

FY 2012-13: DEPARTMENT OF NATURAL RESOURCES
Summary: As Reported by House Subcommittee
House Bill 5386 (H-1) Draft 2



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	FY 2011-12 YTD as of 2/9/12	FY 2012-13 Revised Executive	FY 2012-13 House	FY 2012-13 Senate	FY 2012-13 Enacted	Difference: House From FY 2011-12 YTD	
						Amount	%
IDG/IDT	\$6,587,500	\$2,027,200	2,027,200			(4,560,300)	(69.2)
Federal	69,356,200	66,603,000	66,524,800			(2,831,400)	(4.1)
Local	0	0	0			0	0
Private	2,931,600	7,239,200	7,239,200			4,307,600	146.9
Restricted	246,939,100	244,254,800	241,907,000			(5,032,100)	(2.0)
GF/GP	18,326,700	19,637,900	16,442,500			(1,884,200)	(10.3)
Gross	\$344,141,100	\$339,762,100	334,140,700			(10,000,400)	(2.9)
FTEs	2,179.4	2,152.5	2,099.8			(79.6)	(3.7)

Notes: (1) FY 2011-12 year-to-date (YTD) figures include mid-year budget adjustments through February 9, 2012, as well as adjustments for Other Post Employment Benefit prefunding under Senate Bill 683.
(2) Appropriation figures for all years include all proposed appropriation amounts, including both standard line items and appropriations designated as one-time.

Overview

The Department of Natural Resources (DNR) manages, conserves, and protects Michigan's resources. Programs include forest management, land and minerals management, wildlife and fisheries management, conservation law enforcement, state parks and forest campgrounds, and Michigan's historical programs.

		FY 2011-12 Year-to-Date (as of 2/9/12)	FY 2012-13 House Change
Major Budget Changes From FY 2011-12 YTD Appropriations			
1. Funding and FTE Authorization Adjustments			
<u>Executive</u> reduces restricted funding authorization by \$10.1 million and private funding by \$260,100 to align with anticipated revenues. Includes a net federal funding authorization increase of \$1.6 million; reduces FTE authorizations by 24.0 positions through the elimination of unfilled and unfunded positions. <u>House</u> concurs.	FTE	N/A	(24.0)
	Gross	N/A	(\$8,728,900)
	Federal	N/A	1,648,800
	Private	N/A	(\$260,100)
	Restricted	N/A	(10,117,600)
2. GF/GP Reduction			
<u>House</u> includes \$145,400 GF/GP reduction throughout various line items.	Gross	N/A	(\$145,400)
	GF/GP	N/A	(\$145,400)
3. FTE Reduction			
<u>House</u> includes a reduction of 52.7 FTE authorizations from various line items; these FTEs no longer had funding associated with the positions.	FTE	N/A	(52.7)
	Gross	N/A	\$0
	Restricted	N/A	0
4. Great Lakes Restoration Initiative			
<u>Executive</u> reduces federal funding by \$4.5 million to align with anticipated revenues. <u>House</u> concurs.	Gross	10,000,000	(\$4,500,000)
	Federal	10,000,000	(\$4,500,000)
5. Gifts and Bequests Authorization			
<u>Executive</u> includes additional \$4.5 million private funding authorization and changes name of line item to Gifts and Pass-Through Transactions. <u>House</u> concurs.	Gross	\$500,000	\$4,500,000
	Private	500,000	\$4,500,000
6. Dam Management Grant Program			
<u>Executive</u> includes \$500,000 GF/GP funding and 1.0 FTE position for competitive grants for removal or maintenance of failing dams from private and state-owned land; additional one-time GF/GP funding of \$2.0 million appropriated in boilerplate (additional \$2.0 million funding is shown in item #17 below). <u>House</u> includes \$450,000 GF/GP funding and 1.0 FTE position.	FTE	N/A	1.0
	Gross	N/A	\$450,000
	GF/GP	N/A	\$450,000

Major Budget Changes From FY 2011-12 YTD Appropriations		FY 2011-12 Year-to-Date (as of 2/9/12)	FY 2012-13 House Change
7. Summer Youth Initiative	Gross	N/A	\$0
<u>Revised Executive</u> appropriates \$3.0 million GF/GP funding for a new summer employment program for youth in the following urban areas: Pontiac, Flint, Saginaw, and Detroit. <u>House</u> does not include program funding.	GF/GP	N/A	\$0
8. Off Road Vehicle (ORV) License Fee Increase	Gross	N/A	\$0
<u>Executive</u> includes \$2.5 million additional restricted funding to be realized through an increase in the ORV license from the current annual fee of \$16.25 to a \$35.00 annual fee. <u>House</u> does not include fee increase revenues.	Restricted	N/A	0
9. Duplicate Recreational Safety Certificate Fee	Gross	N/A	\$0
<u>Executive</u> includes additional \$70,400 funding to be realized through a new fee charged for duplicate safety certificates such as boating, hunter, snowmobile, or ORV safety certificates; fee for replacement certificates would be \$11.00; \$28,200 of fee increase deposited into federal Hunter Education Fund. <u>House</u> does not include new fee revenues.	Federal	N/A	0
	Restricted	N/A	0
10. Shooting Range Fees	Gross	N/A	\$0
<u>Executive</u> increases federal funding authorization by \$50,000 in anticipation of a statutory change that would allow the DNR to charge a \$5.00 daily fee at all shooting ranges on state-owned land; currently range fees can only be charged at state parks; revenue will be deposited into the federal Hunter Education Fund. <u>House</u> does not include new fee revenues.	Federal	N/A	0
11. FY 2011-12 Contingency Plans Funding	FTE	N/A	(3.9)
<u>Executive</u> includes reduction of \$364,200 GF/GP funding and elimination of authorization for 3.9 FTE positions as part of an employee concessions contingency plan for FY 2011-12. <u>House</u> concurs.	Gross	N/A	(\$364,200)
	GF/GP	N/A	(\$364,200)
12. State Park Improvement Revenue Bond Payment	Gross	N/A	\$3,300
<u>Executive</u> includes \$3,300 restricted funding for State Park Improvement Revenue Bond Payment. <u>House</u> concurs.	Restricted	N/A	3,300
13. Other Post-Employment Benefits (OPEB) FY 2011-12 GF/GP Relief Adjustment	Gross	N/A	\$0
<u>Executive</u> includes funding adjustments to replace the one-time IDG funding relief of \$4.6 million for OPEB costs in FY 2011-12. <u>House</u> concurs.	IDG	N/A	(4,590,100)
	Federal	N/A	1,300,800
	Restricted	N/A	3,289,300
14. Grand Marais Harbor One-Time Appropriation	Gross	\$4,000,000	(\$4,000,000)
<u>Executive</u> eliminates one-time funding of \$4.0 million GF/GP for Grand Marais Harbor appropriated through boilerplate in FY 2011-12. <u>House</u> concurs.	GF/GP	\$4,000,000	(\$4,000,000)
15. State Park Funding	Gross	N/A	\$225,000
<u>House</u> includes additional \$225,000 restricted funding from the Michigan State Park Endowment Fund to the state parks line item.	Restricted	N/A	225,000
16. Forestry - Best Practices Management Audit	Gross	N/A	\$100
<u>House</u> includes \$100 Forest Development Fund funding as a placeholder for a grant to the Sustainable Forestry Initiative to conduct a best management practices analysis and audit on water quality and related forestry issues.	Restricted	N/A	100
17. One-Time Appropriations	Gross	N/A	\$3,892,600
<u>Executive</u> includes the following one-time appropriations in boilerplate for FY 2012-13:	IDG	N/A	11,300
	Federal	N/A	260,500
	Private	N/A	15,500
• \$1.9 million Gross (\$96,200 GF/GP) for negotiated one-time lump sum payments to state employees.	Restricted	N/A	1,509,100
• \$2.0 million Gross and GF/GP for Dam Management Grant Program.	GF/GP	N/A	\$2,096,200
<u>House</u> concurs, but appropriates funding in a separate line item unit.			

<u>Major Budget Changes From FY 2011-12 YTD Appropriations</u>		<u>FY 2011-12 Year-to-Date (as of 2/9/12)</u>	<u>FY 2012-13 House Change</u>
18. Economic Adjustments	Gross	N/A	\$5,370,600
<u>Executive</u> reflects increased costs of \$5.4 million Gross (\$79,200 GF/GP) for negotiated salary and wage increases, actuarially-required retirement rate increase, reduced employer health insurance costs due to 20% employee contribution and other economic adjustments. <u>House</u> concurs.	IDG	N/A	18,500
	Federal	N/A	908,500
	Private	N/A	52,200
	Restricted	N/A	4,312,200
	GF/GP	N/A	79,200
19. Capital Outlay Projects	Gross	\$25,080,000	(\$6,703,500)
<u>Executive</u> decreases funding for capital outlay projects in FY 2012-13 by \$6.7 million. Restricted funding for state parks and forest area projects is changed to state parks repair and maintenance projects and decreased by \$3.3 million; restricted funding for waterways projects is reduced by \$979,400 and federal funding is reduced by \$2.5 million. For FY 2013-14, proposed funding for waterways boating projects is reduced by \$3.4 million. <u>House</u> concurs.	Federal	3,750,000	(2,450,000)
	Restricted	21,330,000	(4,253,500)

20. Anticipated FY 2013-14 Budget Changes

Reflects anticipated increase from FY 2012-13 budget of \$5.5 million Gross (\$79,200 GF/GP) for economic adjustments in FY 2013-14 and a decrease of \$3.4 million restricted funding for waterways boating projects. (Boilerplate intent language only; would not be binding appropriation.)

Major Boilerplate Changes From FY 2011-12

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 language; House retains language.

Sec. 218. Out-of-State Travel Report – NEW

House includes language that requires Department to report out-of-state travel expenses annually.

Sec. 219. Office Space Consolidation Plan – NEW

House includes legislative intent language that the Department work with DTMB to develop and implement a statewide office space consolidation plan.

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 and State Budget Director by January 31, 2012. Executive deletes language; House retains language.

Sec. 233. FTE Report – RETAINED

Requires report on number of FTEs in pay status; report required quarterly. Executive deletes language; House retains language.

Sec. 301. Engineering Services Fees – DELETED

Allows fee charge against capital outlay or special maintenance appropriation to recover engineering service cost. Executive and House delete language.

Sec. 306. Historical Program Fees – RETAINED

Allows DNR to charge fees for historical program services and museum admissions; **Executive** eliminates language that requires children under 18 be admitted free to the Michigan Historical Museum (Renumbered to Sec. 14-403). House retains language.

Sec. 308. Land Transactions – RETAINED

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

Dec. 309. Oil and Gas Lease Report – DELETED

Requires DNR to report on active oil and gas leases entered into before July of 1995 on parcels larger than 160 acres where the producing unit is less than or equal to 1/4 of the total lease acreage. Executive and House delete language.

Sec. 402. Livestock Loss Indemnification – DELETED

State legislative intent that the DNR reimburse Department of Agriculture and Rural Development for livestock losses caused by wolves, coyotes, or cougars. Executive and House delete language.

Sec. 502. Water Control Structure Certification – RETAINED

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

Sec. 602. State Park Campground Closures – RETAINED

Requires Legislature be notified if reduced operations or recreation opportunities are planned at any state park or recreation area. Executive deletes language; House retains language.

Sec. 702. 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 language; House retains language.

Sec. 704. Horseback Riding Opportunities – RETAINED

Directs Department to work cooperatively with horseback riding interests to increase horseback riding opportunities. Executive deletes language; House retains language.

Sec. 705. Contract Foresters – RETAINED

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

Sec. 706. State Forest Campground Closures – RETAINED

States legislative intent that the state forest campgrounds proposed by the DNR to be closed will remain open. Executive deletes language; House retains language.

Sec. 707. State Forest Campgrounds Mini-State Parks Pilot Program – REVISED

Requires a strategic plan be developed to incorporate selected state forest campgrounds into the state park system as mini-state parks; requires report. Executive deletes language; House revises language to require a report containing information on state forest campgrounds management and funding.

Sec. 710. DNR Aircraft Report – RETAINED

Requires DNR to report on the wildfire protection aircraft program. Report shall include the number of planes owned, aircraft costs, airplane usage, number of wildfires, and annual flight hours logged. Executive deletes language; House retains language.

Sec. 801. Snowmobile Law Enforcement Grants – RETAINED

Provides snowmobile law enforcement grants to county law enforcement agencies in counties with state snowmobile trails. Executive deletes language; House retains language.

Sec. 802. 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 language; House retains language.

Sec. 902. Off Road Vehicle (ORV) Trail Improvement Grants – RETAINED

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

Sec. 903. Dam Management Program – NEW

Executive includes language that provides that the unexpended funds for the Dam Management Grant Program are considered work project appropriations. House revises language to include that a long term plan be part of grant application.

Sec. 904. Sustainable Forestry Initiative: Best Management Practices Audit – NEW

House includes legislative intent language to provide grant funding to the Sustainable Forestry Initiative to work with forestland owners and prepare an analysis and audit of state-wide best management practices for water quality and related forestry issues.

Sec. 1001. Capital Outlay Appropriations for the Harbors and Docks Grants in Aid – RETAINED

Provides for disbursement of Waterways Fund appropriation to the federal government and local governmental units. Executive deletes language; House retains language.

Sec. 1004. Capital Outlay - Grand Marais Harbor Project – DELETED

Requires that DNR fund a capital outlay project to construct a breakwall at the Grand Marais Harbor once the necessary permits have been issued; project estimate cost is \$7.0 million. Executive and House delete language.

Sec. 1101. One-Time Appropriation - Grand Marais Harbor Capital Outlay Project – DELETED

Appropriates \$4.0 million GF/GP for the Grand Marais harbor capital outlay project; funding is on a one-time basis only. Executive and House delete language.

Sec. 14-901. One-Time Basis Appropriation – NOT INCLUDED

Executive includes language that appropriates \$1.9 million Gross (96,200 GF/GP) for state employee lump sum payments and \$2.0 million GF/GP for a dam management grant program; funding is on a one-time basis only. House does not include boilerplate language, but appropriates the funding in a separate line item unit.

Sec. 1201. Anticipated FY 2013-14 Appropriations – NEW

House includes language that states legislative intent to provide appropriations for FY 2013-14, adjusting FY 2012-13 amounts based on economic and other factors. (See item 20 under Major Budget Changes for specific anticipated appropriation adjustments.)