



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS

Telephone: (517) 373-2768
Fax: (517) 373-1986

Senate Bill 862 (S-1 as passed by the Senate)
Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2017-18 YEAR-TO-DATE*	FY 2018-19 SENATE-PASSED	CHANGES FROM FY 2017-18 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	2,261.8	2,327.3	65.5	2.9
GROSS	409,993,500	438,075,400	28,081,900	6.8
Less:				
Interdepartmental Grants Received	232,200	232,200	0	0.0
ADJUSTED GROSS	409,761,300	437,843,200	28,081,900	6.9
Less:				
Federal Funds	70,095,700	81,731,600	11,635,900	16.6
Local and Private	7,446,000	7,431,400	(14,600)	(0.2)
TOTAL STATE SPENDING	332,219,600	348,680,200	16,460,600	5.0
Less:				
Other State Restricted Funds	274,248,500	300,965,800	26,717,300	9.7
GENERAL FUND/GENERAL PURPOSE	57,971,100	47,714,400	(10,256,700)	(17.7)
PAYMENTS TO LOCALS	7,154,300	7,832,800	678,500	9.5

*As of February 7, 2018.

FY 2017-18 Year-to-Date Gross Appropriation	\$409,993,500
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Changes from FY 2017-18 Year-to-Date:

- Swimmer's Itch Pilot.** The Senate included \$250,000 GF/GP in one-time funds for grants to combat swimmer's itch. 250,000
- Grindstone Harbor Development.** The Senate included \$120,000 GF/GP for a planning grant to Port Austin Township to make improvements to Grindstone Harbor. 120,000
- Wildlife Division.** The Governor included an additional \$2.6 million GF/GP and 3.0 FTEs to fund lab technicians, testing and disposal costs, supplies, and other costs related to the DNR response to chronic wasting disease in Michigan. The Senate included the Governor's request and an additional \$1.0 million from the Game and Fish Protection Fund to replace that amount of GF/GP included for this purpose as a one-time appropriation in the FY 18 budget. 3,600,000
- Doane's Landing Park Seawall.** The Senate included a \$100 GF/GP placeholder for repairs to the seawall at Doane's Landing Park in Belleville. 100
- State Parks Repair and Maintenance.** The Governor and Senate included an additional \$10.0 million from the Park Improvement Fund and \$4.0 million from Recreation Passport Fees to support various capital outlay projects in State parks. This adjustment brings the total ongoing amount available for State park repair and maintenance to \$23.5 million. 14,000,000
- Recreational Program Revenues.** The Governor and Senate included additional appropriations to reflect increased revenue in several areas: \$1.75 million in additional Recreation Passport funds allocated according to statute, \$400,000 State Waterways fund for the Recreational Boating program, and \$1,925,000 Park Improvement Fund to support the operation of State parks. This increase would also support an additional 26.5 FTEs across the affected programs. 4,075,000

7. Conservation Officers. The Governor and Senate included additional GF/GP and 10.0 FTEs to train and hire ten new conservation officers.	1,500,000
8. Off-Road Vehicle Trail Improvement Fund. The Governor and Senate included additional appropriations from this fund to reflect increased sales of ORV permits. Funds are allocated according to statute, including an additional \$950,600 for ORV trail improvement grants, and \$308,800 and 2.0 FTEs for law enforcement. The remaining \$40,600 would cover administrative costs in various parts of the department.	1,300,000
9. FY 2018-19 Waterways Projects. The Governor and Senate included additional funding for capital outlay projects funded from the Michigan State Waterways Fund in FY 2018-19. This includes \$541,900 for Presque Isle Marina improvements, \$643,000 for Ottawa Beach Marina improvements, and \$601,100 for Elmwood Township Marina improvements. The Governor also included an additional \$377,500 for State boating infrastructure maintenance, bringing the total for that item to \$5,952,500.	2,163,500
10. Forest Development Infrastructure. The Governor and Senate included additional Forest Development Fund for various infrastructure projects to maintain and improve access to State forest lands.	3,500,000
11. Mackinac Island State Park Historic Facilities. The Governor and Senate included additional GF/GP for ongoing maintenance on the historic facilities on Mackinac Island bringing the total for operations and maintenance at the park to \$1.8 million.	200,000
12. Snowmobile Trail Groomer Development. The Governor and Senate included one-time funding from the Snowmobile Trail Improvement Fund for a contract to develop a state-of-the-art snowmobile trail groomer.	200,000
13. Tribal Consent Decree Negotiation. The Governor and Senate included \$240,000 ongoing and \$37,500 one-time to hire a biologist and cover Attorney General costs associated with the renegotiation of the 2000 tribal consent decree for the allocation, management, and regulation of State and Tribal fisheries. The consent decree is renegotiated every 20 years.	277,500
14. Office of the Great Lakes. The Governor's Recommendation reflects Executive Order 2017-9, which transferred the Office of the Great Lakes from the Department of Environmental Quality to the DNR. This transfer affected 23.0 FTEs and related funding. The Senate included this transfer.	11,801,800
15. Great Lakes Protection Fund. The Governor and Senate included an increase in the Great Lakes Protection Fund appropriation for the Office of the Great Lakes to reflect available revenue in that fund.	128,900
16. State Parks Technical Adjustments. The Governor and Senate included additional Park Improvement Fund appropriations to reflect increases in the costs to operate State parks. These costs primarily stem from vendor costs due to increased camping reservations (\$750,000). State park improvement bond debt service increases comprise the rest of this item.	754,700
17. Historical Marker Program. The Governor and Senate included additional restricted funds to reflect receipt of this program from the Michigan History Foundation.	60,000
18. Hunter Education Program - Federal Funds. The Governor and Senate included additional Federal appropriations to reflect actual revenues for the Hunter Education Program.	84,400
19. FY 2017-18 Waterways Projects. The Governor and Senate removed funding for capital outlay projects funded from the Michigan State Waterways Fund in FY 2017-18. This includes \$750,000 for the East Tawas State Harbor, and \$770,500 for local boating infrastructure and maintenance. The total amount included for the latter item is about \$1.7 million.	(1,520,500)
20. Wetlands Restoration, Enhancement, and Acquisition. This item is funded using waterfowl hunt stamp revenue, and provides authority to purchase and enhance wetlands to provide habitat for various waterfowl species. The Governor and Senate reduced this item to \$1,000,000 to reflect available revenue.	(500,000)

21. Remove Obsolete Fund Sources. The Governor and Senate removed two fund sources (Clean Michigan Initiative and Mann House Trust Fund) to reflect that these two funds are no longer anticipated to receive revenue.	(15,100)
22. Remove FY 2017-18 Supplemental and One-Time Appropriations.	(17,676,200)
23. Economic Adjustments. Includes \$3,777,800 Gross and \$542,300 GF/GP for total economic adjustments, of which an estimated \$3,406,400 Gross and \$369,500 GF/GP is for legacy retirement costs (pension and retiree health).	3,777,800
24. Comparison to Governor's Recommendation. The Senate is \$1,370,000 Gross and \$370,000 over the Governor.	
Total Changes	28,081,900
FY 2018-19 Senate-Passed Gross Appropriation.....	438,075,400

Boilerplate Changes from FY 2017-18 Year-to-Date:

1. **Report Retention.** The Governor and Senate removed a requirement that reports be retained according to State and Federal laws. (Sec. 218)
2. **Communication with the Legislature.** The Governor removed and Senate retained a prohibition against taking disciplinary action against Department employees who communicate with the Legislature. (Sec. 220)
3. **Public Events on State-Owned Land.** The Senate included a new section requiring a report on events held on State-owned lines. (Sec. 221)
4. **Invasive Species Grant Earmark.** The Governor removed and Senate retained a requirement that not less than \$3.6 million appropriated for invasive species prevention and control be allocated toward grants. (Sec. 251)
5. **Michigan Historical Center - Museum Store.** The Governor and Senate removed a section that exempts the museum store from certain requirements of the Management and Budget Act. (Sec. 404)
6. **Michigan Historical Center - Collections.** The Governor and Senate removed a section that allows proceeds from the sale or transfer of artifacts to be used to purchase other exhibit items for the museum. (Sec. 405)
7. **Michigan Historical Center - Fees.** The Governor and Senate removed a section that allows the museum to charge fees for various services rendered, including admissions. (Sec. 406)
8. **Land Transaction Report.** The Governor removed and Senate retained a report on all land transactions approved by the Natural Resources Commission during the prior fiscal year. (Sec. 408)
9. **Invasive Species Order - Swine.** The Governor removed and Senate retained a report on efforts and expenditures related to the enforcement of the invasive species order against swine. (Sec. 503)
10. **Cervid Operation Licensing Fees.** The Governor removed and Senate retained a report on the use of cervidae licensing and inspection fees as well as a requirement that those fees be used only for regulation of private cervid operations. (Sec. 504)
11. **Water Control Structure Certification.** The Governor removed and Senate retained a requirement that the Department not impede the certification process for water control structures on Michigan waterways. (Sec. 602)
12. **Forest Management Investment.** The Governor and Senate removed language related to performance metrics for an increase in funding in the Forest Management Division that was included in the FY 2016-17 budget. (Sec. 808)
13. **Snowmobile Law Enforcement Grants.** The Governor removed and Senate retained a section directing the Department to provide snowmobile law enforcement grants to counties from appropriations for that purpose. (Sec. 901)

14. **Marine Safety Grant Report.** The Governor removed and Senate retained a report on marine safety grants to county law enforcement. (Sec. 902)
15. **Conservation Officer Increase.** The Governor and Senate removed a section directing how increased funds for law enforcement should be spent. (Sec. 903)
16. **Swimmer's Itch Pilot.** The Governor removed and Senate retained a section directing the expenditure of one-time funds for a swimmer's itch pilot program.

Date Completed: 5-3-18

Fiscal Analyst: Josh Sefton