

FY 2017-18: DEPARTMENT OF NATURAL RESOURCES
Summary: As Reported by the House Subcommittee
House Bill 4237 (H-1)



Analyst: Austin Scott

	FY 2016-17 YTD as of 2/8/17	FY 2017-18 Executive	FY 2017-18 House	FY 2017-18 Senate	FY 2017-18 Enacted	Difference: House From FY 2016-17 YTD	
						Amount	%
IDG/IDT	\$1,375,900	\$232,200	\$232,200			(\$1,143,700)	(83.1)
Federal	72,765,400	70,095,700	70,095,700			(2,669,700)	(3.7)
Local	0	0	0			0	--
Private	7,446,400	7,446,000	7,446,000			(400)	0.0
Restricted	283,956,400	274,553,100	274,553,100			(9,403,300)	(3.3)
GF/GP	43,410,000	64,047,300	48,984,000			5,574,000	12.8
Gross	\$408,954,100	\$416,374,300	\$401,311,000			(7,643,100)	(1.9)
FTEs	2,243.8	2,270.8	2,261.8			18.0	0.8

Notes: (1) FY 2016-17 year-to-date figures include mid-year budget adjustments through February 8, 2017. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

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 DNR.

		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 House Change
Major Budget Changes From FY 2016-17 YTD Appropriations			
1. Wetland Mitigation Bank Grants one-time funding	Gross	\$500,000	\$2,175,000
<u>Executive</u> increases by \$3.4 million GF/GP funding for the initial development and construction of wetland mitigation banks to be used by the Michigan Municipal Wetland Alliance, agricultural producers, and blueberry farmers. Wetland mitigation banking is the creation or restoration of wetlands to compensate for unavoidable impacts to wetlands at another location. <u>House</u> increases by \$2.2 million GF/GP funding.	GF/GP	\$500,000	\$2,175,000
2. Wildlife Management – Wetland Mitigation Banking Program	Gross	\$400,000	\$3,500
<u>Executive</u> increases by \$3,500 in federal funding to administer the Wetland Mitigation Banking Program. <u>House</u> concurs with Executive.	Federal	400,000	3,500
	GF/GP	\$0	\$0
3. Land Ownership Tracking System one-time funding	Gross	\$4,000,000	(\$2,000,000)
<u>Executive</u> decreases by \$1.1 million Gross for the second year of funding for a project to convert an outdated land management IT system to a web-based system that can interact with current databases. <u>House</u> decreases by \$2.0 million Gross.	Federal	100,000	(100,000)
	Restricted	3,900,000	(2,900,000)
	GF/GP	\$0	\$1,000,000
4. Abandoned Mines one-time funding	FTE	NA	0.0
<u>Executive</u> adds 1.0 FTE and \$2.0 million GF/GP funding to close abandoned mine shafts on DNR-managed lands. There are about 100 sites total, the majority of which are located in the western Upper Peninsula. This funding would provide for the closure of about 50% of these sites. <u>House</u> does not fund this program.	Gross	NA	\$0
	GF/GP	NA	\$0
5. General Law Enforcement – Conservation Officers	FTE	273.0	7.0
<u>Executive</u> increases by 11.0 FTEs and \$1.7 million GF/GP for additional conservation officers in the Great Lakes enforcement and special investigations units. <u>House</u> increases by 7.0 FTEs and \$1.1 million GF/GP.	Gross	\$40,506,000	\$1,109,400
	Federal	6,477,500	0
	Restricted	24,630,500	0
	GF/GP	\$9,398,000	\$1,109,400

Major Budget Changes From FY 2016-17 YTD Appropriations		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 House Change
6. Fisheries Resource Management – Conservation Officers	FTE	156.5	1.0
<u>Executive</u> increases by 1.0 FTE and \$108,900 GF/GP for additional conservation officers in the Great Lakes enforcement and special investigations units.	Gross	\$20,378,600	\$108,900
<u>House</u> concurs with Executive.	Federal	4,205,800	0
	Private	136,200	0
	Restricted	15,777,400	0
	GF/GP	\$259,200	\$108,900
7. Recreation Improvements – Road Funding Revenue	FTE	NA	9.0
<u>Executive</u> adds 9.0 FTEs and \$2.8 million in restricted funding for recreational improvements made possible by increased road funding revenue as a result of Public Act 176 of 2015. This funding would be divided among forest recreation and trails, recreational boating, recreation improvement fund grants, and the snowmobile local grants program.	Gross	NA	\$2,817,500
<u>House</u> concurs with Executive.	Restricted	NA	2,817,500
	GF/GP	NA	\$0
8. Wildfire Protection – Fire Equipment Replacement	FTE	114.0	0.0
<u>Executive</u> provides an additional \$350,000 in GF/GP funding to replace outdated forest fire equipment. Replacement will be determined by age and condition of equipment.	Gross	\$13,712,800	\$350,000
<u>House</u> concurs with Executive.	Federal	1,339,900	0
	Restricted	5,396,300	0
	GF/GP	\$6,976,600	\$350,000
9. Minerals Management – Environmental Compliance	FTE	17.0	0.0
<u>Executive</u> provides an additional 2.0 FTEs and \$304,600 from the Michigan state parks endowment fund to provide environmental compliance with oil, gas, and mineral leases, on DNR-managed lands.	Gross	\$2,828,600	\$0
<u>House</u> does not provide increase.	Restricted	2,828,600	0
	GF/GP	\$0	\$0
10. Michigan Historical Center – Public Infrastructure Records	FTE	51.5	1.0
<u>Executive</u> provides an additional 3.0 FTEs and \$565,100 GF/GP funding to provide long-term access to public infrastructure records at the Michigan Historical Center.	Gross	\$5,576,300	\$188,400
<u>House</u> provides an additional 1.0 FTE and 188,400 GF/GP funding.	Federal	327,600	0
	Private	411,200	0
	Restricted	758,200	0
	GF/GP	\$4,079,300	\$188,400
11. Michigan Wildlife Council – Promotion of Wildlife Conservation	Gross	\$1,600,000	\$500,000
<u>Executive</u> provides an additional \$500,000 from the wildlife management public education fund to the Michigan Wildlife Council to promote the importance of wildlife conservation in Michigan.	Restricted	1,600,000	500,000
<u>House</u> concurs with Executive.	GF/GP	\$0	\$0
12. State Parks Repair and Maintenance	Gross	\$13,500,000	(\$195,400)
<u>House</u> reduces by \$195,400 Gross funding. An increase of \$304,600 in Michigan State Parks Endowment Fund support is exceeded by a \$500,000 decrease in GF/GP funding.	Restricted	12,000,000	304,600
	GF/GP	\$1,500,000	(\$500,000)
13. Michigan Conservation Corps	Gross	\$1,000,000	(\$1,000,000)
<u>House</u> reduces by \$1.0 million GF/GP to eliminate program funding.	GF/GP	\$1,000,000	(\$1,000,000)
14. Wildlife Management (one-time)	Gross	NA	\$1,000,000
<u>House</u> provides \$1.0 million in one-time GF/GP funding for chronic wasting disease mitigation.	GF/GP	NA	\$1,000,000
15. Removal of FY 2016-17 supplemental funding	Gross	\$9,800,000	(\$9,800,000)
<u>Executive</u> removes \$9.8 million Gross (\$1.7 million GF/GP) for FY 2016-17 supplemental appropriations included in Public Acts 340 and 382 of 2016. Appropriations included support for local and state boating infrastructure maintenance, recreational boating and improvement fund grants, snowmobile local grants, chronic wasting disease mitigation, and special maintenance on Mackinac Island (PA 340) as well as funding to address aquatic invasive species (PA 382).	Restricted	6,800,000	(6,800,000)
<u>House</u> concurs with Executive.	GF/GP	\$3,000,000	(\$3,000,000)

Major Budget Changes From FY 2016-17 YTD Appropriations		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 House Change
16. Removal of FY 2016-17 one-time funding		Gross	\$5,050,000
<u>Executive</u> removes \$5.1 million Gross (\$1.7 million GF/GP) for one-time projects included in the previous fiscal year's budget. Projects included fisheries resource management, forest fire equipment, forestry investment (vegetative management system), invasive species funding, swimmer's itch pilot program, and water trail development.		Restricted	(3,400,000)
<u>House</u> concurs with Executive.		GF/GP	(\$1,650,000)
17. Capital Outlay Project Adjustments		Gross	NA
<u>Executive</u> makes current services baseline adjustments to capital outlay projects by reducing federal and restricted funding and increasing GF/GP funding for a net increase of \$10.4 million Gross. Funding is increased for the following: state parks repair and maintenance, wetlands restoration, enhancement, and acquisition, East Tawas state harbor, local boating infrastructure maintenance, state boating infrastructure and maintenance, and trail development.		Federal	(2,700,000)
<u>House</u> increases funding for state parks repair and maintenance by \$6.0 million GF/GP (rather than the recommended \$10.0 million GF/GP) and for trail development by \$3.0 million GF/GP (rather than the recommended \$5.0 million GF/GP) for a Gross increase of \$1.4 million.		Restricted	(1,900,100)
		GF/GP	\$6,000,000
18. Technical Adjustments		Gross	NA
<u>Executive</u> reduces IDG/IDT and federal authorization and increases restricted authorization for a net decrease of \$1.2 million Gross to reflect available funds. Adjustments include realignment of appropriation authority for over-appropriated funds and the reclassification of interdepartmental grants as restricted funding where necessary.		IDG/IDT	(1,171,500)
<u>House</u> concurs with Executive.		Federal	(139,900)
		Restricted	124,400
		GF/GP	\$0
19. Economic Adjustments		Gross	NA
<u>Executive</u> reflects increased costs of \$2.4 million Gross (\$292,300 GF/GP) for negotiated salary and wage increases (3.0% ongoing after removing the FY 2016-17 one-time 1.5% lump sum), actuarially required retirement contributions, worker's compensation, building occupancy charges, and other economic adjustments.		IDG/IDT	12,300
<u>House</u> concurs with Executive.		Federal	266,700
		Private	(400)
		Restricted	1,850,300
		GF/GP	\$292,300

Major Boilerplate Changes From FY 2016-17

Sec. 218. Retention of Reports – RETAINED

Requires DNR to retain copies of all reports funded from appropriations. Executive deletes, House retains.

Sec. 219. Waterways Fund Projects – RETAINED

Requires DNR to report on activities of Waterways Commission during the previous fiscal year; list of completed Waterways Fund projects to be provided to Legislature and State Budget Director by January 31. Executive deletes, House retains.

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 retains.

Sec. 251. Invasive Species Initiative – RETAINED

Requires \$3.6 million of funding for the Invasive Species Initiative be allocated for grants for prevention, detection, eradication, and control of invasive species. Executive deletes, House retains.

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 retains.

Sec. 504. Cervid Operation Fees – RETAINED

Requires report on the use of registration fees from privately owned cervid operations. Executive deletes, House retains.

Sec. 505. Urban Deer Management – DELETED

Requires the department to develop a plan for urban deer management. Executive deletes, House concurs.

Major Boilerplate Changes From FY 2016-17

Sec. 602. Water Control Structure Certification – RETAINED

Directs Fisheries Division to not interfere with the certification process for dams and other water control structures. Executive deletes, House retains.

Sec. 706. Grand River Waterway Study – DELETED

Directs DNR to work with the State Budget Office to ensure that the Grand River Waterway Study carryforward as a work project appropriation. This study was originally appropriated in 2013. Executive deletes, House concurs.

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

Requires DNR to use increased funding available from the increased timber harvest for the purpose of forest management and timber market development, including investments in technology and equipment aimed at growing the timber economy. Renumbered section to 808 and revised to exclude technology and equipment enhancements and include a departmental requirement to develop corresponding metrics to assess performance. Executive deletes, House retains.

Sec. 809. Forest Fire Equipment Replacement – DELETED

Requires DNR to use increased funding available for forest fire equipment and forestry investment for the replacement of aging forest fire equipment. The department is also required to develop corresponding metrics to assess performance. Executive deletes, House concurs.

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 deletes, House 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 retains.

Sec. 903. Conservation Officers – REVISED

Directs the use of the increased appropriation in part 1 for conservation officers to hire, train, and equip ten detectives and two support staff. Executive adds new section numbered 701, House revises to six detectives and rennumbers 903.

Sec. 1201. Forest Management and Timber Market Development Technology – DELETED

Requires DNR to use increased funding available for the increased timber harvest for the purpose of forest management and timber market development which includes investments in technology aimed at growing the timber economy. The department is also required to develop corresponding metrics to assess performance. Executive deletes, House concurs.

Sec. 1202. Land Ownership Tracking System – DELETED

Requires DNR to use increased funding available for the land ownership tracking system to implement a new electronic system to facilitate state land records management for the purpose of increasing access to public land records and updating systems. The department is also required to develop corresponding metrics to assess performance. Executive deletes, House concurs.

Sec. 1203. Invasive Species – DELETED

Requires DNR to use increased funding available for invasive species and control to prevent, detect, eradicate, and control invasive species. Executive deletes, House concurs.

Sec. 1204. Swimmer's Itch Pilot Program – DELETED

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

Sec. 1201. Wetland Mitigation Banking – NEW

Requires DNR to use the funds appropriated in part 1 for the wetland mitigation banking program to increase available wetland mitigation bank credits to 1,800 total. Executive adds new section, House concurs.

Sec. 1202. Abandoned Mine Shafts – DELETED

Requires DNR to use the funds appropriated in part 1 for abandoned mine shafts to close 50 mine shafts on DNR-managed lands. Executive adds new section, House deletes.

Sec. 1204. Wetland Mitigation Banking Planning Report – NEW

Requires DNR to provide a planning report to the House and Senate Appropriations Committees on the wetland mitigation banking program by March 31, 2018. House adds new section.

Sec. 1205. Wetland Mitigation Banking Progress Report – NEW

Requires DNR to provide a progress report to the House and Senate Appropriations Committees on the wetland mitigation banking program by September 30, 2018. House adds new section.