

# FY 2012-13: DEPARTMENT OF NATURAL RESOURCES

## Summary: As Passed by the Senate\*

### Senate Bill 960 (S-1) as Amended



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\*Information in this document labeled "House" reflects Article XIV of House Bill 5365 (H-2), as passed by the House.

	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: Senate From FY 2011-12 YTD Amount %	
<b>IDG/IDT</b>	\$6,587,500	\$2,027,200	2,027,200	2,027,200		(4,560,300)	(69.2)
<b>Federal</b>	69,356,200	66,603,000	66,524,800	66,603,000		(2,753,200)	(4.0)
<b>Local</b>	0	0	0	0		0	0
<b>Private</b>	2,931,600	7,239,200	7,239,200	7,239,200		4,307,600	146.9
<b>Restricted</b>	246,939,100	245,054,800	241,907,000	241,724,100		(5,215,000)	(2.1)
<b>GF/GP</b>	18,326,700	19,637,900	16,442,500	16,737,900		(1,588,800)	(8.7)
<b>Gross</b>	<b>\$344,141,100</b>	<b>\$340,562,100</b>	<b>334,140,700</b>	<b>334,331,400</b>		<b>(9,809,700)</b>	<b>(2.9)</b>
<b>FTEs</b>	2,179.4	2,152.5	2,099.8	2,152.5		(26.9)	(1.2)

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.

#### Major Budget Changes From FY 2011-12 YTD Appropriations

		FY 2011-12 Year-to-Date (as of 2/9/12)	FY 2012-13 Senate Change
<b>1. Funding and FTE Authorization Adjustments</b>	FTE	N/A	(24.0)
<u>Executive</u> , <u>House</u> , and <u>Senate</u> reduce restricted funding authorization by	<b>Gross</b>	<b>N/A</b>	<b>(\$8,728,900)</b>
\$10.1 million and private funding by \$260,100 to align with anticipated	Federal	N/A	1,648,800
revenues. Includes a net federal funding authorization increase of \$1.6	Private	N/A	(\$260,100)
million; reduces FTE authorizations by 24.0 positions through the	Restricted	N/A	(10,117,600)
elimination of unfilled and unfunded positions.			
<b>2. GF/GP Reduction</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>
<u>House</u> includes \$145,400 GF/GP reduction throughout various line items.	GF/GP	N/A	\$0
<b>3. FTE Reduction</b>	FTE	N/A	0.0
<u>House</u> includes a reduction of 52.7 FTE authorizations from various line	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>
items; these FTEs no longer had funding associated with the positions.	Restricted	N/A	0
<b>4. Great Lakes Restoration Initiative</b>	<b>Gross</b>	<b>10,000,000</b>	<b>(\$4,500,000)</b>
<u>Executive</u> , <u>House</u> , and <u>Senate</u> reduce federal funding by \$4.5 million to	Federal	10,000,000	(\$4,500,000)
align with anticipated revenues.			
<b>5. Gifts and Bequests Authorization</b>	<b>Gross</b>	<b>\$500,000</b>	<b>\$4,500,000</b>
<u>Executive</u> , <u>House</u> , and <u>Senate</u> include additional \$4.5 million private funding	Private	500,000	\$4,500,000
authorization and changes name of line item to Gifts and Pass-Through			
Transactions.			
<b>6. Dam Management Grant Program</b>	FTE	N/A	1.0
<u>Executive</u> and <u>Senate</u> include \$500,000 GF/GP funding and 1.0 FTE	<b>Gross</b>	<b>N/A</b>	<b>\$500,000</b>
position for competitive grants for removal or maintenance of failing dams	GF/GP	N/A	\$500,000
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.			

<b>Major Budget Changes From FY 2011-12 YTD Appropriations</b>		<b>FY 2011-12 Year-to-Date (as of 2/9/12)</b>	<b>FY 2012-13 Senate Change</b>
<b>7. Summer Youth Initiative</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>
<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> and <u>Senate</u> do not include program funding.	GF/GP	N/A	\$0
<b>8. Off Road Vehicle (ORV) License Fee Increase</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>
<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> and <u>Senate</u> do not include fee increase revenues.	Restricted	N/A	0
<b>9. Duplicate Recreational Safety Certificate Fee</b>	<b>Gross</b>	<b>N/A</b>	<b>\$70,400</b>
<u>Executive</u> and <u>Senate</u> include 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	28,200
	Restricted	N/A	42,200
<b>10. Shooting Range Fees</b>	<b>Gross</b>	<b>N/A</b>	<b>\$50,000</b>
<u>Executive</u> and <u>Senate</u> increase 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	50,000
<b>11. FY 2011-12 Contingency Plans Funding</b>	FTE	N/A	(3.9)
<u>Executive</u> , <u>House</u> , and <u>Senate</u> include 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.	<b>Gross</b>	<b>N/A</b>	<b>(\$364,200)</b>
	GF/GP	N/A	(\$364,200)
<b>12. State Park Improvement Revenue Bond Payment</b>	<b>Gross</b>	<b>N/A</b>	<b>\$3,300</b>
<u>Executive</u> , <u>House</u> , and <u>Senate</u> include \$3,300 restricted funding for State Park Improvement Revenue Bond Payment.	Restricted	N/A	3,300
<b>13. Other Post-Employment Benefits (OPEB) FY 2011-12 GF/GP Relief Adjustment</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>
<u>Executive</u> , <u>House</u> , and <u>Senate</u> include funding adjustments to replace the one-time IDG funding relief of \$4.6 million for OPEB costs in FY 2011-12.	IDG	N/A	(4,590,100)
	Federal	N/A	1,300,800
	Restricted	N/A	3,289,300
<b>14. Grand Marais Harbor One-Time Appropriation</b>	<b>Gross</b>	<b>\$4,000,000</b>	<b>(\$4,000,000)</b>
<u>Executive</u> , <u>House</u> , and <u>Senate</u> eliminate one-time funding of \$4.0 million GF/GP for Grand Marais Harbor appropriated through boilerplate in FY 2011-12.	GF/GP	\$4,000,000	(\$4,000,000)
<b>15. State Park Funding</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>
<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	0
<b>16. Forestry - Best Practices Management Audit</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>
<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	0
<b>17. Cormorant Population Mitigation</b>	<b>Gross</b>	<b>N/A</b>	<b>\$100,000</b>
<u>Executive</u> removed line item; <u>Senate</u> funded program with \$100,000 GF/GP funding.	Restricted	N/A	0
	GF/GP	N/A	\$100,000

<b>Major Budget Changes From FY 2011-12 YTD Appropriations</b>		<b>FY 2011-12 Year-to-Date (as of 2/9/12)</b>	<b>FY 2012-13 Senate Change</b>
<b>18. One-Time Appropriations</b>		<b>Gross</b>	<b>N/A</b>
<u>Executive</u> includes the following one-time appropriations in boilerplate for FY 2012-13:			<b>\$3,892,600</b>
<ul style="list-style-type: none"> <li>\$1.9 million Gross (\$96,200 GF/GP) for negotiated one-time lump sum payments to state employees.</li> <li>\$2.0 million Gross and GF/GP for Dam Management Grant Program.</li> </ul>		IDG	11,300
		Federal	260,500
		Private	15,500
		Restricted	1,509,100
		GF/GP	\$2,096,200
<u>House</u> and <u>Senate</u> concur, but appropriate funding in a separate line item unit.			
<b>19. Economic Adjustments</b>		<b>Gross</b>	<b>N/A</b>
<u>Executive</u> , <u>House</u> , and <u>Senate</u> reflect 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.		IDG	<b>\$5,370,600</b>
		Federal	18,500
		Private	908,500
		Restricted	52,200
		GF/GP	4,312,200
			79,200
<b>20. Capital Outlay Projects</b>		<b>Gross</b>	<b>\$25,080,000</b>
<u>Revised Executive</u> decreases funding for capital outlay projects in FY 2012-13 by \$5.9 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 \$179,400 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> and <u>Senate</u> reduce funding by \$6.7 million; do not include new project proposed in Executive Revision 2013-3.		Federal	<b>(\$6,703,500)</b>
		Restricted	(2,450,000)
			(4,253,500)
<b>21. Anticipated FY 2013-14 Budget Changes</b>			
<u>House</u> 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. 208. DTMB Information Services User Fees – NOT INCLUDED**

Directs DNR to pay user fees to DTMB for technology-related services and projects. Executive and Senate delete language; House retains language.

##### **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 and Senate retain language.

##### **Sec. 216. Information Technology Appropriation Work Project – NOT INCLUDED**

Allows appropriated funding for IT to be designated as work projects; allows appropriations to be carried forward. Executive and Senate delete language; House retains language.

##### **Sec. 218. Out-of-State Travel Report – NOT INCLUDED**

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

##### **Sec. 219. Office Space Consolidation Plan – NOT INCLUDED**

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 and Senate retain language.

##### **Sec. 230. Measurable Outcomes Report – NOT INCLUDED**

House includes language that requires a report identifying 10 principal measurable outcomes of Department's budget expenditures; requires biannual updates.

**Sec. 233. FTE Report – RETAINED**

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

**Sec. 234. Expenditure Posting on the Internet – DELETED**

Requires Department to maintain searchable public website detailing expenditures. Executive revises language to require DTMB to maintain website; House retains current language; Senate deletes language.

**Sec. 301. Engineering Services Fees – RETAINED**

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

**Sec. 306. Historical Program Fees – RETAINED**

Allows DNR to charge fees for historical program services and museum admissions; Executive eliminates language that requires free admission for children under 18 to the Michigan Historical Museum. House and Senate retain language.

**Sec. 308. Land Transactions – RETAINED**

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

**Sec. 309. Oil and Gas Lease Report – RETAINED**

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 1/4 of the total lease acreage or less. Executive and House delete language; Senate retains language.

**Sec. 402. Livestock Loss Indemnification – RETAINED**

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; Senate retains 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 and Senate retain language.

**Sec. 503. Invasive Species Order Enforcement – NEW**

Senate includes new language that requires the DNR to produce a report on efforts taken to enforce the invasive species order concerning raising feral swine in Michigan.

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

Senate includes language requiring a report on the use of registration fees from privately owned cervid operations.

**Sec. 506. Game and Fish Protection Fund: Turkey Permit Fees – NEW**

Senate includes language requiring a report on the use of turkey permit fees in the previous year.

**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 and Senate retain language.

**Sec. 603. Cormorant Management – NEW**

Senate includes language requiring a quarterly report on the use of cormorant management funding; requires Department to submit funding to the USDA to pay for increased taking of cormorants and their nests.

**Sec. 604. Upper Peninsula Walleye Spring Fingerlings Plan – NEW**

Senate includes language requiring the DNR to review its plans to stock walleye spring fingerlings in the UP.

**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 and Senate retain 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 and Senate retain language.

**Sec. 705. Contract Foresters – RETAINED**

Allows DNR to hire sufficient contract foresters to mark timber. Executive deletes language; House and Senate retain 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 and Senate retain language.

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

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

**Sec. 710. DNR Aircraft Report – DELETED**

Requires DNR to report on the wildfire protection aircraft program. Report shall include number of planes owned, aircraft costs and usage, number of wildfires, and annual flight hours logged. Executive and Senate delete 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 and Senate retain 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 and Senate retain 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 and Senate retain language.

**Sec. 903. Dam Management Program – NEW**

Executive and Senate include language that provides that the unexpended funds for the Dam Management Grant Program are considered work project appropriations (Senate renumbers as **Sec. 1003**). House revises language to include that a long term plan be part of grant application.

**Sec. 903. Recreation Passport Citations – NEW**

Senate includes language requiring the DNR to adopt a standard operating procedure of issuing warnings and not citations for vehicles parked at State forest campgrounds or nonmotorized trailway heads without proof of purchasing a recreation passport.

**Sec. 904. Sustainable Forestry Initiative: Best Management Practices Audit – NOT INCLUDED**

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 and Senate retain 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, House, and Senate 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, House, and Senate 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 and Senate do not include boilerplate language, but appropriate the funding in a separate line item unit.

**Sec. 1201. Anticipated FY 2013-14 Appropriations – RETAINED**

House revises language to state 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.) Senate retains current year language and updates years.