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BILL



ANALYSIS

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Senate Bill 1238 (as introduced 8-15-12)  
Sponsor: Senator Darwin L. Booher  
Committee: Natural Resources, Great Lakes and Environment

Date Completed: 9-26-12

## **CONTENT**

**The bill would amend Part 19 (Natural Resources Trust Fund) of the Natural Resources and Environmental Protection Act to do the following:**

- **Require the Department of Natural Resources annual report to the Legislature on the Natural Resources Trust Fund to include information about approved projects.**
- **Increase the number of Michigan residents appointed to the Trust Fund Board from four to six.**
- **Require the Board, in developing its annual list of proposals to receive a Trust Fund appropriation, to include the cost of each parcel proposed for acquisition, score each parcel, and give particular consideration to certain projects or acquisitions.**
- **Prohibit the Board from recommending the acquisition of land for transfer to a land conservancy unless the land would remain open for all recreational uses; and otherwise restrict the Board's recommendations.**
- **Require the Board to report annually to the Legislature on any unspent funds appropriated from the Trust Fund.**
- **Require the recipient of a Trust Fund appropriation to submit to the Legislature any change to the project or increase in cost.**

### Annual Report

Part 19 requires the Department of Natural Resources (DNR) to prepare an annual report containing an accounting of revenue and expenditures from the Trust Fund. The report must identify the interest and earnings of, investment performance of, and total amount of appropriations from the Trust Fund from during the previous year. The report must be given to the Senate and House of Representatives Appropriations Committees and the standing committees of the Senate and House with jurisdiction over issues pertaining to natural resources and the environment.

Under the bill, the report also would have to include the status of each approved project, including whether it had been started, whether it was being developed currently and the timeline for completion, and the completion date, if appropriate.

### Trust Fund Board

Currently, the Board consists of five members, including the DNR Director or a member of the Natural Resources Commission (NRC), and four Michigan residents appointed by the Governor with the advice and consent of the Senate.

The bill would increase the number of Michigan residents on the Board to six. The bill would require two of those members to be selected from a list of candidates recommended jointly by the Senate Majority Leader and the Speaker of the House. Former NRC members would

00not be eligible to be appointed. An individual could not be appointed to serve more than two full terms. The two additional members initially appointed after the bill took effect would serve for four years.

### Acquisition List

Part 19 requires the Board annually to determine which land and rights in land should be acquired and which public recreation facilities should be developed with Trust Fund money, and submit a list, compiled in order of priority, to the Legislature. In preparing the list, the Board must give particular consideration to the acquisition of land and rights in land for recreational trails that intersect the downtown areas of cities and villages.

Under the bill, the Board also would have to do the following in preparing the list:

- Identify each parcel of land that was recommended for acquisition by legal description, and include the cost of the acquisition.
- Provide a scoring of each parcel recommended for acquisition individually.
- Give particular consideration to a project or acquisition that allows motorized recreational use, is located within a county that contains at least 50% privately owned land, or is located within a local unit of government that had adopted a resolution in support of the acquisition.

In preparing the list, the Board could not recommend for acquisition any land that was solicited for sale by the DNR, a local unit of government, or a land conservancy. The Board could not recommend the acquisition of land for transfer to a land conservancy unless the transfer assured that the land would remain open for all types of recreational uses. Also, the Board could not consider the name attached to a particular project or attach a name to any project beyond its location or legal description.

### Appropriation of Trust Fund Money

The bill would require the Board to report annually to the standing committees of the House and Senate with jurisdiction over issues related to natural resources and the environment on any funds that were appropriated from the Trust Fund but not spent.

Following the appropriation of Trust Fund money, if the development of a public recreation project changed or the cost of the project increased, the entity receiving the appropriation would have to submit the change to the Joint Capital Outlay Subcommittee of the Legislature to review whether the proposed change or increased cost was consistent with the purpose of the appropriation.

MCL 324.1902 et al.

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

The bill would result in minimal additional costs to the Michigan Natural Resources Trust Fund (MNRTF). Administrative costs would result from new reporting requirements and scoring procedures. Costs related to additional board members also would be minimal. Costs related to the MNRTF board members in FY 2010-11 were approximately \$3,000. While the bill would not have a major impact on funds available for grants, it would affect specific projects eligible for funding.

Fiscal Analyst: Bill Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.