

**Summary: Executive Budget Recommendation  
for Fiscal Year 2020-21  
DEPARTMENT OF NATURAL RESOURCES**



**Analyst: Austin Scott**

	FY 2019-20 Year-to-Date as of 2/6/20	FY 2020-21 Executive	Difference: FY 2020-21 Vs. FY 2019-20	
			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	49,362,100	2,377,100	5.1
<b>Gross</b>	<b>\$438,685,400</b>	<b>\$468,258,900</b>	<b>\$29,573,500</b>	<b>6.7</b>
FTEs	2,340.1	2,352.1	12.0	0.5

Notes: (1) FY 2019-20 year-to-date figures include mid-year budget adjustments through February 6, 2020. (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.

<b>Major Budget Changes from FY 2019-20 Year-to-Date (YTD) Appropriations</b>	<b>FY 2019-20 YTD (as of 2/6/20)</b>	<b>Executive Change from YTD</b>
<b>1. Milliken Visitors Center (One-Time)</b> Appropriates \$2.5 million GF/GP for the construction of a new visitors center on Mackinac Island including indoor and outdoor exhibits.	<b>Gross</b> NA GF/GP NA	<b>\$2,500,000</b> \$2,500,000
<b>2. Michigan Conservation Corps – State Parks</b> Adds \$1.0 million GF/GP to State Parks 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.	FTE 715.6 <b>Gross</b> \$75,592,600 Federal 141,400 Private 428,100 Restricted 72,496,900 GF/GP \$2,526,200	0.0 <b>\$1,000,000</b> 0 0 0 \$1,000,000
<b>3. Good Neighbor Program – Forest Management and Timber Market Development</b> 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.	FTE 178.0 <b>Gross</b> \$35,061,700 Federal 2,236,000 Private 930,400 Restricted 31,895,300 GF/GP \$0	7.0 <b>\$8,143,400</b> 8,143,400 0 0 \$0
<b>4. State Park Employee Retention Initiative</b> 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.	FTE NA <b>Gross</b> NA Restricted NA GF/GP NA	4.0 <b>\$567,800</b> 567,800 \$0
<b>5. Wildfire Equipment Mechanic – Wildfire Protection</b> 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.	FTE 114.0 <b>Gross</b> \$14,320,200 Federal 1,357,500 Restricted 6,661,900 GF/GP \$6,300,800	1.0 <b>\$375,000</b> 0 375,000 \$0
<b>6. Wildfire Equipment (One-Time)</b> Appropriates \$1.0 million from the Forest Development Fund for fire equipment maintenance and acquisition.	<b>Gross</b> NA Restricted NA GF/GP NA	<b>\$1,000,000</b> 1,000,000 \$0

<b>Major Budget Changes from FY 2019-20 Year-to-Date (YTD) Appropriations</b>		<b>FY 2019-20 YTD (as of 2/6/20)</b>	<b>Executive Change from YTD</b>
<b>7. Belle Isle Park – State Parks</b>	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.	<b>Gross</b>	<b>\$75,592,600</b>	<b>\$200,000</b>
	Federal	141,400	0
	Private	428,100	0
	Restricted	72,496,900	200,000
	GF/GP	\$2,526,200	\$0
<b>8. Marketing and Outreach</b>	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.	<b>Gross</b>	<b>\$14,166,300</b>	<b>\$173,600</b>
	Federal	1,694,800	0
	Restricted	12,194,500	173,600
	GF/GP	\$277,000	\$0
<b>9. Shooting Range Development, Enhancement, and Restoration (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$4,400,000</b>
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
<b>10. Forestry Investment (One-Time)</b>	<b>Gross</b>	<b>NA</b>	<b>\$500,000</b>
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
<b>11. Newberry Mass Timber Building (Capital Outlay)</b>	<b>Gross</b>	<b>NA</b>	<b>\$5,000,000</b>
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
<b>12. Fish Hatchery Infrastructure (Capital Outlay)</b>	<b>Gross</b>	<b>NA</b>	<b>\$2,500,000</b>
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
<b>13. Wetlands Restoration, Enhancement, and Acquisition (Capital Outlay)</b>	<b>Gross</b>	<b>NA</b>	<b>\$1,000,000</b>
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
<b>14. Capital Outlay Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>(\$3,125,000)</b>
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
<b>15. General Law Enforcement</b>	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.	<b>Gross</b>	<b>\$44,784,100</b>	<b>(\$91,700)</b>
	Federal	6,648,100	0
	Restricted	25,682,400	0
	GF/GP	\$12,453,600	(\$91,700)
<b>16. Removal of FY 2019-20 One-Time Funding</b>	<b>Gross</b>	<b>NA</b>	<b>(\$2,200,000)</b>
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)
<b>17. Technical Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$159,000</b>
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

<u>Major Budget Changes from FY 2019-20 Year-to-Date (YTD) Appropriations</u>	<u>FY 2019-20 YTD (as of 2/6/20)</u>	<u>Executive Change from YTD</u>	
<b>18. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$7,471,400</b>
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

**Major Boilerplate Changes from FY 2019-20**

**Sec. 206. Businesses in Economically Deprived or Depressed Communities – REVISED**

Requires director to take reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts. Revises to require director to take reasonable steps to the extent permissible under the Management and Budget Act.

**Sec. 210. Contingency Fund Transfer Authority – REVISED**

Provides authority for contingency fund transfers of up to \$3.0 million restricted; authorizes expenditure after legislative transfer to specific line items. Revises to include contingency fund transfer authority of \$3.0 million federal, \$10.0 million restricted, and \$1.0 million private.

**Sec. 220. Disciplinary Action Against State Employees – DELETED**

Prohibits department from disciplining state employees for communicating with members of the Legislature and their staffs.

**Sec. 408. Land Transactions – DELETED**

Requires detailed report to legislature on land purchases, sales, and exchanges.

**Sec. 504. Cervid Operation Fees – DELETED**

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

**Sec. 506. USDA Wildlife Services Deer Harvesting – DELETED**

Encourages United States Department of Agriculture Wildlife Services to harvest all deer during targeted removal required under Enhanced Wildlife Biosecurity Program.

**Sec. 601. Stream Habitat Improvement Grants – DELETED**

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

**Sec. 602. Water Control Structure Certification – DELETED**

Directs Fisheries Division to not interfere with certification process for dams and other water control structures.

**Sec. 603. Fish Hatcheries Report – DELETED**

Requires annual report on fish hatcheries.

**Sec. 901. Snowmobile Law Enforcement Grants – DELETED**

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

**Sec. 902. Marine Safety Grants – DELETED**

Requires report on Marine Safety Grant Program; requires report to include watercraft registration revenues, revenues and expenditures of Marine Safety Fund, grant distribution methodology, and list of grant awards by county.

**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. 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.

**Supplemental Recommendations for FY 2019-20 Appropriations**

**FY 2019-20  
Recommendation**

**1. *Brandon Road Lock and Dam***

Appropriates \$8.0 million from the Michigan Infrastructure Fund for construction of an invasive carp barrier at Brandon Road lock and dam in Illinois. The project is funded by Great Lakes states to prevent carp from entering Lake Michigan. General Fund was deposited to the Michigan Infrastructure Fund in 2018 PA 618 in anticipation of the project.

<b>Gross</b>	<b>\$8,000,000</b>
Restricted	8,000,000
GF/GP	\$0