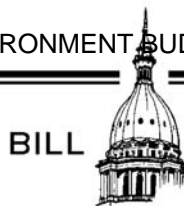




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BILL ANALYSIS

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Senate Bill 1161 (as introduced)
 Committee: Appropriations

[Vehicle for Governor's Recommendation line items is Senate Bill 1192.](#)

FY 2009-10 Year-to-Date Gross Appropriation	\$711,928,100
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Changes from FY 2009-10 Year-to-Date:

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|---|-------------|
| 1. Restricted Fund Reductions. The Governor reduced appropriations from various restricted funds to adjust for reduced revenue. These funds included: Game and Fish Protection Fund-Deer Range Improvement, Snowmobile Registration fees, and the Marine Safety Fund. | (3,536,800) |
| 2. Consolidation Savings. The Governor's budget included a \$200,000 reduction to Unclassified Salaries, and \$156,000 in rent savings due to the creation of the Department of Natural Resources and Environment (DNRE). | (356,000) |
| 3. Remove Boilerplate Appropriations. Funding sources for the Historical Program formerly appropriated in boilerplate (Sec. 1602 of 2009 PA 118) were included in Part 1 appropriations. These are fees that the program charges for various services. | 798,800 |
| 4. Water Withdrawal Program. The Department of Management and Budget (DMB) maintains that this reduction could delay impact assessments for proposed facilities that would make large water withdrawals. | (269,000) |
| 5. Groundwater Discharge Program. The Governor suggested an appropriation of \$2,908,600 for this program which regulates the discharge of wastewater and other waste into the ground. | (206,000) |
| 6. Surface Water Programs. The Governor reduced appropriations for the Wastewater Facility Construction Permit program and the Soil Erosion and Sedimentation Control program. DMB maintains that these reductions could result in construction delays for sites regulated under these programs. | (424,400) |
| 7. Performance Partnership Grant (PPG) Match Reduction. The Governor removed some GF/GP support for various Federal match programs in the Water Bureau. | (400,000) |
| 8. Michigan Historical Program. Responsible for the management and programming of the State's historical museums. Part of this GF/GP reduction will be made up with the implementation of admission fees to the Michigan Historical Museum. | (380,400) |
| 9. Forest Recreation. Twelve forest campgrounds closed during FY 2008-09 would remain closed, and maintenance on hiking and skiing trails would be reduced. | (323,900) |
| 10. Wildlife Division. The number of deer check stations throughout the State was reduced from 91 in 2008 to 48 in 2009, and would be reduced again to realize these GF/GP savings. | (140,700) |
| 11. Mackinac Island Park Operations. Maintenance of State facilities at Mackinac Island State Park would be reduced. | (118,400) |
| 12. Adjustment for Brownfield Grants and Loans. Technical adjustment to account for one-time appropriation during FY 2009-10. | (5,500,000) |
| 13. Capital Outlays. The Governor recommended several new construction projects. | 1,987,400 |
| 14. Economic Adjustments. | 17,587,900 |
| 15. Other Changes. The Governor made other changes to the FY 2009-10 budget in her recommendation including a reduction in DIT charges, delaying new equipment purchases, and the appropriation of increased Federal Pittman-Robertson funds. | 7,300 |

Total Changes	\$8,725,800
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FY 2010-11 Governor's Recommendation	\$720,653,900
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Changes from FY 2009-10 Year to Date:

1. **Historical Program Admission and Fees.** The Governor added this section which would allow the Historical program to charge fees for various services it offers, as well as to charge admission to the Michigan Historical Museum. (Sec. 306 of Gov's Rec.)
2. **FTE Reports.** The Governor removed two sections that require the Department to submit various FTE reports to the Legislature. (Sec. 222 and 223)
3. **Completion of Outstanding Permits.** The Governor removed the section stating that environmental permits outstanding more than two years be considered administratively complete. (Sec. 231)
4. **Open Communications.** The Governor removed the section which forbade the Department from disciplining employees for communicating truthfully with the Legislature. (Sec. 216)
5. **Rules Affecting Small Businesses.** The Governor removed the section which forbade the Department from implementing rules which have a disproportionate economic effect on small businesses. (Sec. 217)
6. **Various Fund Reports.** The Governor removed several sections which require the Department to produce reports on the usage, balances, and other aspects of the restricted funds used by the Department. (Sec. 207, 219, 227, and 501)
7. **Timber Marking.** The Governor removed three sections which collectively require the Department to: hire additional foresters to mark timber, prepare 58,000 acres at a rate of 12.5- to 15-cords per acre and offer them for sale in 2010, offer 10% more hardwood for sale in 2010, and ensure that the timber bidding process meets State standards and promotes the purchase of State timber. (Sec. 1202, 1203, and 1207)
8. **New ORV Trails.** The Governor removed a section which required the Department to spend at least \$980,000 on the development of new off-road vehicle (ORV) trails. (Sec. 1402)
9. **Draft Memoranda.** The Governor removed a section which prohibited the Department from imposing regulations or rules using operational memoranda in draft form. (Sec. 308)
10. **Indemnification Payments.** The Governor removed a section stating the intent of the Legislature to have the Department reimburse the Department of Agriculture for any indemnification payments made for livestock losses caused by wolves, coyotes, or cougars. (Sec. 801)
11. **Notification to Reduce Operations.** The Governor removed a section requiring the Department to inform the Legislature of any intent to reduce park operations or recreation opportunities. (Sec. 1002)
12. **Cooperation with Horseback Interests.** The Governor removed a section directing the Department to work cooperatively with horseback riding interests. (Sec. 118)
13. **BART Reviews.** The Governor removed language which required the Department to use proven science and representative data when managing and regulating best available retrofit technologies (BART). The section also required specific scientific methods to be cited when requesting a permit holder to implement a BART review. (Sec. 237)

Date Completed: 2-19-10

Fiscal Analyst: Josh Sefton