



**House
Legislative
Analysis
Section**

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**ANNUAL DNR, DEQ REPORT
TO LEGISLATURE**

AS ENROLLED

**House Bill 4709 (Substitute H-1)
First Analysis (10-5-95)**

**Sponsor: Rep. Tom Alley
Committee: Conservation, Environment,
and Great Lakes**

THE APPARENT PROBLEM:

Michigan has been blessed with an abundance of natural resources that have been important to the state's economy and quality of life. These natural resources include significant deposits of minerals (including copper, iron, sand, gravel, salt, oil, and gas), extensive forests that are used both for industry and for recreation, and an abundance of lakes -- including borders on four of the five Great Lakes -- and streams that support important commercial and sport fisheries, as well as recreational boating. Recognizing the importance of natural resources to the state, the 1963 state constitution (Article IV, Section 52) says that "The conservation and development of the natural resources of the state are hereby declared to be of paramount public concern in the interest of the health, safety and general welfare of the people. The legislature shall provide for the protection of the air, water and other natural resources of the state from pollution, impairment, and destruction." The Department of Conservation (renamed "the Department of Natural Resources" in 1968) was established by Public Act 17 of 1921, and incorporated the powers and duties formerly invested in two state boards (the Board of Geological Survey and the State Board of Fish Commissioners), two commissions (the Public Domain Commission and the Michigan State Park Commission), and one state commissioner, the State Game, Fish and Forest Fire Commissioner. The department was charged with five duties: (1) "to protect and conserve the natural resources of the state of Michigan," (2) "to prevent the destruction of timber by fire or otherwise," (3) "to promote the re-forestation of non-agricultural lands belonging to the state," (4) "to guard against the pollution of lakes and streams within the state," and (5) "to foster and encourage the protecting and propagation of game and fish" (1921 Michigan Manual). Over the years, however, the department's responsibilities have grown from its initial focus on the protection,

conservation, and promotion of timber, game, and fish to include much more attention on the problems of environmental protection. This included not just guarding "against the pollution of lakes and streams," but seemingly ever-increasingly complex issues of air and water quality and waste management. But as the department's environmental protection responsibilities grew, many people -- particularly hunting and fishing enthusiasts -- began to voice concerns that management of the state's natural resources was not being handled adequately. In fact, some people appear to believe that the management of natural resources may be incompatible with environmental protection. The DNR has undergone considerable reorganization over the years (see **BACKGROUND INFORMATION**), including, most recently, the split off of environmental protection functions into the Department of Environmental Quality. In response to public frustration with the DNR, legislation has been introduced that would require the department to disclose annually certain information about its policies and its use of hunting and fishing license fee money.

THE CONTENT OF THE BILL:

The bill would amend the Natural Resources and Environmental Protection Act (Public Act 451 of 1994) to require annual reports to the legislature on certain environmental and natural resources policies and on certain license fee money received and spent by the state. The bill also would require that copies of certain of these policies be submitted to the legislature.

More specifically, during the first week in March of each year, the directors of the Departments of Environmental Quality and Natural Resources would be required to appear before a joint meeting of the House and Senate committees having

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jurisdiction over natural resources and environmental issues. The directors would be required to report on (a) all departmental policies developed or updated, and activities undertaken, during the previous calendar year; and (b) all license fee money from hunters and anglers received and spent by the state during the preceding fiscal year. The directors also would be required to submit copies of certain departmental (or commission) policies, namely, all those developed or updated during the previous calendar year, and, upon committee member request, any or all of the departments' policies.

MCL 324.501a.

BACKGROUND INFORMATION:

Since its statutory creation in 1921, a number of changes have been made to the Department of Conservation. Public Act 380 of 1965 reorganized the department (adding to the department at that time, for example, the Boating Control Committee, the Mackinac Island State Park Commission, the Michigan Waterways Commission, and the Michigan Water Resources Commission). In 1968 the department was renamed the Department of Natural Resources, and in April 1973, it was again reorganized and expanded by executive order to include all state environmental protection agencies. In 1992, the governor (through Executive Reorganization Order No. 1991-22) reorganized the department and, in the process, abolished many statutorily created advisory boards, committees, councils, or commissions that had proliferated over the years (including the Nongame Fish and Wildlife Trust Fund Advisory Committee, the Great Lakes Fishery Advisory Committee, the Hunting Area Control Committee, the Forest and Mineral Resource Development Fund Board, the State Forest Products Industry Development Council, the Marine Safety Advisory Council, the Marine Safety Education Commission, the Wilderness and Natural Areas Advisory Board, the State Recreation and Cultural Arts Advisory Committee, the Air Pollution Control Commission, the Water Resources Commission and the Critical Materials Advisory Committee, the State Resource Recovery Commission, the Clean Michigan Fund Advisory Panel, the Plastics Recycling Development Fund Consortium, and the State Hazardous Waste

Management Planning Committee). Most recently, Executive Order 18 of 1995 (which took effect on October 1, 1995) created a new Department of Environmental Quality (DEQ) and transferred to this new department all of the environmental protection functions formerly handled under the Department of Natural Resources (DNR). More specifically, the executive order transferred to the DEQ all "the statutory authority, powers, duties, functions and responsibilities" of the following specific divisions, offices and units formerly under the DNR:

- * The Air Quality Division;
- * The Environmental Response Division;
- * The Environmental Assistance Division;
- * The Surface Water Quality Division;
- * The Underground Storage Tank Division;
- * The Waste Management Division;
- * The Office of Administrative Hearings;
- * The Office of the Great Lakes;
- * The Coordinator of Environmental Education;
- * The Environmental Education Advisory Committee;
- * The Environmental Investigations Unit of the DNR Law Enforcement Division;
- * The Geological Survey Division (except for the Geological Resource Evaluation and Mapping Program, and the Groundwater Database Program of the DNR); and
- * The Land and Water Management Division (except for the Farmland and Open Space Preservation Program, the Natural Rivers Program, and the Michigan Information Resource Inventory System).

FISCAL IMPLICATIONS:

The House Fiscal Agency says the bill has no fiscal implications. (10-4-95)

ARGUMENTS:**For:**

The DNR's huge responsibility of managing the state's many natural resources often requires it to respond to a host of different special interests--from concerns raised by hunters and anglers about the state's fish and game opportunities, to calls by environmentalists for special protection for the state's wild life and natural areas, to requests by private landowners for building and development permits--which seems to pull the department in many directions at once. The department's apparent lack of a cohesive, unified policy on resource management only works to confuse the public and anger the very citizens whom it seeks to serve. The bill would attempt to correct this problem by providing a public legislative forum in which the department -- along with the newly created Department of Environmental Quality -- would have to disclose any policies it developed in the previous calendar year. Also, the department would have to report on the amount of money the state received and expended from hunting and fishing license fees. Some people apparently feel recent figures released by the DNR to the U.S. Fish and Wildlife Service misrepresented the actual number of people who held hunting licenses between 1989 and 1990. Though requiring the DNR and DEQ directors to come before a joint legislative committee certainly would not solve the many problems facing the DNR, it could help to give the public a better idea of where the DNR is headed in managing the state's natural resources.

Against:

The bill would fail to accomplish anything by requiring the DNR and DEQ directors to come before a joint legislative committee to disclose policy goals. The policies established for managing the state's resources are determined by the Natural Resources Commission in its deliberations throughout any given year. If someone wished to discover what the department's policy was on different issues, he or she could attend the commission's meetings to discover just what those policies were. What is more, the information that would be required by the bill already seems to be available, both by law and under legislative rules. The DNR already is required by law (MCL 324.506) to report (before January 16 of each year in which a regular session of the legislature is held) to the governor and legislature on the operation of the department for the preceding two-year period. If

ordered by the Department of Management and Budget, this report would have to be printed and distributed as the board directed, and would have to be made available to the public as well. In addition, Rule 38 of this legislative session requires the House Oversight and Ethics Committee to receive - - and then refer for review to the appropriate standing committee -- all reports presented by the Auditor General. Finally, in July of this year, the governor issued an executive order (that went into effect on October 1) that created a new Department of Environmental Quality and transferred all of the DNR's environmental protection functions to this new department. Separating environmental protection and natural resources management into two departments may or may not address some of the criticism directed at the DNR, but it seems unclear as to why the DEQ should be included in measures intended to address perceived problems with the DNR's management of natural resources - - and especially with the collection and spending of hunting and fishing fee money by the DNR.

POSITIONS:

The Michigan Chamber of Commerce supports the bill. (10-4-95)

The National Federation of Independent Businesses supports the bill. (10-4-95)