## **Legislative Analysis**



## REPEAL FOREST AND MINERAL RESOURCE DEVELOPMENT GRANT AND LOAN PROGRAM

House Bill 6153 as introduced Sponsor: Rep. Daire Rendon Committee: Natural Resources

**Complete to 10-2-18** 

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Analysis available at http://www.legislature.mi.gov

## **SUMMARY:**

House Bill 6153 would repeal the four sections in Part 7 (Forest and Mineral Resource Development) of the Natural Resources and Environmental Protection Act (NREPA) that created and govern the Forest and Mineral Resource Development Fund and the Forest and Mineral Resource Grant and Loan Program to be administered by the Department of Natural Resources (DNR) using money in that fund. The sections are described as follows:

Section 701 – Defines "fund" for purposes of the part.

Section 703 – Creates the Forest and Mineral Resource Development Fund and provides that money in the fund must be spent by the DNR for grants and loans.

Section 704 – Requires the DNR to establish and administer a grant and loan program for projects to encourage the state's forestry or mineral industry.

Section 705 – Requires the DNR to review and prioritize grant or loan applications.

The bill would also amend Section 702 to eliminate references to the grant and loan program and would retain provisions that require the DNR to promote and support Michigan's forestry and mining industries by reviewing laws and regulations, making recommendations to the legislature and the executive branch, providing educational programs, consulting with public and private entities, and administering programs to encourage economic development.

The bill would take effect 90 days after its enactment.

MCL 324.702; MCL 324.701 et al. (repealed)

## **FISCAL IMPACT:**

House Bill 6153 would not affect costs or revenues for the DNR. The Forest and Mineral Resources Development Fund has never received revenue, so the corresponding Forest and Mineral Resource Grant and Loan Program has never been funded. The DNR administers 21 grant programs totaling \$38.0 million in FY 2018-19; these grants are available to public, private, and nonprofit organizations. The bill would not affect costs or revenues for local units of government.

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