

Senate Bill 535 (Substitute H-2)
Sponsor: Sen. Patricia L. Birkholz

Senate Bill 536 (Substitute H-1)
Sponsor: Sen. Jason E. Allen

First Analysis (12-9-03)
House Committee: Great Lakes and
Tourism
Senate Committee: Natural Resources
and Environmental Affairs

THE APPARENT PROBLEM:

Michigan's land and waters are home to a rich variety of birds, mammals, fish, insects, microorganisms, and plants. The flora and fauna present when the first European settlers arrived are known as native, or indigenous species; those introduced later are known as exotic, non-native, nonindigenous, alien, or introduced species. Some exotic species have become known as "nuisance species" because, without the predators, parasites, diseases, competitors, and other natural factors that keep their numbers in check in their native habitats, they reproduce and spread very rapidly. This unchecked spread can threaten the survival and diversity of native species, change natural habitats, threaten public health, damage property, and reduce tourism.

Aquatic exotic species are organisms that depend on lakes, rivers, or wetlands for survival. According to the Legislative Service Bureau, Science and Technology Division, at least 140 aquatic exotic species have become established in the waters and wetlands of the Great Lakes region since the early 1880s. The Office of the Great Lakes reports that one new aquatic invader has been discovered every seven months on average since the opening of the St. Lawrence Seaway in 1959. The aquatic nuisance species most familiar to Michigan residents is the zebra mussel, a small mollusk most likely carried from northern Europe to the Great Lakes in ballast water from ships. Zebra mussels clog water intake pipes at power plants and drinking water facilities, compete with native mussels and clams for food and space, and promote the growth of aquatic plants that clog boat propellers. Other aquatic nuisance species include carp, which deplete aquatic plants and disturb lake and river bottomlands; the sea lamprey, a type of fish parasite; and whirling disease, an exotic parasite

from Europe that infects many trout species and impairs their ability to swim and evade predators.

Aquatic nuisance species are costly to the state's biodiversity, to its tourism industry, and to its sport fishing and commercial fisheries. While public education and research on these species can minimize their impact, government funding for education and research has been, and will continue to be, limited in light of the federal and state budget deficits. Because recreational boaters often are affected by Great Lakes aquatic nuisance species, some people have suggested that boaters be given a direct opportunity to donate money for aquatic nuisance species research and education when they register their watercraft with the secretary of state.

THE CONTENT OF THE BILLS:

The bills would amend the Natural Resources and Environmental Protection Act (MCL 324.80155 et al. and MCL 324.80124a, respectively) to require the secretary of state to design and sell a Great Lakes protection specialty watercraft decal, and to require that the proceeds be used for aquatic nuisance species research, public education, and eradication efforts. The bills are tie-barred to each other, as well as to House Bill 4914, which passed the House earlier in the legislative session, and would establish an identical decal program whose revenue also would be dedicated to Great Lakes Protection.

Under the Natural Resources and Environmental Protection Act, a person must pay the secretary of state a fee based on the length and type of the watercraft, and obtain a certificate of number and a decal, before he or she operates a water vessel. The

decal is valid for three years, and must be displayed on the forward half of the vessel.

Senate Bill 536 would require the secretary of state to make an annual Great Lakes Protection specialty watercraft decal available for purchase when a person bought a certificate-of-number decal, and at other times as determined by the secretary of state. The specialty decal would cost \$35. The secretary of state would have to design the decal to depict some aspect of the Great Lakes or of Great Lakes water quality. The bill specifies that the secretary of state would stop selling the decal if sales did not meet the following minimum targets: 2,000 decals in the fiscal year ending September 30, 2005, and at least 500 decals in each fiscal year thereafter. If sales exceeded these targets, the secretary of state would have to continue decal sales in subsequent years.

Senate Bill 535 specifies that the revenue received from sale of the decals would be deposited in the state treasury, and could be used only for research on aquatic nuisance species, public education on the threat of aquatic nuisance species, and efforts to eradicate aquatic nuisance species from the Great Lakes and other waters of the state.

(The act defines “aquatic nuisance species” as a nonindigenous species that threatens the diversity or abundance of native species or the ecological stability of infested waters, or commercial, agricultural, aquacultural, or recreational activities dependent on such waters.)

HOUSE COMMITTEE ACTION:

The members of the Great Lakes and Tourism Committee substituted the Senate-passed version of the bills, in order to make the following changes:

Senate Bill 536: tie-barred the bill to House Bill 4914, which passed earlier in the legislative session and would create an identical watercraft decal program whose revenue would be dedicated to Great Lakes protection; specified that the decal would be an annual Great Lakes protection decal; and modified the minimum sales targets that would be necessary to sustain the program, specifying that at least 2,000 decals be sold by September 30, 2005, and then 500 decals annually thereafter.

Senate Bill 535: eliminated the provisions that specified that the secretary of state would retain \$10 of the decal fee as reimbursement for the cost of creating the program, and that \$25 would be

deposited in the Michigan Great Lakes Protection Fund, since both of these provisions are included in House Bill 4919, to which the bill is tie-barred.

BACKGROUND INFORMATION:

The governors of the Great Lakes states formed the Great Lakes Protection Fund in 1989. A private, nonprofit corporation, the fund is a permanent environmental endowment supporting actions to improve the health of the Great Lakes ecosystem. The fund’s board of directors consists of two, governor-appointed representatives from each member state. The fund makes grants and program-related investments in regional projects.

Section 33103 of the Natural Resources and Environmental Protection Act authorizes Michigan’s governor to take all steps necessary to join with other states to form and operate the fund, provided that it is used for Great Lakes research and protection activities, including:

- Research on the economic, environmental, and human health effects of contamination in the Great Lakes.
- The collection and analysis of data on the Great Lakes.
- The development of new or improved environmental cleanup technologies.
- Research to assess the effectiveness of pollution control policies.
- The assessment of the health of Great Lakes fish, waterfowl, and other organisms.

The Michigan Great Lakes Protection Fund receives grants from the regional Great Lakes Protection Fund, as well as other funding. The Office of the Great Lakes, within the Michigan Department of Environmental Quality (DEQ), administers Great Lakes Protection Fund grants for research, education, and awareness activities. The Office of the Great Lakes also implements the comprehensive aquatic nuisance species control plan developed in accordance with the Federal Non-indigenous Aquatic Nuisance Species Prevention and Control Program.

FISCAL IMPLICATIONS:

The House Fiscal Agency notes that the bills would have an indeterminate impact on state government

revenue to the Great Lakes Protection Fund. As many as 300,000 decals could be sold each year. (12-2-03)

The Senate Fiscal Agency notes that Senate Bill 536 would result in costs to the Department of State related to the design and production of Great Lakes Protection specialty watercraft decals. No cost estimate is available from the department. The extent to which the department's costs would be offset by revenue would depend on the number of decals sold. (7-23-03)

ARGUMENTS:

For:

The bills would give boaters the option of donating funds to combat aquatic nuisance species, and would require the use of those funds for research and public education and awareness programs. The zebra mussel alone has cost water suppliers, power plants, ships, and fisheries \$5 billion over the last 10 years, according to the Michigan Office of the Great Lakes. The DEQ estimates that an additional \$3 million will be spent in the next 10 years on monitoring and controlling the zebra mussel.

Two aquatic nuisance fish introduced from ballast water, the European ruffe and the round goby, also have had a significant environmental and economic impact on the Great Lakes, although their cost has not been estimated. The European ruffe, introduced into Lake Superior in the mid-1980s, grows very fast, has a high reproductive capacity, and adapts to a wide variety of environments, making it a serious threat to commercial and sport fishing. Similarly, the round goby, another fish with the capacity to reproduce very quickly, was found in the Lake Saint Clair River in 1990. By 1995, the goby had spread to Duluth-Superior Harbor in Minnesota, Montrose Harbor north of Chicago, and the Ashtabula River in Ohio. Both the ruffe and the goby have the potential to disrupt the delicate predator/prey balance vital to sustaining healthy fisheries.

Exotic plants also threaten fish populations, balanced ecosystems, and tourism. The Eurasian watermilfoil, an underwater aquatic plant, was introduced to eastern North America through the aquarium trade, entering the waters when aquarium owners released the contents of their aquariums into local lakes. Eurasian watermilfoil flourished and began to spread westward by clinging to recreational boats. Found mostly in shallow, nutrient-rich water, it can form thick stands of tangled stems under water, and vast

mats of vegetation on the water's surface. These mats can limit boating, swimming, and fishing. Similarly, purple loosestrife, a hardy perennial with beautiful purple flowers, flourishes in wetlands and crowds out native species. Wetlands are the most biologically diverse, productive component of aquatic ecosystems, with hundreds of plants, birds, mammals, reptiles, insects, fish, and amphibians relying on a healthy wetland habitat for their survival. When purple loosestrife gains a foothold, the habitat where fish and wildlife feed, seek shelter, reproduce, and raise their young quickly becomes choked under a sea of purple flowers. Fishing and waterfowl hunting are then affected, and the wetland cannot support the diversity of creatures as it once did.

The spread of the zebra mussel, European ruffe, round goby, Eurasian watermilfoil, and purple loosestrife is increased when watercraft users do not clean their boats, empty their ballast water, dispose of unwanted live bait on shore, and take other precautions when they leave a body of water. Because boaters can play a role in reducing the spread of nuisance species, and because they are directly affected by the unchecked spread of the species, the bills would give watercraft users an opportunity to donate directly to a cause that could reduce aquatic nuisance species in the Great Lakes.

POSITIONS:

The Office of the Secretary of State would support the bills, if amended. (12-8-03)

The Department of Environmental Quality supports the bills. (12-8-03)

The Michigan Environmental Council supports the bills. (12-8-03)

[These bills are tie-barred to House Bill 4914. Support for House Bill 4914 which creates an identical program and was passed by the House earlier in the legislative session, was supported by the Department of Environmental Quality, the National Wildlife Federation, and the Michigan Boating Industries Association. For further information, see the analysis prepared by the House Legislative Analysis Section, dated 10-13-03.]

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.