

DEPARTMENT OF NATURAL RESOURCES
Summary: Conference Report
Article 11, House Bill 5396 (S-1) CR-1

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	FY 2019-20 YTD as of 2/6/20	FY 2020-21 Conference	Difference: Conference From FY 2019-20 YTD	
			Amount	%
IDG/IDT	\$197,200	\$203,100	\$5,900	3.0
Federal	75,501,200	88,453,700	12,952,500	17.2
Local	0	0	0	--
Private	7,431,600	7,439,200	7,600	0.1
Restricted	308,570,400	322,800,800	14,230,400	4.6
GF/GP	46,985,000	50,697,300	3,712,300	7.9
Gross	\$438,685,400	\$469,594,100	\$30,908,700	7.0
FTEs	2,340.1	2,352.1	12.0	0.5

Notes:

- (1) FY 2019-20 year-to-date figures are as of release of the executive budget on February 6, 2020 and do not include mid-year budget adjustments.
- (2) Appropriation figures include all proposed appropriation amounts and amounts designated as "one-time."
- (3) Because of revenue uncertainty due to the COVID-19 pandemic, separate FY 2020-21 budget bills were not passed by the House or the Senate.

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.

		FY 2019-20 Year-to-Date (as of 2/6/20)	FY 2020-21 Conference Change
Major Budget Changes From FY 2019-20 YTD Appropriations			
1. Milliken Visitors Center (One-Time)	Gross	NA	\$2,500,000
Appropriates \$2.5 million GF/GP for the construction of a new visitors center on Mackinac Island including indoor and outdoor exhibits.	GF/GP	NA	\$2,500,000
2. Local Marine Patrol Grants	Gross	NA	\$1,750,000
Includes \$1.8 million GF/GP for grants to local law enforcement to enforce no wake zones in an effort to mitigate high water impacts on infrastructure.	GF/GP	NA	\$1,750,000
3. Michigan Conservation Corps	Gross	NA	\$934,400
Adds \$934,400 GF/GP for the Michigan Conservation Corps. This statewide summer employment program for at-risk youth and returning veterans allows partner organizations to hire individuals for work that is approved or managed by DNR employees. The program was last funded in FY 2018-19.	GF/GP	NA	\$934,400
4. Wildlife Management	FTE	221.5	0.0
Reduces Wildlife Management by \$495,000 GF/GP. The addition of \$505,000 to offset the anticipated loss of revenue due to discounting antlerless deer licenses in the northeast Lower Peninsula is exceeded by a reduction of \$1.0 million.	Gross	\$45,881,000	(\$495,000)
	Federal	25,377,200	0
	Private	315,700	0
	Restricted	15,422,400	0
	GF/GP	\$4,765,700	(\$495,000)
5. Deer Habitat Partnership Improvement Initiative	Gross	\$300,000	\$145,800
Expands funding for the Deer Habitat Partnership Improvement Initiative by \$145,800 GF/GP to provide grants through the Northern Lower Peninsula Deer Private Land Assistance Network.	Restricted	200,000	0
	GF/GP	\$100,000	\$145,800

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<u>Major Budget Changes From FY 2019-20 YTD Appropriations</u>		<u>FY 2019-20 Year-to-Date (as of 2/6/20)</u>	<u>FY 2020-21 Conference Change</u>	
6. General Law Enforcement		FTE	293.0	0.0
Reflects a travel cost savings of \$91,700 GF/GP for DNR law enforcement due to permanently stationing Conservation Officers at Belle Isle State Park rather than requiring travel from other duty stations.		Gross	\$44,784,100	(\$91,700)
		Federal	6,648,100	0
		Restricted	25,682,400	0
		GF/GP	\$12,453,600	(\$91,700)
7. Good Neighbor Program – Forest Management and Timber Market Development		FTE	178.0	7.0
Expands the Good Neighbor Program by adding \$8.1 million of available federal funding and 7.0 FTE positions to support increasing timber sales and forest resources management activities.		Gross	\$35,061,700	\$8,143,400
		Federal	2,236,000	8,143,400
		Private	930,400	0
		Restricted	31,895,300	0
		GF/GP	\$0	\$0
8. Newberry Mass Timber Building (Capital Outlay)		Gross	NA	\$5,000,000
Adds \$5.0 million from the Forest Development Fund for the construction of a facility in Luce County for departmental staff and storage. The building would replace existing leased and outdated facilities.		Restricted	NA	5,000,000
		GF/GP	NA	\$0
9. Shooting Range Development, Enhancement, and Restoration (One-Time)		Gross	NA	\$4,400,000
Appropriates \$4.4 million Gross for maintenance of existing and development of new archery and firearm ranges throughout Michigan.		Federal	NA	4,000,000
		Private	NA	400,000
		GF/GP	NA	\$0
10. Fish Hatchery Infrastructure (Capital Outlay)		Gross	NA	\$2,500,000
Authorizes expenditure of \$2.5 million from the Game and Fish Protection Fund for infrastructure maintenance, energy efficiency, and biosecurity at Michigan’s six fish hatcheries.		Restricted	NA	2,500,000
		GF/GP	NA	\$0
11. Wetlands Restoration, Enhancement, and Acquisition (Capital Outlay)		Gross	NA	\$1,000,000
Appropriates \$1.0 million of available Waterfowl Hunt Stamp revenue for wetland enhancement and waterfowl habitat maintenance.		Restricted	NA	1,000,000
		GF/GP	NA	\$0
12. Forest Fire Equipment		Gross	NA	\$1,000,000
Appropriates \$1.0 million from the Forest Development Fund for fire equipment maintenance and acquisition.		Restricted	NA	1,000,000
		GF/GP	NA	\$0
13. State Park Employee Retention Initiative		FTE	NA	4.0
Includes an additional \$567,800 of restricted funding and 4.0 FTE positions for Forest Recreation & Trails, Recreational Boating, and State Parks to create park supervisor roles and paths for career advancement.		Gross	NA	\$567,800
		Restricted	NA	567,800
		GF/GP	NA	\$0
14. Forestry Investment (One-Time)		Gross	NA	\$500,000
Appropriates \$500,000 from the Forest Development Fund for research on maintenance and health of white cedar forests in Michigan.		Restricted	NA	500,000
		GF/GP	NA	\$0
15. Wildfire Equipment Mechanic – Wildfire Protection		FTE	114.0	1.0
Adds \$375,000 from the Forest Development Fund and 1.0 FTE position to the Wildfire Protection program for a mechanic to maintain fire equipment inventory.		Gross	\$14,320,200	\$375,000
		Federal	1,357,500	0
		Restricted	6,661,900	375,000
		GF/GP	\$6,300,800	\$0
16. Belle Isle Park – State Parks		FTE	715.6	0.0
Adds \$200,000 from the Park Improvement Fund, Belle Isle Subaccount to State Parks for operation and maintenance of Belle Isle Park. Additional revenue is available from the Belle Isle Grand Prix.		Gross	\$75,592,600	\$200,000
		Federal	141,400	0
		Private	428,100	0
		Restricted	72,496,900	200,000
		GF/GP	\$2,526,200	\$0

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<u>Major Budget Changes From FY 2019-20 YTD Appropriations</u>		FY 2019-20 Year-to-Date (as of 2/6/20)	FY 2020-21 Conference Change
17. Marketing and Outreach	FTE	80.8	0.0
Expands departmental marketing and outreach by adding \$173,600 from the Sportsmen Against Hunger Fund. Additional spending authority would be used to cover costs related to providing donated venison to local food banks and shelters.	Gross	\$14,166,300	\$173,600
	Federal	1,694,800	0
	Restricted	12,194,500	173,600
	GF/GP	\$277,000	\$0
18. Capital Outlay Adjustments	Gross	NA	(\$3,125,000)
Reflects adjustments of \$3.1 million to annual capital outlay appropriations for boating infrastructure, state parks maintenance, and state forest infrastructure to align spending with available revenue.	Restricted	NA	(3,125,000)
	GF/GP	NA	\$0
19. Removal of FY 2019-20 One-Time Funding	Gross	NA	(\$2,200,000)
Removes \$2.2 million GF/GP for the Wildlife and Fisheries Health Study (PFAS) and wildlife management (CWD) included in the FY 2019-20 budget.	GF/GP	NA	(\$2,200,000)
20. Technical Adjustments	Gross	NA	\$159,000
Increases DNR budget by \$159,000 Gross to align appropriations with available private and restricted funding.	IDG	NA	200
	Private	NA	(396,200)
	Restricted	NA	555,000
	GF/GP	NA	\$0
21. Economic Adjustments	Gross	NA	\$7,471,400
Reflects increased costs of \$7.5 million Gross (\$1.2 million GF/GP) for negotiated salary and wage increases (2.0% on October 1, 2020 and 1.0% on April 4, 2021), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.	IDG	NA	5,700
	Federal	NA	809,100
	Private	NA	3,800
	Restricted	NA	5,484,000
	GF/GP	NA	\$1,168,800

Boilerplate Changes From FY 2019-20

Sec. 216. FTE Vacancies and Remote Work Report – NEW

Requires the department to report quarterly on the number of FTE positions filled, FTE vacancies, the number of employees working remotely, the number of employees authorized to work remotely, estimated cost savings from remote work, and reduction in office space due to working remotely.

Sec. 217. Expending Available Work Project Authorization – NEW

Advises the department not to expend appropriations in part 1 until existing work project authorization for the same purpose has been expended.

Sec. 218. State Administrative Board Transfers – NEW

Allows the legislature to adopt a concurrent resolution to intertransfer funds within the department's budget if the State Administrative Board transfers fund appropriated in part 1.

Sec. 219. Receipt and Retention of Reports – NEW

Requires the department to receive and retain copies of all reports funded in part 1.

Sec. 220. Report on Policy Changes Made to Implement Public Acts Affecting Department – NEW

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. 409. Report on Portage Restaurant – NEW

Requires the department to report on the current and planned future use of the Portage Restaurant at Presque Isle State Harbor at Presque Isle County.

Sec. 410. Report on Use of Lands Acquired Since January 2019 – NEW

Requires the department to report on lands acquired since January 2019 and their respective planned uses. Report is due November 1, 2020.

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Boilerplate Changes From FY 2019-20

Sec. 504. Cervid Operation Fees – DELETED

Requires report on use of registration fees from privately owned cervid operations.

Sec. 507. Antlerless Deer License Discounts – NEW

Permits the department to discount antlerless deer licenses in the northeast Lower Peninsula to achieve deer management objectives; earmarks up to \$505,000 of funding for wildlife management in part 1 to supplant lost revenue that would otherwise be collected from full-price antlerless deer licenses sold in the northeast Lower Peninsula; permits the department to terminate the license discount once lost revenue reaches \$505,000.

Sec. 1002. Water Trail Grants – DELETED

Requires department to collaborate with Waterways Commission to develop a plan to incorporate grants for state-designated water trails as a part of Waterways Grant Application Program.

Sec. 1002. Deer Habitat Improvement Partnership Initiative Earmark – NEW

Earmarks \$145,800 from Deer Habitat Improvement Partnership Initiative in part 1 to provide grants through the Northern Lower Peninsula Deer Private Land Assistance Network.

Sec. 1003. Local Marine Patrol Grants – NEW

Directs expenditure of funding for Local Marine Patrol Grants in part 1 for grants to local law enforcement to enforce no wake zones in an effort to mitigate high water impacts on infrastructure, limits individual grants to not more than \$100,000.

Sec. 1202. Lake Level Assessment Reimbursements – DELETED

Allocates \$35,000 of Finance and Operations appropriation to reimburse qualifying costs related to lake level assessments.

Sec. 1203. Wildlife Management – DELETED

Authorizes unexpended funds appropriated for Wildlife Management to be considered work project appropriations and carried forward until projects have been completed. Projects will be accomplished using state resources, contracts, and/or grants and have a tentative completion date of September 30, 2022.

Sec. 1206. Wildlife and Fisheries Health Study – DELETED

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

FY 2019-20 Supplemental Boilerplate Items

Article 14, House Bill 5396 (S-1) CR-1

Sec. 551. Coronavirus Relief Fund Appropriation Reduction

Reduces appropriation from the Coronavirus Relief Fund, made under section 302 of 2020 PA 67 for hazard/premium pay for front line workers, by \$146,000.