



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4400 (S-1 as reported)
Committee: Appropriations

FY 2002-03 Year-to-Date Gross Appropriation **\$254,797,247**

Changes from FY 2002-03 Year-to-Date:

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| 1. | Purchase Land Payments in Lieu of Taxes. The Department of Natural Resources is required to make payments in lieu of taxes on certain State-purchased lands from the same source of financing as that used to purchase the land. The Governor proposes a new formula for calculating these payments in which the State will pay a flat rate of \$2 per acre in place of the local property tax rate and all payments will be made from the General Fund. These are the same rate and fund source applied to payments made for State swamp land and tax reverted lands. A statutory change is necessary to enact this proposal. The Senate Subcommittee restores the current year funding and makes baseline adjustments to restricted funds. | 517,700 |
| 2. | Motor Vehicle Permit Fees. The Governor proposes shifting the authority for setting motor vehicle permit fees for State parks to the Natural Resources Commission and raising the current fee levels. The Governor's budget appropriates additional fee revenue of \$2,396,900 and reduces General Fund support of State parks by an equal amount. A statutory change is required to implement these recommendations. The Senate Subcommittee concurs. | 0 |
| 3. | State Park Operations. The Governor uses spending authority authorized in Proposal 02-2 in August 2002 from the State Parks Endowment Fund (\$6,000,000) and an appropriation of \$150,000 from the balance of the Park Improvement Fund to offset the remaining General Fund support for State park operations. A statutory change is required to eliminate a provision that sets a minimum level of General Fund appropriation for State parks. The Senate Subcommittee concurs. | 0 |
| 4. | Off-Road Vehicle Safety Grants. This grant program is transferred from the Department of Education to the Department of Natural Resources. The Senate Subcommittee includes \$50,000 for grant administration and \$294,300 for grants. | 344,300 |
| 5. | Snowmobile Local Grants. The House includes an additional \$1,000,000 for these grants. The Senate Subcommittee creates an item of difference. | 1,000,100 |
| 6. | Federal Funding. The budget includes a number of adjustments in Federal funds, including a grant increase of \$900,000 for fish marking and tracking and a grant reduction of \$3,933,000 for Land and Water Conservation grants that will be appropriated once the allotment for the Department is determined. The Senate Subcommittee includes additional Federal funds pursuant to a revised Executive recommendation. | 2,858,400 |
| 7. | Restricted Funding. The budget includes a number of adjustments in State restricted grant funds. The Senate Subcommittee makes additional adjustments to Restricted funds to reflect a revised Executive recommendation and to create items of difference. | (584,400) |
| 8. | Economic Adjustments. The budget includes economic adjustments for building occupancy charges and workers' compensation. | (54,000) |
| 9. | Other Changes. The budget makes adjustments for other issues, such as early retirement savings, private grants, various General Fund reductions, and one-time appropriations in FY 2002-03. | (1,581,247) |
| 10. | Comparison to Governor's Recommendation. The Senate Subcommittee is \$15,175,300 Gross, \$1,962,100 GF/GP over the Governor's recommendation. | |

Total Changes **\$2,500,853**

FY 2003-04 Senate Appropriations Subcommittee Gross Appropriation **\$257,298,100**

Changes from FY 2002-03 Year to Date:

1. The Governor eliminates and the House and Senate Subcommittee restore sections regarding privatization, buy American intent, restricted fund balance report, grant and loan program report, Game and Fish Protection Fund appropriations, administrative cost plan, habitat improvement and treatment report, Bovine TB report, prohibition to impede water control structure certification, staff for timber marking, Adopt-a-Forest program, snowmobile law enforcement grants, Federal land and water conservation funds, and ORV trail improvements. (Sections 207, 209, 210, 212, 213, 215, 301, 501, 601, 802, 803, 901, 1103, and 1104)
2. The Senate Subcommittee restores sections that are eliminated by the Governor and House regarding retention of reports, activities of the MI State Waterways Commission, fish advisory information, report on construction in State parks, and abandoned mine shaft emergencies. (Sections 211, 214, 404, 703, and 804)
3. **Hiring Freeze.** The House removes this section that is proposed by the Governor. The Senate restores it. (Sec. 205)
4. **Information Technology User Fees.** The Governor includes a section requiring the Department to pay user fees to the Department of Information Technology. The House removes this section, the Senate retains it. (Sec. 217)
5. **FY 2002-03 Unexpended General Fund.** The Governor adds a section appropriating one half of unreserved General Fund balances remaining from FY 2002-03 for the next fiscal year. The House and Senate remove this section.
6. **Federal Advisory Report.** The Senate adds two section regarding the reimbursement of the Game and Fish Protection Fund. The first, Sec. 1201, designates the appropriation in Part 1 as an appropriation from the General Fund into the Game and Fish Protection Fund. The second section, Sec. 1202, states that legislative transfers are required to apply the negative appropriation for budgetary savings to specific line items. These same sections are included for the appropriations in Part 1A for the balance of the reimbursement of the Game and Fish Protection Fund in FY 2002-03. (Part 2A, Sections 1301, 1401, and 1402)
7. **Application and Transaction Fees.** The Governor adds a section authorizing the Department to set and charge land transaction fees. The House removes this section. The Senate Subcommittee retains it. (Sec. 403)
8. **Land Transaction Report.** The House adds a section requiring a list of surplus property available for public auction. The Senate Subcommittee amends it to require a quarterly report on all land transactions. (Sec. 405)
9. **Big Rapids Riverwalk.** The Senate Subcommittee adds a section designating funding in Part 1 for a Big Rapids Riverwalk project. (Sec. 603)
10. **Defibrillators in State Parks.** The Senate Subcommittee adds a section directing the Department to attempt to place defibrillators in State parks and allowing it to accept donation of defibrillators.
11. **Timber Marking for Harvest.** The House amends the current section to state that the Department shall endeavor to increase the marking of hardwood timber by 10% over 2003. The Senate Subcommittee concurs. (Sec. 801)
12. **ORV Trails Advisory Board.** The Senate Subcommittee adds a section specifying that the Board shall include an ORV dealership owner or operator. (Sec. 805)
13. **Cooperative Resource Program.** The Senate Subcommittee adds a section designating \$1,000,000 from the Cooperative resources program line to the Department of Agriculture for a management initiative program. (Sec. 806)
14. **PILT Budget Priority.** The Senate Subcommittee adds a section referencing any budget priority language included in statute for payments in lieu of taxes. (Sec. 1001)
15. **Suspension of Land Acquisitions.** The Senate Subcommittee adds a section suspending land acquisitions by the Department is payments in lieu of taxes are past due. (Sec. 1002)
16. The Governor, House, and Senate Subcommittee all remove sections regarding NRC per diem, chronic wasting disease study, Federal funds for the MI Civilian Conservation Corps, old growth forests, Federal forest management, Environmental Protection Fund used for payments in lieu of taxes, and early retirement and budgetary savings.
17. The Senate Subcommittee does not include sections proposed by the Governor or the House regarding contingency fund authorization, information technology rate schedule, Federal advisory report on the Game and Fish Protection Fund, the Land Sale Fund, credit card license sales, wolf indemnification payments, a prohibition on dispersed camping fees, and a property sale to Pere Marquette Township.

Date Completed: 6-9-03

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