reduces state parks line item by \$200,000 GF/GP. This line item includes 661.4 FTE authorizations and funds the maintenance & operation of Michigan's 102 state parks. It also funds the campground reservation system for state parks and state forest campgrounds.	Gross	\$64,232,800	(\$200,000)
	Private	421,200	0
	Federal	139,300	0
	Restricted	61,934,700	0
	GF/GP	\$1,737,600	(\$200,000)
16. Revenue Adjustments	Gross	N/A	\$797,000
<u>Executive</u> increases \$797,000 Gross funding to reflect necessary adjustments in anticipated revenue and expenditures for FY 2015-16. Reductions of \$375,000 in private funding and \$343,800 in federal funding are exceeded by an increase of \$1.5 million in restricted funding. <u>House</u> concurs with Executive.	Private	N/A	(375,000)
	Federal	N/A	(343,800)
	Restricted	N/A	1,515,800
	GF/GP	N/A	\$0
17. Economic Adjustments	Gross	N/A	(\$333,700)
<u>Executive</u> reflects net cost reduction of \$333,700 Gross (\$11,300 GF/GP increase) for negotiated salary and wage amounts (2.0% base increase), insurance rate increases, reductions in actuarially-determined retirement rates, and other economic adjustments. <u>House</u> concurs with Executive.	IDG	N/A	(2,400)
	Private	N/A	(3,600)
	Federal	N/A	(58,200)
	Restricted	N/A	(280,800)
	GF/GP	N/A	\$11,300

Major Boilerplate Changes From FY 2014-15

Sec. 203. Acronyms Definitions – RETAINED

Specifies acronym definitions contained in this article. Executive deletes, House retains.

Sec. 204. Performance Benchmarks – RETAINED

Requires report of benchmarks to measure performance or return for each new program or program increase of \$500,000 or more; includes intent language that any new program include list of benchmarks in future. Executive deletes, House retains.

Sec. 212. Disciplinary Action Against State Employees – RETAINED

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

Sec. 217. Retention of Reports – RETAINED

Requires DNR to retain copies of all reports funded from appropriations. Executive deletes, House retains.

Sec. 223. Waterways Fund Projects – RETAINED

Requires report on activities of Waterways Commission during the previous fiscal year; list of completed waterways fund projects to be provided to Legislature. Executive deletes, House retains.

Sec. 238. Attorney General Spending on Wolf Hunt Litigation – NEW

Limits the Attorney General to spending no more than \$100,000 on litigation related to the 2014 decision of the US District Court for the District of Columbia that added gray wolves to the endangered & threatened species list. House adds new section.

Sec. 250. Michigan Civilian Conservation Corps (MCCC) – DELETED

Requires DNR to work with MCCC steering committee to plan for a nonprofit MCCC outside of state government. Executive deletes, House concurs.

Sec. 408. Land Transactions – RETAINED

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

Sec. 501. Wildlife Management – NEW

Requires DNR to use increased federal funding available from increased firearm and ammunition sales for the purpose of wildlife management which includes habitat restoration, conservation, and enhancement. Executive adds new section, House concurs.

Sec. 503. Invasive Species Order Enforcement – DELETED

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

Sec. 504. Cervid Operation Fees – RETAINED

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

Sec. 602. Water Control Structure Certification – RETAINED

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

Sec. 603. Cormorant Management – DELETED

Requires quarterly report on the use of cormorant management funding; provides that the Department must submit funding to the USDA to pay for increased taking of cormorants and their nests. Executive deletes, House concurs.

Sec. 702. State Park Campground Closures – DELETED

Requires DNR to notify Legislature if Department intends to reduce operations or recreation opportunities at any state park or recreation area. Executive deletes, House concurs.

Sec. 704. Pure Michigan Trails – DELETED

Allocates \$200,000 from appropriations in part 1 for Pure Michigan Trails if Senate Bills 873 through 877 are enacted. (Note: Four of these bills were enacted: Senate Bill 873 - PA 210, Senate Bill 875 - PA 211, Senate Bill 876 – PA 212, Senate Bill 877 – PA 213). Executive deletes, House concurs.

Sec. 801. Forest Management and Timber Market Development – NEW

Requires DNR to use increased restricted funding available from the increased timber harvest for the purpose of forest management and timber market development which includes investments in technology and equipment aimed at growing the timber economy. Executive adds new section, House concurs.

Sec. 802. Timber Marking – RETAINED

Directs Department to mark and prescribe treatment on 79,000 acres, prepare for harvest 67,500 acres at an average rate of 12.5 to 15.0 cords per acre; requires quarterly report. Executive deletes, House retains.

Sec. 804. Horseback Riding Opportunities – DELETED

Directs Department to work cooperatively with horseback riding interests to increase horseback riding opportunities. Executive deletes, House concurs.

Sec. 805. Contract Foresters – RETAINED

Allows Department to hire sufficient contract foresters to mark timber. Executive deletes, House retains.

Sec. 808. Gas and Oil Lease Development - RETAINED

Requires DNR to develop a plan to motivate state-land oil and gas lessees to undertake warranted new operations. Executive deletes, House retains.

Sec. 901. Snowmobile Law Enforcement Grants – RETAINED

Provides snowmobile law enforcement grants 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. Off Road Vehicle (ORV) Trail Improvement Grants – DELETED

Requires expenditure of not less than \$980,000 for the development of new ORV trails. Executive deletes, House concurs.

Sec. 1201. Saginaw River Study – DELETED

Requires DNR to conduct a study concerning the deepening of the Saginaw River. Executive deletes, House concurs.

Sec. 1301. FY 2015-16 Anticipated Appropriations – DELETED

States legislative intent that FY 2015-16 line item appropriations will be the same as those for FY 2014-15 with certain economic adjustments. Executive deletes, House concurs.

Sec. 1302. Identification of Future Retirement Costs – DELETED

States legislative intent that the DNR identify the FY 2015-16 retirement costs for line items listed in part 1. Executive deletes, House concurs.