

**SUBSTITUTE FOR
SENATE BILL NO. 172**

A bill to make appropriations for the department of natural resources for the fiscal year ending September 30, 2026; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2026, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
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Full-time equated classified positions	2,569.2
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1	GROSS APPROPRIATION		\$ 636,327,000
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		208,100
6	ADJUSTED GROSS APPROPRIATION		\$ 636,118,900
7	Federal revenues:		
8	Total federal revenues		100,214,800
9	Special revenue funds:		
10	Total local revenues		0
11	Total private revenues		7,609,200
12	Total other state restricted revenues		446,485,300
13	State general fund/general purpose		\$ 81,809,600
14	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
15	SUPPORT		
16	Full-time equated unclassified positions	6.0	
17	Full-time equated classified positions	152.1	
18	Unclassified salaries--FTEs	6.0	\$ 993,600
19	Accounting service center		1,729,700
20	Executive direction--FTEs	11.6	2,409,400
21	Finance and operations--FTEs	113.5	19,796,800
22	Gifts and pass-through transactions		5,003,600
23	Legal services--FTEs	4.0	720,000
24	Minerals Management--FTEs	19.0	2,962,900
25	Natural resources commission		77,100
26	Office of public lands--FTEs	4.0	1,481,800
27	Property management		3,573,500
28	GROSS APPROPRIATION		\$ 38,748,400

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG, land acquisition services-to-work orders	208,100
4	Federal revenues:	
5	Federal funds	833,600
6	Special revenue funds:	
7	Private funds	5,003,600
8	Deer habitat reserve	168,800
9	Forest development fund	4,736,200
10	Forest land user charges	8,100
11	Forest recreation account	55,300
12	Game and fish protection account	8,615,000
13	Land exchange facilitation and management fund	4,560,500
14	Local public recreation facilities fund	229,200
15	Marine safety fund	901,400
16	Michigan natural resources trust fund	1,696,400
17	Michigan state parks endowment fund	4,403,400
18	Nongame wildlife fund	14,100
19	Off-road vehicle safety education fund	700
20	Off-road vehicle trail improvement fund	323,900
21	Public use and replacement deed fees	30,600
22	Recreation improvement account	89,200
23	Snowmobile registration fee revenue	51,200
24	Snowmobile trail improvement fund	133,400
25	Sportsmen against hunger fund	500
26	State park improvement account	2,237,200
27	Turkey permit fees	81,200
28	Waterfowl fees	3,400

1	Waterways account		1,017,800
2	Wildlife resource protection fund		44,800
3	State general fund/general purpose	\$	3,300,800
4	Sec. 103. DEPARTMENT INITIATIVES		
5	Full-time equated classified positions	21.0	
6	Great Lakes restoration initiative	\$	2,904,500
7	Hunters feeding Michigan		1,400,000
8	Hunting and fishing recruitment, education, and		
9	safety		2,800,000
10	Invasive species prevention and control--FTEs	21.0	7,143,800
11	GROSS APPROPRIATION	\$	14,248,300
12	Appropriated from:		
13	Federal revenues:		
14	Federal funds		2,904,500
15	Game and fish protection account		4,200,000
16	State general fund/general purpose	\$	7,143,800
17	Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
18	Full-time equated classified positions	142.8	
19	Cultural resource management--FTEs	5.5	\$ 1,022,600
20	Marketing and outreach--FTEs	95.3	20,745,900
21	Michigan historical center--FTEs	42.0	6,838,300
22	Michigan wildlife council		2,600,000
23	GROSS APPROPRIATION	\$	31,206,800
24	Appropriated from:		
25	Federal revenues:		
26	Federal funds		3,369,200
27	State park improvement, federal		322,200
28	Special revenue funds:		

1	Forest development fund		176,100
2	Forest recreation account		18,800
3	Game and fish protection account		11,902,800
4	Land exchange facilitation and management fund		52,200
5	Marine safety fund		40,400
6	Michigan historical center operations fund		1,219,800
7	Michigan state parks endowment fund		121,800
8	Nongame wildlife fund		12,200
9	Off-road vehicle trail improvement fund		120,200
10	Recreation passport fees		839,800
11	Snowmobile registration fee revenue		21,500
12	Snowmobile trail improvement fund		106,700
13	Sportsmen against hunger fund		250,000
14	State park improvement account		4,362,500
15	Waterways account		166,400
16	Wildlife management public education fund		2,600,000
17	Youth hunting and fishing education and		
18	outreach fund		45,200
19	State general fund/general purpose	\$	5,459,000
20	Sec. 105. WILDLIFE MANAGEMENT		
21	Full-time equated classified positions	235.5	
22	Natural resources heritage--FTEs	9.0	\$ 661,800
23	Wildlife management--FTEs	226.5	55,870,000
24	GROSS APPROPRIATION	\$	56,531,800
25	Appropriated from:		
26	Federal revenues:		
27	Federal funds		26,642,700
28	Special revenue funds:		

1	Private funds		315,700
2	Cervidae licensing and inspection fees		85,100
3	Deer habitat reserve		1,824,600
4	Forest development fund		280,800
5	Game and fish protection account		20,452,600
6	Nongame wildlife fund		483,300
7	Pheasant hunting license fees		200,000
8	Turkey permit fees		1,407,900
9	Waterfowl fees		155,000
10	State general fund/general purpose	\$	4,684,100
11	Sec. 106. FISHERIES MANAGEMENT		
12	Full-time equated classified positions	239.5	
13	Aquatic resource mitigation--FTEs	2.0	\$ 737,200
14	Cold water management		2,222,100
15	Fish production--FTEs	65.0	12,944,300
16	Fisheries resource management--FTEs	172.5	31,043,200
17	GROSS APPROPRIATION	\$	46,946,800
18	Appropriated from:		
19	Federal revenues:		
20	Federal funds		12,315,800
21	Special revenue funds:		
22	Private funds		136,700
23	Fisheries settlement		737,100
24	Game and fish protection account		32,528,700
25	Invasive species fund		100
26	State general fund/general purpose	\$	1,228,400
27	Sec. 107. LAW ENFORCEMENT		
28	Full-time equated classified positions	299.0	

1	Body cameras for conservation officers--FTEs	5.0	\$	860,700
2	General law enforcement--FTEs	294.0		57,311,100
3	GROSS APPROPRIATION		\$	58,171,800
4	Appropriated from:			
5	Federal revenues:			
6	Federal funds			7,065,800
7	Special revenue funds:			
8	Cervidae licensing and inspection fees			53,400
9	Forest development fund			45,400
10	Forest recreation account			72,800
11	Game and fish protection account			21,815,700
12	Marine safety fund			3,034,300
13	Michigan state parks endowment fund			71,400
14	Off-road vehicle safety education fund			175,400
15	Off-road vehicle trail improvement fund			3,837,200
16	Snowmobile registration fee revenue			726,800
17	State park improvement account			72,800
18	Waterways Account			21,700
19	Wildlife resource protection fund			1,176,700
20	State general fund/general purpose		\$	20,002,400
21	Sec. 108. PARKS AND RECREATION DIVISION			
22	Full-time equated classified positions	1,105.8		
23	Forest recreation and trails--FTEs	87.0	\$	14,560,000
24	MacMullan Conference Center--FTEs	15.0		1,267,800
25	Michigan conservation corps			935,100
26	Nature awaits--FTEs	13.8		2,257,100
27	Recreational boating--FTEs	182.0		24,547,600
28	State parks--FTEs	808.0		115,672,600

1	GROSS APPROPRIATION		\$	159,240,200
2	Appropriated from:			
3	Federal revenues:			
4	Federal funds			144,200
5	Michigan state waterways fund, federal			2,129,600
6	Special revenue funds:			
7	Private funds			428,300
8	Forest recreation account			9,075,900
9	Game and fish protection account			0
10	MacMullan Conference Center account			1,267,800
11	Michigan state parks endowment fund			11,496,300
12	Off-road vehicle safety education fund			8,000
13	Off-road vehicle trail improvement fund			2,255,300
14	Pure Michigan trails fund			100
15	Recreation improvement account			590,700
16	Recreation passport fees			7,125,500
17	Snowmobile registration fee revenue			17,200
18	Snowmobile trail improvement fund			2,050,000
19	State park improvement account			92,569,500
20	State park improvement account - Belle Isle			
21	subaccount			875,000
22	Waterways Account			22,444,600
23	State general fund/general purpose		\$	6,762,200
24	Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION			
25	Full-time equated classified positions	17.0		
26	Historical facilities system--FTEs	13.0	\$	1,937,300
27	Mackinac Island State Park operations--FTEs	4.0		343,700
28	GROSS APPROPRIATION		\$	2,281,000

1	Appropriated from:		
2	Special revenue funds:		
3	Mackinac Island State Park fund		1,715,700
4	Mackinac Island State Park operation fund		137,800
5	State general fund/general purpose	\$	427,500
6	Sec. 110. FOREST RESOURCES DIVISION		
7	Full-time equated classified positions	356.5	
8	Forest management and timber market		
9	development--FTEs	219.5	\$ 50,616,400
10	Wildfire protection--FTEs	137.0	23,222,200
11	GROSS APPROPRIATION	\$	73,838,600
12	Appropriated from:		
13	Federal revenues:		
14	Federal funds		6,101,100
15	Federal national forest timber fund		9,114,700
16	Special revenue funds:		
17	Private funds		1,624,900
18	Commercial forest fund		26,000
19	Fire equipment fund		668,700
20	Forest development fund		42,679,300
21	Forest land user charges		247,500
22	Game and fish protection account		842,300
23	Waterways account		55,000
24	State general fund/general purpose	\$	12,479,100
25	Sec. 111. GRANTS		
26	Dam management grant program	\$	350,000
27	Deer habitat improvement partnership initiative		200,000
28	Federal - clean vessel act grants		400,000

1	Federal - forest stewardship grants	2,000,000
2	Federal - rural community fire protection	1,050,000
3	Federal - urban forestry grants	900,000
4	Fisheries habitat improvement grants	3,472,100
5	Grants to communities - federal oil, gas, and	
6	timber payments	3,450,000
7	Grants to counties - marine safety	4,724,700
8	National recreational trails	3,911,600
9	Nonmotorized trail development and maintenance	
10	grants	200,000
11	Off-road vehicle safety training grants	60,000
12	Off-road vehicle trail improvement grants	6,340,500
13	Recreation improvement fund grants	916,800
14	Recreation passport local grants	7,832,400
15	Snowmobile law enforcement grants	380,100
16	Snowmobile local grants program	7,090,400
17	Trail easements	700,000
18	Wildlife habitat improvement grants	1,502,500
19	GROSS APPROPRIATION	\$ 45,481,100
20	Appropriated from:	
21	Federal revenues:	
22	Federal funds	13,279,000
23	Special revenue funds:	
24	Private funds	100,000
25	Deer habitat reserve	200,000
26	Game and fish protection account	4,974,600
27	Local public recreation facilities fund	7,832,400
28	Marine safety fund	3,057,300

1	Off-road vehicle safety education fund	60,000
2	Off-road vehicle trail improvement fund	6,340,500
3	Permanent snowmobile trail easement fund	700,000
4	Recreation improvement account	916,800
5	Snowmobile registration fee revenue	380,100
6	Snowmobile trail improvement fund	7,090,400
7	State general fund/general purpose	\$ 550,000
8	Sec. 112. INFORMATION TECHNOLOGY	
9	Information technology services and projects	\$ 10,827,700
10	GROSS APPROPRIATION	\$ 10,827,700
11	Appropriated from:	
12	Federal revenues:	
13	Special revenue funds:	
14	Commercial forest fund	2,100
15	Deer habitat reserve	61,600
16	Forest development fund	1,567,700
17	Forest land user charges	23,900
18	Forest recreation account	43,900
19	Game and fish protection account	3,953,800
20	Land exchange facilitation and management fund	30,600
21	Marine safety fund	168,600
22	Michigan natural resources trust fund	24,600
23	Michigan state parks endowment fund	1,357,600
24	Nongame wildlife fund	30,500
25	Off-road vehicle safety education fund	10,400
26	Off-road vehicle trail improvement fund	38,400
27	Pure Michigan trails fund	100
28	Recreation improvement account	49,200

1	Snowmobile registration fee revenue	11,600
2	Snowmobile trail improvement fund	75,500
3	Sportsmen against hunger fund	600
4	State park improvement account	1,516,200
5	Turkey permit fees	33,800
6	Waterfowl fees	3,300
7	Waterways account	507,500
8	Wildlife resource protection fund	42,100
9	Youth hunting and fishing education and	
10	outreach fund	2,000
11	State general fund/general purpose	\$ 1,272,100
12	Sec. 113. CAPITAL OUTLAY (1) RECREATIONAL LANDS	
13	AND INFRASTRUCTURE	
14	Federal - land and water conservation fund	
15	payments	\$ 12,900,000
16	Fisheries infrastructure	1,300,000
17	Local water trail grants	2,101,500
18	Off-road vehicle trail development and	
19	maintenance	3,000,000
20	Snowmobile trail development and maintenance	1,000,000
21	State game and wildlife area infrastructure	4,530,000
22	State parks repair and maintenance	41,505,400
23	Wetland restoration, enhancement, and	
24	acquisition	2,500,000
25	GROSS APPROPRIATION	\$ 68,836,900
26	Appropriated from:	
27	Federal revenues:	
28	Federal funds	14,025,000

1	Special revenue funds:		
2	Private funds		
3	Game and fish protection account		4,975,000
4	Michigan state parks endowment fund		4,600,000
5	Off-road vehicle trail improvement fund		3,000,000
6	Recreation passport fees		37,506,900
7	Snowmobile trail improvement fund		1,000,000
8	Waterfowl hunt stamp		230,000
9	State general fund/general purpose	\$	3,500,000
10	(2) WATERWAYS BOATING PROGRAM		
11	Local boating infrastructure maintenance and		
12	improvements	\$	4,450,000
13	State boating infrastructure maintenance		10,517,400
14	GROSS APPROPRIATION	\$	14,967,400
15	Appropriated from:		
16	Federal revenues:		
17	Federal funds		1,667,400
18	Michigan state waterways fund, federal		300,000
19	Special revenue funds:		
20	Waterways account		13,000,000
21	State general fund/general purpose	\$	0
22	Sec. 114. ONE-TIME APPROPRIATIONS		
23	Dam safety and management	\$	15,000,000
24	Elberta Waterfront Community Conservation		
25	Project		100
26	Extreme weather forestry restoration activities		100
27	GROSS APPROPRIATION	\$	15,000,200
28	Appropriated from:		

Special revenue funds:

Private funds

0

State general fund/general purpose

\$

15,000,200

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2025-2026

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2026, total state spending under part 1 from state sources is \$528,294,900.00 and state spending under part 1 from state sources to be paid to local units of government is \$23,160,200.00. The following itemized statement identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

Dam management grant program	175,000
Fisheries habitat improvement grants	347,200
Grants to counties - marine safety	3,057,300
Invasive species prevention and control	2,385,200
Local boating infrastructure maintenance and improvements	4,450,000
Local water trails	2,101,500
Nonmotorized trail development and maintenance grants	100,000
Off-road vehicle safety training grants	60,000
Off-road vehicle trail improvement grants	1,204,400
Recreation improvement fund grants	916,800

1	Recreation passport local grants	7,832,400
2	Snowmobile law enforcement grants	380,100
3	Wildlife habitat improvement grants	150,300
4	TOTAL	\$ 23,160,200

5 Sec. 202. The appropriations under this part and part 1 are
6 subject to the management and budget act, 1984 PA 431, MCL 18.1101
7 to 18.1594.

8 Sec. 203. As used in this part and part 1:

9 (a) "Department" means the department of natural resources.

10 (b) "Director" means the director of the department.

11 (c) "FTE" means full-time equated.

12 (d) "IDG" means interdepartmental grant.

13 (e) "Standard report recipients" means the senate
14 appropriations subcommittee on agriculture and natural resources,
15 the house appropriations subcommittee on agriculture and rural
16 development and natural resources, the senate and house fiscal
17 agencies, the senate and house policy offices, and the state budget
18 office.

19 Sec. 204. The department shall use the internet to fulfill the
20 reporting requirements of this part. This requirement includes
21 transmitting reports to the standard report recipients and any
22 other required recipients by email and posting the reports on an
23 internet site.

24 Sec. 206. To the extent permissible under section 261 of the
25 management and budget act, 1984 PA 431, MCL 18.1261, all of the
26 following apply to the expenditure of funds appropriated in part 1:

27 (a) The funds must not be used for the purchase of foreign
28 goods or services, or both, if competitively priced and of
29 comparable quality American goods or services, or both, are

1 available.

2 (b) Preference must be given to goods or services, or both,
3 manufactured or provided by Michigan businesses, if they are
4 competitively priced and of comparable quality.

5 (c) Preference must be given to goods or services, or both,
6 that are manufactured or provided by Michigan businesses owned and
7 operated by veterans, if they are competitively priced and of
8 comparable quality.

9 (d) Preference must be given to goods or services, or both,
10 that are manufactured in facilities that employ union members.

11 Sec. 207. The department shall not take disciplinary action
12 against an employee of the department for communicating with a
13 member of the legislature or legislative staff, unless the
14 communication is prohibited by law and the department is exercising
15 its authority as provided by law.

16 Sec. 208. Consistent with section 217 of the management and
17 budget act, 1984 PA 431, MCL 18.1217, the department shall prepare
18 a report on out-of-state travel expenses not later than January 1.
19 The report must list all travel by classified and unclassified
20 employees outside this state in the previous fiscal year that was
21 funded in whole or in part with funds appropriated in the
22 department's budget. The department shall submit the report to the
23 standard report recipients and to the senate and house
24 appropriations committees. The report must include all of the
25 following information:

26 (a) The dates of each travel occurrence.

27 (b) The total transportation and related expenses of each
28 travel occurrence and the proportions funded with state general
29 fund/general purpose revenues, state restricted revenues, federal

1 revenues, and other revenues.

2 Sec. 209. The department shall not use funds appropriated in
3 part 1 to hire a person to provide legal services that are the
4 responsibility of the attorney general. This section does not apply
5 to legal services for bonding activities or to outside services
6 that the attorney general authorizes.

7 Sec. 210. Not later than December 15, the state budget office
8 shall prepare and submit a report that provides estimates of the
9 total general fund/general purpose appropriation lapses at the
10 close of the previous fiscal year. The report must summarize the
11 projected year-end general fund/general purpose appropriation
12 lapses by major departmental program or program areas. The state
13 budget office shall submit the report to the standard report
14 recipients and to the chairpersons of the senate and house
15 appropriations committees.

16 Sec. 211. In addition to the funds appropriated in part 1,
17 there is appropriated an amount not to exceed \$5,000,000.00 for
18 state restricted contingency authorization. Amounts appropriated
19 under this section are not available for expenditure until they
20 have been transferred to another line item in part 1 under section
21 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

22 Sec. 212. The department shall cooperate with the department
23 of technology, management, and budget to maintain a searchable
24 website accessible by the public at no cost that includes, but is
25 not limited to, all of the following for the department:

26 (a) Fiscal year-to-date expenditures by category.

27 (b) Fiscal year-to-date expenditures by appropriation unit.

28 (c) Fiscal year-to-date payments to a selected vendor,
29 including the vendor name, payment date, payment amount, and

1 payment description.

2 (d) The number of active department employees by job
3 classification.

4 (e) Job specifications and wage rates.

5 Sec. 213. Not later than 14 days after the release of the
6 executive budget recommendation, the department shall cooperate
7 with the state budget office to provide an annual report on
8 estimated state restricted fund balances, state restricted fund
9 projected revenues, and state restricted fund expenditures for the
10 previous 2 fiscal years. The report must be submitted to the
11 standard report recipients and to the chairpersons of the senate
12 and house appropriations committees.

13 Sec. 216. To the extent permissible under the management and
14 budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall
15 take all reasonable steps to ensure geographically-disadvantaged
16 business enterprises compete for and perform contracts to provide
17 services or supplies, or both. The director shall strongly
18 encourage firms with which the department contracts to subcontract
19 with certified geographically-disadvantaged business enterprises
20 for services, supplies, or both. As used in this section,
21 "geographically-disadvantaged business enterprises" means that term
22 as defined in Executive Directive No. 2023-1.

23 Sec. 217. On a quarterly basis, the department shall report on
24 the number of full-time equated positions in pay status by civil
25 service classification, including a comparison by line item of the
26 number of full-time equated positions authorized from funds
27 appropriated in part 1 to the actual number of full-time equated
28 positions employed by the department at the end of the reporting
29 period. The report must be submitted to the senate and house

1 appropriations committees and to the standard report recipients.

2 Sec. 220. A department or agency required to submit a report
3 under this part shall make each report readily accessible to the
4 public and conspicuously post each required report on the
5 department's or agency's Michigan.gov website not later than the
6 due date required for each report. In addition to placing all
7 reports required in the current fiscal year on the department or
8 agency's website, the department or agency shall maintain on its
9 website all reports placed on the website from previous fiscal
10 years.

11 Sec. 221. The department shall receive and retain copies of
12 all reports funded from appropriations in part 1. The department
13 shall follow federal and state guidelines for short-term and long-
14 term retention of records. The department may electronically retain
15 copies of reports unless otherwise required by federal and state
16 guidelines.

17 Sec. 222. Not later than April 1, the department shall report
18 on each specific policy change made to implement a public act
19 affecting the department that took effect during the previous
20 calendar year. The department shall submit the report to the
21 standard report recipients, to the senate and house appropriations
22 committees, and to the joint committee on administrative rules.

23 Sec. 223. (1) General fund appropriations in part 1 shall not
24 be expended for items if federal funding or private grant funding
25 is available for the same expenditures.

26 (2) If the department is required to make a reduction in
27 expenditures under section 395(1) or (2) of the management and
28 budget act, 1984 PA 451, MCL 18.1395, for any appropriation under
29 this part or part 1, the department must notify the standard report

recipients not later than 10 days after the reduction. The notification must include, but not be limited to, the following:

(a) A description of the fund source that is insufficient to support the expenditures being reduced and the amount of the reduction.

(b) A description of the cause for the reduction, if any such cause is known.

(c) A description of the functions of state government or services to residents that will be affected by the reduction.

Sec. 224. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec 225. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 226. (1) In addition to the money appropriated in part 1, there is appropriated, from the following state restricted funds and accounts of the Michigan conservation and recreation legacy fund, the following amounts to the following departments and officers:

(a) Department of technology, management, and budget:

Game and fish protection account	\$	659,600
Waterways account		177,200
State park improvement account		158,300
Forest development fund		354,600

(b) Department of attorney general:

1	Game and fish protection account	\$	387,600
2	Waterways account		153,600
3	(c) Legislative auditor general:		
4	Game and fish protection account	\$	38,000
5	Waterways account		13,700
6	(d) Department of treasury:		
7	Game and fish protection account	\$	3,621,700
8	Waterways account		486,800
9	Michigan natural resources trust fund		3,289,700

10 (2) In addition to the money appropriated in part 1, there is
 11 appropriated from the following state restricted funds to the civil
 12 service commission the amount calculated for each fund pursuant to
 13 section 5 of article XI of the state constitution of 1963:

- 14 (a) Michigan conservation and recreation legacy fund.
- 15 (b) Forest development fund.
- 16 (c) Michigan natural resources trust fund.
- 17 (d) Michigan state parks endowment fund.
- 18 (e) Michigan nongame fish and wildlife trust fund.

19 Sec. 227. Pursuant to section 43703(3) of the natural
 20 resources and environmental protection act, 1994 PA 451, MCL
 21 324.43703, there is appropriated from the Michigan game and fish
 22 protection trust fund to the game and fish protection account of
 23 the Michigan conservation and recreation legacy fund, \$6,000,000.00
 24 for the fiscal year ending September 30, 2026.

25 Sec. 228. The department may contract with or provide grants
 26 to local units of government, institutions of higher education, or
 27 nonprofit organizations to support activities authorized by
 28 appropriations in part 1. As used in this section, contracts and
 29 grants include, but are not limited to, contracts and grants for

1 research, wildlife and fisheries management, forest management,
2 invasive species monitoring and control, and natural resource-
3 related programs.

4 Sec. 229. To the extent permissible under section 261 of the
5 management and budget act, 1984 PA 431, MCL 18.1261, preference
6 must be given to goods or services, or both, that are energy
7 efficient and minimize noise pollution, if they are competitively
8 priced and of comparable quality.

9 Sec. 230. (1) For any grant program or project funded in part
10 1 intended for a single recipient organization or unit of local
11 government, the grant program or project is for a public purpose
12 and the department shall follow procurement statutes of this state,
13 including any bidding requirements, unless the department can fully
14 validate, through information detailed in this part or public
15 supporting documents, both of the following:

16 (a) The specific organization or unit of local government that
17 will receive or administer the funds.

18 (b) How the funds will be administered and expended.

19 (2) To be eligible to receive a grant described in subsection
20 (1), both of the following must occur:

21 (a) A recipient must submit the application under subsection
22 (3) not later than 60 days after the effective date of this act.

23 (b) A recipient must be 1 of the following:

24 (i) A unit of local government, as that term is defined in
25 section 115 of the management and budget act, 1984 PA 451, MCL
26 18.1115.

27 (ii) An institution of higher education.

28 (iii) A state agency, as that term is defined in section 115 of
29 the management and budget act, 1984 PA 451, MCL 18.1115.

1 (iv) An entity registered with the department of licensing and
2 regulatory affairs or the department of attorney general that has
3 been in existence for at least the 12 months preceding the
4 effective date of this act.

5 (v) Another entity that can demonstrate, through state or
6 federal tax filings or other state or federal government records,
7 that it has been in existence for at least the 12 months preceding
8 the effective date of this act.

9 (3) Notwithstanding any other conditions or requirements for
10 direct appropriation grants, the department shall work with the
11 state budget office to perform at least all of the following
12 activities to administer the grants described in subsection (1):

13 (a) Develop a standard application process using the
14 electronic submission portal developed by the state budget office,
15 grantee reporting requirements, and any other necessary
16 documentation, including sponsorship information as specified under
17 subsection (4). If the electronic submission portal identified in
18 this subdivision is not fully functional by 60 days after the
19 effective date of this act, the state budget office shall ensure
20 that the standard application process and form are available
21 promptly and paper submission is acceptable. The state budget
22 office shall promptly submit application material received to the
23 department for departmental review.

24 (b) Establish a process to review, complete, and execute a
25 grant agreement with a grant recipient. The department shall not
26 execute a grant agreement unless all necessary documentation has
27 been submitted and reviewed.

28 (c) Verify to the extent possible that a grant recipient will
29 use funds for a public purpose that serves the economic prosperity,

1 health, safety, or general welfare of the residents of this state.

2 (d) Review and verify all necessary information to ensure the
3 grant recipient is reasonably able to execute the grant agreement,
4 perform its fiduciary duty, and comply with all applicable state
5 and federal statutes. The department may deduct the cost of
6 background checks and any other efforts performed as part of this
7 verification from the amount of the designated grant award.

8 (e) Establish a standard timeline to review all documents
9 submitted by grant recipients and provide a response within 45
10 business days stating whether submitted documents by a grant
11 recipient are sufficient or in need of additional information. If
12 additional information is needed, the 60-day deadline in subsection
13 (2) is considered to have been met if a sponsor has been identified
14 for that grant. If a grant recipient does not provide information
15 sufficient to execute a grant agreement not later than 60 days
16 after being notified by the department of grant approval, the
17 department shall return funds associated with the grant to the
18 state treasury.

19 (f) Make an initial disbursement of up to 50% of the grant to
20 the grant recipient not later than 60 days after a grant agreement
21 has been executed. Disbursements must be consistent with part II,
22 chapter 10, section 200 of the Financial Management Guide.

23 (g) Disburse the funds remaining after the initial
24 disbursement under subdivision (f) per the grant disbursement
25 schedule in the executed grant agreement on a reimbursement basis
26 after the grantee has provided sufficient documentation, as
27 determined by the department, to verify that expenditures were made
28 in accordance with the project purpose.

29 (4) The process for the identification and sponsorship of a

1 grant described in subsection (1) is as follows:

2 (a) Not later than the effective date of this act, the state
3 budget office shall provide an initial list of grants that require
4 legislative sponsorship to the legislature and shall make public an
5 initial list of grants that likely will be sponsored by the
6 department or by the state budget office.

7 (b) A sponsor of a grant described in subsection (1) must be a
8 legislator, the department, or the state budget office.

9 (c) A legislative sponsor must be identified through a letter
10 submitted by that legislator's office to the department and state
11 budget director containing the name of the grant recipient, the
12 intended amount of the grant, a certification from that legislator
13 that the grant is for a public purpose, and specific citation of
14 the section and subsection of the public act that authorizes the
15 grant, as applicable.

16 (d) Within 10 business days after the effective date of this
17 act, the senate and house of representatives shall compile an
18 initial list of legislative grant sponsors for their respective
19 chambers and submit those compiled lists to the state budget office
20 and the department, and the state budget office shall identify
21 department or state budget office-sponsored grants. The state
22 budget director may grant an extension of this deadline of not more
23 than 30 days on a case-by-case basis. The state budget office shall
24 make the compiled lists public within 14 business days after the
25 effective date of this act.

26 (e) Not later than 60 days after the effective date of this
27 act, the state budget office shall publish a final list of grants
28 requiring sponsorship. If a legislative sponsor is not identified
29 within 60 days after the effective date of this act, the department

1 shall do 1 of the following:

2 (i) Identify the department or the state budget office as the
3 sponsor.

4 (ii) Decline to execute the grant agreement and lapse the
5 associated funds at the end of the fiscal year.

6 (f) At any point during the fiscal year, legislative grant
7 sponsors may be added to a grant request.

8 (5) An executed grant agreement under this section between the
9 department and a grant recipient must include at least all of the
10 following:

11 (a) All necessary identifying information for the grant
12 recipient, including any tax and financial information for the
13 department to administer funds under this section.

14 (b) A description of the project for which the grant funds
15 will be expended, including tentative timelines and the estimated
16 budget. The department shall not reimburse expenditures that are
17 outside of the project purpose, as stated in the executed grant
18 agreement, from appropriations in part 1. The grantee shall return
19 to the treasury any interest in excess of \$1,000.00 earned on the
20 grant funds while unexpended and in possession of the grantee.

21 (c) Unless otherwise specified in department policy, a
22 requirement that funds appropriated for the grants described in
23 subsection (1) may be used only for expenditures that occur on or
24 after the effective date of this act.

25 (d) A requirement for reporting by the grant recipient to the
26 department and the legislative sponsor that provides the status of
27 the project and an accounting of all funds expended by the grant
28 recipient, as determined by the department.

29 (e) A claw-back provision that allows the department of

1 treasury to recoup or otherwise collect any funds that are
2 declined, unspent, or otherwise misused.

3 (f) The signed legislative sponsorship letter required under
4 subsection (4), incorporated into the grant agreement and included
5 as an appendix or attachment.

6 (g) If a grant recipient has provided information sufficient
7 to execute a grant agreement, the state budget office shall
8 promptly transmit that information to the department for the
9 department's review of the grant application. If a grant recipient
10 has provided information sufficient to execute a grant agreement
11 within 60 days after the effective date of this act, but the grant
12 application needs technical fixes or additional legislative action,
13 as identified by the state budget office, the 60-day deadline in
14 this subdivision is considered to have been met, if a sponsor has
15 been identified for that grant. If a grant recipient does not
16 provide information sufficient to execute a grant agreement not
17 later than 60 days after being notified by the department of grant
18 approval, the department shall return funds associated with the
19 grant to the state treasury.

20 (6) If appropriate to improve the administration or oversight
21 of a grant described in subsection (1), the department may adopt a
22 memorandum of understanding with another state department to
23 perform the required duties under this section.

24 (7) A grant recipient shall respond to all reasonable
25 information requests from the department related to grant
26 expenditures and retain grant records for not less than 7 years,
27 and the grant may be subject to monitoring, site visits, and audits
28 as determined by the department. The grant agreement required under
29 this section must include signed assurance by the chief executive

1 officer or other executive officer of the grant recipient that the
2 requirements of this subsection will be met.

3 (8) The grant recipient shall expend all funds awarded and
4 complete all projects not later than September 30, 2030. If at that
5 time any unexpended funds remain, the grant recipient shall return
6 those funds to the state treasury. (9) Any funds that are granted
7 to a state department are appropriated in that department for the
8 purpose of the intended grant.

9 (9) The state budget director may, on a case-by-case basis,
10 extend the deadline in subsection (8) on request by a grant
11 recipient if a sponsor has been identified for the grant. The state
12 budget director shall notify the chairs of the senate and house of
13 representatives appropriations committees not later than 5 days
14 after an extension is granted.

15 (10) By March 1 of the current fiscal year, the state budget
16 office shall post a report in a publicly accessible location on its
17 website. The report must list the grant recipient, project purpose,
18 and location of the project for each grant described in subsection
19 (1), the status of funds allocated and disbursed under the grant
20 agreement, and the legislative sponsor, if applicable. After March
21 1, the state budget office shall update the report monthly and
22 shall post the updated report each month. The state budget office
23 shall include in the report the most comprehensive information the
24 office has available at the time of posting for grants awarded. The
25 state budget office may compile the information required in this
26 report across all departments. The department shall assist the
27 state budget office with the compilation of the report required
28 under this subsection.

29 (11) On request, beginning 75 days after the effective date of

1 this act, the state budget office shall release information
2 received for grant applications.

3 (12) As applicable, the legislative sponsor of a grant
4 described in subsection (1) shall not sponsor a grant, or ask
5 another legislator to sponsor a grant, if there is a conflict of
6 interest related to the grant recipient.

7 (13) If the department reasonably determines that the funds
8 allocated for an executed grant agreement under this section were
9 misused or that use of the funds was misrepresented by the grant
10 recipient, the department shall not award any additional funds
11 under the executed grant agreement and shall refer the grant for
12 review following internal audit protocols.

13 Sec. 231. (1) The department may accept monetary and
14 nonmonetary gifts, bequests, donations, contributions, or grants
15 from any private or public source to support, in whole or in part,
16 a departmental function or program. The department shall expend or
17 use such gifts, bequests, donations, contributions, or grants for
18 the purposes designated by the private or public source, if the
19 purpose is specified.

20 (2) Amounts remaining from revenue collected by the department
21 under this section that are unexpended and unencumbered must not
22 lapse to the general fund but must be carried forward to the
23 subsequent fiscal year.

24 Sec. 232. The state budget director shall take steps to ensure
25 that all state fiscal recovery funds allocated to this state under
26 the American rescue plan act of 2021, Public Law 117-2, are
27 expended by December 31, 2026, as required by law. A department or
28 agency receiving an appropriation under this part or part 1 must
29 notify the standard report recipients if an appropriation of funds

1 described under this section is projected to lapse.

2 Sec. 233. (1) Within 10 days after the effective date of this
3 act, the department must provide a report to the standard report
4 recipients containing the following information:

5 (a) A list of any sections in this act that the department
6 determines to be unenforceable, with a detailed legal rationale for
7 those determinations, as applicable.

8 (b) If a determination under subdivision (a) would affect the
9 operations of a program or programs within the department, the
10 department must report the estimated difference in cost between the
11 policy outlined in the section determined to be unenforceable and
12 the policy the department intends to pursue.

13 (2) The department may coordinate with the executive office of
14 the governor or other state departments or agencies to compile a
15 statewide report for any departments or agencies required to submit
16 a report substantially similar to the report described under
17 subsection (1).

18 Sec. 234. The department must provide a quarterly report to
19 the standard report recipients detailing federal policy changes
20 that do, or are expected to do, any of the following:

21 (a) Affect the operations of the department.

22 (b) Affect an industry, community, population, or other group
23 regulated or served by, or that otherwise engages with, the
24 department.

25 (c) Affect regulations that currently protect the public to
26 the extent that the regulations affect an industry, community,
27 population, or other group regulated or served by, or that
28 otherwise engages with, the department.

29 (d) Create a regulatory gap that could negatively impact the

1 public.

2 Sec. 235. For the fiscal year ending September 30, 2026,
3 \$10,000,000.00 of one-time funding is appropriated to the game and
4 fish protection account from the state general fund.

5
6 **COMMUNICATION AND CUSTOMER SERVICES**

7 Sec. 240. (1) In addition to supporting the existing
8 archeological responsibilities of the department within the
9 Michigan History Center, the funds appropriated in part 1 for
10 cultural resource management and cultural resource management one-
11 time shall be utilized to establish an ongoing process of increased
12 consultation with known lineal descendants and officials of Native
13 American tribes on whose aboriginal lands a planned archeological
14 activity will occur or an inadvertent discovery has been made. The
15 consultation shall address the identification, treatment, and
16 disposition of Native American cultural items.

17 (2) The department is encouraged to, whenever possible,
18 repatriate or transfer from its collections Native American
19 cultural items, including human remains, funerary objects, sacred
20 objects, and objects of cultural patrimony, to the lineal
21 descendants and to Native American tribes described in subsection
22 (1).

23
24 **DEPARTMENT INITIATIVES**

25 Sec. 251. From the amounts appropriated in part 1 for invasive
26 species prevention and control, the department shall allocate not
27 less than \$3,600,000.00 for grants for the prevention, detection,
28 eradication, and control of invasive species.

29 Sec. 252. (1) In addition to the funds appropriated in part 1,

1 revenue deposited in the invasive species fund created in section
2 41311 of the natural resources and environmental protection act,
3 1994 PA 451, MCL 324.41311, is appropriated and may be expended for
4 invasive species immediate response efforts.

5 (2) The department shall annually notify the house and senate
6 appropriations subcommittees on natural resources and the house and
7 senate fiscal agencies of any expenditure of funds appropriated
8 under subsection (1).
9

10 **DEPARTMENT SUPPORT SERVICES**

11 Sec. 302. The department may charge land acquisition projects
12 appropriated for the fiscal year ending September 30, 2026, and for
13 prior fiscal years, a standard percentage fee to recover actual
14 costs, and may use the revenue derived to fund the land acquisition
15 service charges provided for in part 1.

16 Sec. 303. As appropriated in part 1, the department may charge
17 both application fees and transaction fees related to the exchange
18 or sale of state-owned land or rights in land authorized by part 21
19 of the natural resources and environmental protection act, 1994 PA
20 451, MCL 324.2101 to 324.2165. To the extent consistent with part
21 21, fees shall be set by the director at a rate that allows the
22 department to recover its costs for providing these services.

23 Sec. 304. In addition to the funds appropriated in part 1, the
24 department may receive and expend money from state restricted
25 sources to pay vendor costs associated with administering sales of
26 carbon offset credits.
27

28 **COMMUNICATION AND CUSTOMER SERVICES**

29 Sec. 408. By December 1, the department shall submit to the

senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the prior fiscal year. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

FOREST RESOURCES DIVISION

Sec. 802. From the funds appropriated in part 1, the department shall, by January 1, prepare and submit to the senate appropriations subcommittee on agriculture and natural resources, the house appropriations subcommittee on agriculture and rural development and natural resources, and the standing committees of the senate and house with primary responsibility for natural resources issues a report on all of the following:

(a) The number of acres of state forestland prepared for timber harvesting in the prior fiscal year.

(b) The number of acres of state forestland timber sold in the prior fiscal year.

(c) The amount of revenue generated by the timber sale and harvesting of state land in the prior fiscal year.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires and hazard incidents as required by a compact with the federal government. If additional expenditure authorization is required, the department shall so notify the state budget office. The department shall notify the senate

1 appropriations subcommittee on agriculture and natural resources,
2 the house appropriations subcommittee on agriculture and rural
3 development and natural resources, and the house and senate fiscal
4 agencies by November 15 of the expenditures under this section
5 during the prior fiscal year.

6 Sec. 807. (1) In addition to the funds appropriated in part 1,
7 there is appropriated from the disaster and emergency contingency
8 fund up to \$800,000.00 to cover department costs related to any
9 disaster as defined in section 2 of the emergency management act,
10 1976 PA 390, MCL 30.402.

11 (2) Funds appropriated under subsection (1) shall not be
12 expended unless the state budget director recommends the
13 expenditure and the department notifies the house and senate
14 committees on appropriations. By December 1 each year, the
15 department shall provide a report to the senate and house fiscal
16 agencies and the state budget office on the use of the disaster and
17 emergency contingency fund during the prior fiscal year.

18 (3) If Federal Emergency Management Agency (FEMA)
19 reimbursement is approved for costs paid from the disaster and
20 emergency contingency fund, the federal revenue shall be deposited
21 into the disaster and emergency contingency fund.

22 23 GRANTS

24 Sec. 1001. Federal pass-through funds to local institutions
25 and governments that are received in amounts in addition to those
26 included in part 1 for grants to communities - federal oil, gas,
27 and timber payments and that do not require additional state
28 matching funds are appropriated for the purposes intended. By
29 November 30, the department shall report to the senate

1 appropriations subcommittee on agriculture and natural resources,
2 the house appropriations subcommittee on agriculture and rural
3 development and natural resources, the senate and house fiscal
4 agencies, and the state budget director on all amounts appropriated
5 under this section during the prior fiscal year.

6
7 **CAPITAL OUTLAY**

8 Sec. 1103. The appropriations in part 1 for capital outlay
9 shall be carried forward at the end of the fiscal year consistent
10 with section 248 of the management and budget act, 1984 PA 431, MCL
11 18.1248.