

FY 2018-19: DEPARTMENT OF NATURAL RESOURCES
Summary: As Passed by the Senate
Senate Bill 862 (S-1)



Analyst: Austin Scott

	FY 2017-18 YTD as of 2/7/18	FY 2018-19 Executive	FY 2018-19 House	FY 2018-19 Senate	FY 2018-19 Enacted	Difference: Senate From FY 2017-18 YTD	
						Amount	%
IDG/IDT	\$232,200	\$232,200	\$232,200	\$232,200		\$0	--
Federal	70,095,700	81,731,600	81,731,600	81,731,600		11,635,900	16.6
Local	0	0	0	0		0	--
Private	7,446,000	7,431,400	7,431,400	7,431,400		(14,600)	(0.2)
Restricted	274,248,500	299,965,800	299,965,800	300,965,800		26,717,300	9.7
GF/GP	57,971,100	47,344,300	46,744,300	47,714,400		(10,256,700)	(17.7)
Gross	\$409,993,500	\$436,705,300	\$436,105,300	\$438,075,400		\$28,081,900	6.8
FTEs	2,267.8	2,333.3	2,328.3	2,333.3		65.5	2.9

Notes: (1) FY 2017-18 year-to-date figures include mid-year budget adjustments through February 7, 2018. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) Information on House budget action in this document is based on House Bill 5578 as passed by the House.

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 the DNR.

		FY 2017-18 Year-to-Date (as of 2/7/18)	FY 2018-19 Senate Change
Major Budget Changes From FY 2017-18 YTD Appropriations			
1. Wildlife Management			
<u>Executive</u> includes an additional 3.0 FTEs and \$1.6 million GF/GP for the wildlife management program. New funding will be used for lab technicians, testing costs and supplies, rapid response partnership with US Department of Agriculture, and veterinary diagnostic services. This increase will also support the DNR's bovine tuberculosis and deer management operations, including chronic wasting disease response and sharpshooting efforts. A one-time appropriation of \$1.0 million GF/GP for FY 2017-18 has been moved to ongoing for FY 2018-19.	FTE	218.5	3.0
<u>House</u> concurs with Executive.	Gross	\$42,932,700	\$2,600,000
<u>Senate</u> concurs with Executive and adds \$1.0 million from the Game and Fish Protection Fund.	Federal	24,954,900	0
	Private	315,700	0
	Restricted	14,836,900	1,000,000
	GF/GP	\$2,825,200	\$1,600,000
2. General Law Enforcement – Conservation Officers			
<u>Executive</u> provides 10.0 FTEs and \$1.5 million GF/GP to support a Conservation Officer (CO) school and the 10 newly commissioned COs. There are 232 COs currently serving; these officers enforce natural resources (game, fish, forestry), environmental pollution, and outdoor recreation (boating, hunting, ORV, snowmobile safety) laws.	FTEs	284.0	10.0
<u>House</u> provides 5.0 FTEs and \$750,000 GF/GP.	Gross	\$42,435,200	\$1,500,000
<u>Senate</u> concurs with Executive.	Federal	6,510,900	0
	Restricted	24,758,000	0
	GF/GP	\$11,166,300	\$1,500,000
3. Tribal Consent Decree Renegotiation and Implementation			
<u>Executive</u> provides 1.0 FTE and \$277,500 GF/GP (including \$37,500 in one-time GF/GP) to cover costs associated with negotiating and implementing a new Great Lakes Consent Decree. A new agreement between signatory tribes, Michigan, and the United States is needed to replace the expiring agreement that has governed the allocation, management, and regulation of Great Lakes fisheries in Michigan since 2000.	FTE	NA	1.0
<u>House</u> provides 1.0 FTE and \$150,000 GF/GP.	Gross	NA	\$277,500
<u>Senate</u> concurs with Executive.	GF/GP	NA	\$277,500

Major Budget Changes From FY 2017-18 YTD Appropriations		FY 2017-18 Year-to-Date (as of 2/7/18)	FY 2018-19 Senate Change
4. Historical Facilities System – Mackinac Island State Park <u>Executive</u> adds \$200,000 GF/GP to increase support for maintenance costs at Mackinac Island State Park facilities. <u>House</u> adds \$100,000 GF/GP. <u>Senate</u> concurs with Executive.	FTE	13.0	0.0
	Gross	\$1,583,700	\$200,000
	Restricted	1,583,700	0
	GF/GP	\$0	\$200,000
5. Local Public Recreation Development Grant (one-time) <u>House</u> adds \$142,500 in one-time GF/GP for a grant to develop a boat launch at Long Lake in Alpena County. <u>Senate</u> does not fund this grant.	Gross	NA	\$0
	GF/GP	NA	\$0
6. Local Public Recreation Planning Grant (one-time) <u>House</u> and <u>Senate</u> add \$120,000 in one-time GF/GP for a grant to cover planning costs at Grindstone harbor in Huron County.	Gross	NA	\$120,000
	GF/GP	NA	\$120,000
7. Wildlife and Fisheries Health Study <u>House</u> adds \$114,900 GF/GP for a study to investigate the effect of PFAS contamination on Michigan's wildlife and fisheries populations. <u>Senate</u> does not fund this study.	Gross	NA	\$0
	GF/GP	NA	\$0
8. Grand River Dredging Project (One-Time) <u>House</u> adds a \$100 placeholder of one-time GF/GP for a study on the depth of the Grand River from Lake Michigan to the city of Grand Rapids and the cost of dredging that section of the river to a depth sufficient for recreational boat traffic. <u>Senate</u> does not include this placeholder.	Gross	NA	\$0
	GF/GP	NA	\$0
9. Swimmer's Itch Pilot Program (One-Time) <u>Executive</u> deletes \$250,000 GF/GP for a pilot program to address swimmer's itch in Michigan's inland lakes. <u>House</u> concurs with Executive. <u>Senate</u> continues funding for FY 2018-19.	Gross	\$250,000	\$0
	GF/GP	\$250,000	\$0
10. Doane's Landing Park Seawall (One-Time) <u>Senate</u> adds a \$100 placeholder of one-time GF/GP to fund a seawall at Doane's Landing Park in Wayne County.	Gross	NA	\$100
	GF/GP	NA	\$100
11. Snowmobile Trail Groomer Pilot (One-Time) <u>Executive</u> provides \$200,000 from the snowmobile trail improvement fund to pilot a program aimed at developing a new snowmobile trail groomer to maintain state snowmobile trails. <u>House</u> and <u>Senate</u> concur with Executive.	Gross	NA	\$200,000
	Restricted	NA	200,000
	GF/GP	NA	\$0
12. Increased Camping Fee Revenue and Recreation Passport Sales <u>Executive</u> provides 26.5 FTEs and \$4.1 million in additional restricted funding for departmental marketing and outreach, forest recreation and trails, recreational boating, state parks, and Recreation Passport local grants. Funding comes from increased camping fee revenue and Recreation Passport sales. <u>House</u> and <u>Senate</u> concur with Executive.	FTEs	NA	26.5
	Gross	NA	\$4,075,000
	Restricted	NA	4,075,000
	GF/GP	NA	\$0
13. Increased Off-road Vehicle Fee Revenue <u>Executive</u> provides 2.0 FTEs and \$1.3 million in additional off-road vehicle (ORV) trail improvement funding for departmental administration, law enforcement, and ORV trail improvement grants. Funding comes from increased ORV fee revenue. <u>House</u> and <u>Senate</u> concur with Executive.	FTEs	NA	2.0
	Gross	NA	\$1,300,000
	Restricted	NA	1,300,000
	GF/GP	NA	\$0

Major Budget Changes From FY 2017-18 YTD Appropriations		FY 2017-18 Year-to-Date (as of 2/7/18)	FY 2018-19 Senate Change	
14. Removal of FY 2017-18 One-Time Funding		Gross	\$16,426,200	(\$16,426,200)
<u>Executive</u> removes \$16.4 million Gross (\$15.4 GF/GP) for one-time projects included in the previous fiscal year's budget:		Restricted	1,000,000	(1,000,000)
		GF/GP	\$15,426,200	(\$15,426,200)
State parks repair and maintenance	\$7,000,000			
Trail development	5,000,000			
Land ownership tracking system	2,900,000			
Bay City state recreation area, playscape reconstruction	400,000			
Onaway state park, pavilion reconstruction	400,000			
Shooting range construction, repair, and maintenance	250,000			
Snowmobile local grants program (one-time)	226,200			
Invasive species (one-time)	200,000			
Mineral extraction summit	50,000			
<u>House</u> and <u>Senate</u> concur with Executive.				
15. Capital Outlay Project Adjustments		Gross	\$20,575,000	\$17,643,000
<u>Executive</u> makes current services baseline adjustments to capital outlay projects by increasing federal and restricted funding for a net increase of \$17.6 million Gross. Adjustments include removing funding for East Tawas state harbor phase I as well as adding funding for forest development infrastructure, East Tawas state harbor phase III, Elmwood Township marina, Ottawa Brach marina, and Presque Isle Marina.		Federal	1,075,000	643,000
<u>House</u> and <u>Senate</u> concur with Executive.		Restricted	18,000,000	17,000,000
		GF/GP	\$1,500,000	\$0
16. Technical Adjustments		FTEs	NA	23.0
<u>Executive</u> increases DNR budget by 23.0 FTEs and \$12.8 million Gross (\$929,600 GF/GP) to align authorization with available funds and comply with organizational changes. Adjustments include transferring the Office of the Great Lakes from the DEQ to the DNR (Executive Order 2017-9) and transferring the Historical Marker program from the Michigan History Foundation.		Gross	NA	\$12,814,700
<u>House</u> and <u>Senate</u> concur with Executive.		Federal	NA	10,556,000
		Private	NA	(15,000)
		Restricted	NA	1,344,100
		GF/GP	NA	\$929,600
17. Economic Adjustments		Gross	NA	\$3,777,800
<u>Executive</u> reflects increased costs of \$3.8 million Gross (\$542,300 GF/GP) for negotiated salary and wage increases (2.0% ongoing), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.		Federal	NA	436,900
<u>House</u> and <u>Senate</u> concur with Executive.		Private	NA	400
		Restricted	NA	2,798,200
		GF/GP	NA	\$542,300

Major Boilerplate Changes From FY 2017-18

Sec. 218. Retention of Reports – RETAINED

Requires DNR to retain copies of all reports funded from appropriations.

Executive deletes, House and Senate retain.

Sec. 220. Disciplinary Action Against State Employees – RETAINED

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

Executive deletes, House and Senate retain.

Sec. 221. Public Events on State Land – NEW

Requires the DEQ to produce a report on public events held on state land during the prior fiscal year.

Senate adds new section.

Sec. 251. Invasive Species Initiative – RETAINED

Requires \$3.6 million for the Invasive Species Initiative be allocated as grants for prevention, detection, eradication, and control of invasive species.

Executive deletes, House and Senate retain.

Sec. 404. Museum Store Revolving Fund – DELETED

States that contract expenditures for the museum store are exempt from the Management and Budget Act.

Executive, House, and Senate delete.

Major Boilerplate Changes From FY 2017-18

Sec. 405. Proceeds from Artifact Auctions, Sales, or Transfers – DELETED

Funds received through the excess of unneeded artifacts by the Historical Museum are appropriated to the DNR to obtain other desired items for the State Historical Museum; allows carryforward of funds.

Executive and Senate delete, House retains.

Sec. 406. Historical Program Fees – DELETED

Allows DNR to charge fees for historical program services such as document production, conferences, workshops, facilities, and museum admissions.

Executive and Senate delete, House retains.

Sec. 408. Land Transactions – RETAINED

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

Executive deletes, House and Senate retain.

Sec. 503. Invasive Species Order Enforcement – RETAINED

Requires report on efforts taken to enforce the Natural Resources Commission's invasive species order concerning raising feral swine in Michigan.

Executive deletes, House and Senate retain.

Sec. 504. Cervid Operation Fees – RETAINED

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

Executive deletes, House and Senate retain.

Sec. 602. Water Control Structure Certification – RETAINED

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

Executive deletes, House and Senate retain.

Sec. 808. Forest Management and Timber Market Development – DELETED

Requires DNR to use increased funding available from the increased timber harvest for the purpose of expanding the forest products economy, includes a departmental requirement to develop corresponding metrics to assess performance.

Executive and Senate delete, House retains.

Sec. 901. Snowmobile Law Enforcement Grants – RETAINED

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

Executive and House delete, Senate retains.

Sec. 902. 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, House and Senate retain.

Sec. 903. Conservation Officers – DELETED

Directs the use of the increased appropriation in part 1 for conservation officers to hire, train, and equip 10 detectives and two support staff.

Executive, House, and Senate delete.

Sec. 1201. Swimmer's Itch Pilot Program – RETAINED

Designates \$250,000 GF/GP in part 1 to be distributed to a Michigan-based nonprofit organization for swimmer's itch mitigation and research and requires a progress report.

Executive and House deletes, Senate retains.