

NATURAL RESOURCES AND ENVIRONMENT

Summary of FY 2010-11 Executive Recommendation

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	FY 2009-10 YTD as of 1/31/2010	FY 2010-11 Executive	FY 2010-11 Senate	FY 2010-11 House	FY 2010-11 Enacted	Difference: Enacted From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$12,322,900	\$12,517,700				\$194,800	1.6
Federal	252,998,700	261,331,500				8,332,800	3.3
Local	0	0				0	0.0
Private	6,040,000	6,509,100				469,100	7.8
Restricted	396,617,100	398,191,300				1,574,200	0.4
GF/GP	43,949,400	42,104,300				(1,845,100)	(4.2)
Gross	\$711,928,100	\$720,653,900				\$8,725,800	1.2
FTEs	3,712.0	3,674.5				(37.5)	(1.0)

Note: (1) FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

Overview

The Department of Natural Resources and Environment (DNRE) was created on January 17, 2010 by Executive Order 2009 - 45, which ordered the merger of the Department of Natural Resources and the Department of Environmental Quality. Through its natural resources programs, the DNRE manages, conserves, and protects Michigan's resources. Programs include forest management, land and minerals management, wildlife and fisheries management, conservation law enforcement, state parks and forest campgrounds, and Michigan historical programs and museums. The Department's environmental programs support environmental protection, conservation, cleanup and redevelopment programs and regulatory efforts established to protect, restore, and reuse Michigan's air, water, and land resources.

<u>Major Budget Changes From FY 2009-10 YTD Appropriations</u>		FY 2009-10 YTD (as of 2/11/10)	Executive Change From YTD
1. Department Consolidation Savings	FTE	11.0	(5.0)
Reduces funding by \$356,000 Gross and GF/GP for savings from the consolidation of the Department of Natural Resources and the Department of Environmental Quality. Savings of \$200,000 generated from the elimination of 5.0 unclassified FTE positions; rent savings total \$156,000.	Gross	N/A	(\$356,000)
	GF/GP	N/A	(\$356,000)
2. Administrative GF/GP Funding Reductions	FTE	N/A	(16.5)
Reduces GF/GP funding by \$1.0 million and eliminates 16.5 FTEs for anticipated savings from administrative efficiencies and eliminating FTE positions or not filling vacant FTE positions. Major reductions taken in State Historical Programs (\$394,300), Wildlife Division (\$151,000), Mackinac Island Park Commission (\$134,100), General Law Enforcement (\$116,800), and IT (\$103,900).	Gross	N/A	(\$1,036,000)
	GF/GP	N/A	(\$1,036,000)
3. Forest Recreation Program Reduction	FTE	51.0	(3.0)
Includes \$323,900 GF/GP reduction and elimination of 3.0 FTE positions to the forest recreation program. Savings will be realized by keeping 12 state forest campgrounds closed, by reducing the amount of grooming on ski trails, and by decreasing the amount of pathway maintenance work.	Gross	\$4,924,000	(\$323,900)
	Restricted	4,360,100	0
	GF/GP	\$563,900	(\$323,900)
4. Pittman-Robertson Federal Funding Increase	Gross	N/A	\$555,000
Federal funding authorization is increased in Communications and Law Enforcement line items for additional federal Pittman-Robertson funding.	Federal	N/A	555,000
5. Restricted Funds Reduction	Gross	N/A	(\$3,460,900)
Restricted funding authorization reduced for Game and Fish Fund -- Deer Habitat, Snowmobile Registration Fee revenue, and Marine Safety Fund to align with expected revenues.	Restricted	N/A	(3,460,900)

<u>Major Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>Executive Change From YTD</u>
6. Brownfield Redevelopment Supplemental Funding	Gross	\$5,500,000	(\$5,500,000)
Reduces restricted funding for brownfield redevelopment grants and loans by \$5.5 million to eliminate one-time supplemental funding from previous year.	Restricted	5,500,000	(5,500,000)
7. Water Program GF/GP Reductions	FTE	N/A	(13.0)
Reduction of 13.0 FTEs and \$1.3 million GF/GP support for reductions in the following water programs: water withdrawal assessments, wastewater facility construction permits, soil erosion and sedimentation control, NPDES nonstormwater permits and groundwater discharge permits.	Gross	N/A	(\$1,299,400)
	GF/GP	N/A	(\$1,299,400)
8. Waste and Hazardous Materials Funding Shifts	Gross	N/A	\$0
GF/GP support for Hazardous Waste Management program replaced with restricted funding from the Hazardous Materials Transport Permit Fund.	Restricted	N/A	400,000
	GF/GP	N/A	(\$400,000)
9. Michigan Historical Programs	Gross	N/A	\$698,800
Increases appropriation for Michigan Historical programs by \$698,800 Gross to adjust appropriation to actual expenditures and to recognize anticipated revenue. Programs were transferred to DNRE from DHAL in FY 2009; revenue includes new admission fees to historical museums.	Restricted	N/A	698,800
10. Additional Funding Adjustments	Gross	N/A	\$30,700
Reduces private funding authorization to align with expected revenue (\$75,900); increase restricted authorization for State Parks Improvement bond debt service payment (\$6,600); appropriate \$100,000 for public use and replacement deed program previously appropriated through boilerplate.	Private	N/A	(75,900)
	Restricted	N/A	106,600
11. Information Technology Savings	Gross	N/A	(\$157,800)
Reduces funding to reflect IT savings achieved through a DIT rate reduction, not filling an FTE position vacancy, and Department of Technology, Management, and Budget (DTMB) consolidation savings.	Restricted	N/A	(52,000)
	GF/GP	N/A	(105,800)
12. Capital Outlay	Gross	\$16,991,200	\$1,987,400
Increases funding for state park, forestry, waterways construction and infrastructure projects by \$2.0 million. Reduces State Park Endowment Fund support by \$2.0 million; increases federal funding authorization.	Federal	5,067,100	4,007,900
	Private	2,000,000	0
	Restricted	9,924,100	(2,020,500)
13. Economic Adjustments	Gross	N/A	\$17,587,900
Increases funding by \$17.6 million Gross and \$1.7 million GF/GP for economics which includes salaries and wages, retirement, building occupancy charges, and insurances costs. Total includes \$743,100 Gross and \$68,700 GF/GP for DIT economics.	IDG	N/A	271,200
	Federal	N/A	2,629,300
	Private	N/A	45,000
	Restricted	N/A	12,966,400
	GF/GP	N/A	\$1,676,000

Major Boilerplate Changes From FY 2008-09

Sec. 207. Restricted Fund Revenue, Expenditures, Fund Balances, and FTE Information – DELETED

Requires report of revenue, spending, and estimated year-end balance for each restricted fund appropriated; requires report on number and funding of FTE positions that are supported by each line item.

Sec. 208. Department Grant and Loan Programs – DELETED

Requires report including description of available grant/loan programs, criteria for awards, and a list of recipients.

Sec. 210. Waterways Fund Projects – DELETED

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, 2010.

Sec. 216. Disciplinary Action Against State Employees – DELETED

Prohibits DEQ and DNR from disciplining state employees for communicating with members of Legislature and their staffs.

Sec. 217. Rule Promulgation – DELETED

Requires a report on any policy changes made to implement a public act; DEQ and DNR are not allowed to adopt a rule that will apply to a small business if it has a disproportionate economic impact.

Major Boilerplate Changes From FY 2008-09

Sec. 219. *Restricted Fund Allocation Plan* – DELETED

Requires DEQ and DNR to develop a plan for allocating restricted funds among administrative support and regulatory activities; plan to be submitted to legislative subcommittees by January 30, 2010.

Sec. 221. *Out-of-State State Employee Training* – DELETED

Prohibits out-of-state travel to attend a conference or seminar for more than one employee unless the travel is funded by a federal or private source, or conference includes multiple issues in which one employee does not have expertise.

Sec. 222. *FTE Report* – DELETED

Requires DEQ and DNR to report every other month on number of FTEs in pay status on the first day of the month.

Sec. 223. *Detailed Appropriated and Supportable FTE Information* – DELETED

Requires DEQ and DNR to report on supportable FTEs including salary, wage and benefit costs for FTEs for each line item.

Sec. 227. *Restricted Fund Allocation Plan for Administrative Units* – DELETED

Requires DEQ to develop cost allocation plan concerning restricted funds for administrative units; requires report.

Sec. 228. *Intent to Consolidate DNR/DEQ* – DELETED

States legislative intent to re-combine DEQ and DNR, making DNR the successor agency.

Sec. 229. *DNR/DEQ Department Consolidation Savings* – DELETED

Provides that appropriations in part 1 assume acceptance of an executive order to re-combine DEQ and DNR.

Sec. 230. *DEQ Spending Limitation* – DELETED

Provides that after November 1, 2009, DEQ may not make expenditures from part 1 unless a notice of intent to spend is provided to the Speaker of the House of Representatives 30 days in advance.

Sec. 231. *DEQ Pending Permits* – DELETED

Any permit application pending after a 2 year period shall be considered administratively complete on January 1, 2010.

Sec. 232. *Expenditure Reports: FY 2008-09* – DELETED

Requires DEQ and DNR to report expenditures on public internet site, including purpose of the expenditures.

Sec. 233. *Report Retention* – DELETED

Requires DEQ and DNR to retain copies of all funded reports; reports are to be received and provided for public use.

Sec. 235. *Criminal and Civil Fine Revenue* – DELETED

Requires DEQ and DNR to annually report the amount of criminal and civil fine revenue collected during FY 2008-09.

Sec. 236. *General Fund Lapse* – DELETED

Requires DEQ and DNR to report by September 30, 2010 the estimated amount of general fund lapse by program area.

Sec. 237. *Best Available Retrofit Technologies (BART)* – DELETED

Requires Department to use BART standards in actions taken on air pollution permits.

Sec. 238. *Great Lakes Water Quality Bond* – DELETED

Requires Department to submit report outlining the implementation of the Great Lakes Water Quality bond.

Sec. 239. *Program Comparisons With Other States* – DELETED

Requires Department to compare its regulatory programs with similar activities in other Great Lakes states.

Sec. 240. *Permit Program Efficiencies* – DELETED

Requires Department to study its air permitting program to determine efficiencies; requires report.

Sec. 241. *Beverage Container Fraud* – DELETED

Requires Department to implement 2008 PA 389 concerning reverse vending machines and beverage container standards.

Sec. 242. *Freedom of information Requests* – DELETED

Requires Department to report semiannually on requests made to Department under the Freedom of Information Act.

Sec. 301. *Wetlands Protection Program Supplemental* – DELETED

Gives legislative intent to address funding needs for the wetlands regulatory program through supplemental appropriation.

Sec. 306. *Refined Petroleum Fund* – DELETED

States legislative intent to restore \$70.0 million Refined Petroleum Fund transferred to General Fund in FY 2006-07.

Sec. 306. *Historical Program Fees* – NEW

Allows Department to charge fees for various historical program services such as historical markers, document production, conferences, admissions, workshops and use of facilities; allows Michigan Historical Museum to charge admission fees.

Sec. 308. Operational Memoranda – DELETED

Prohibits DEQ from expending funds if using operational memoranda or similar documents to impose regulations on individuals or businesses conducting environmental cleanup projects without written consent.

Sec. 401. Restricted Fund Transfer: Solid Waste Management Fund – DELETED

Transfers \$1.5 million from the Solid Waste Management Fund to the Solid Waste Management Fund Staff Account.

Sec. 501. Water Quality Enforcement Report – DELETED

Requires report on enforcement and program activities funded from National Pollution Discharge Elimination System (NPDES) Fund.

Sec. 601. Scrap Tire Fire Suppression – DELETED

Provides \$100,000 for grants to communities for scrap tire suppression costs, if other funding is not available.

Sec. 704. Fishing Advisories – DELETED

Directs DNR to include website address in fishing guide for advisory information from Department of Community Health.

Sec. 705. Land Transactions – DELETED

Requires detailed report to Legislature on land purchases, sales and exchanges.

Sec. 801. Livestock Loss Indemnification – DELETED

Requires DNR to reimburse Department of Agriculture for livestock losses caused by wolves, coyotes, or cougars.

Sec. 901. Water Control Structure Certification – DELETED

Directs Fisheries Division to not interfere with the certification process for dams and other water control structures.

Sec. 1002. State Park Campground Closures – DELETED

Requires DNR to notify Legislature before operation reductions at any state park or recreation area.

Sec. 1003. Porcupine Mountain Ski Hill – DELETED

Prohibits DNR from altering ski hill operations or related buildings in Porcupine Mountains Wilderness State Park.

Sec. 1004. Defibrillators in State Parks – DELETED

Directs DNR to maintain defibrillators placed in state parks.

Sec. 1101. Mackinac Island State Park – DELETED

Requires that revenue from admission fees and store sales at Mackinac Island State Park be deposited into the Mackinac Island State Park operation fund; remaining funds at end of year shall not lapse to the general fund.

Sec. 1202. Contract Foresters – DELETED

Allows DNR to hire contract foresters to mark timber.

Sec. 1203. Timber Marking – DELETED

Directs DNR, subject to forest certification process, to mark for harvest, 58,000 acres at an average rate of 12.5 to 15.0 cords per acre; DNR must consider impact of timber harvest on wildlife habitat and recreation; requires quarterly report.

Sec. 1206. Horseback Riding Opportunities – DELETED

Directs DNR to explore opportunities to increase horseback riding opportunities.

Sec. 1207. Timber Sale Bidding Process – DELETED

Requires DNR to work with stakeholders to review bidding process and implement needed changes; requires report.

Sec. 1301. Snowmobile Law Enforcement Grants – DELETED

Provides snowmobile law enforcement grant funds to county law enforcement agencies in counties with state trails.

Sec. 1302. Island Lake Shooting Range Concession Contract – DELETED

Requires public notice of expiration date or amendments to concession contract for Island Lake Shooting Range.

Sec. 1402. Off Road Vehicle (ORV) Trail Improvement Grants – DELETED

Requires the expenditure of not less than \$980,000 for the development of new ORV trails.

Sec. 1601. Federal Historic Preservation Grants: Work Project Designation – DELETED

Provides work project status to federal grants for local historic preservation projects.

Sec. 1602. Michigan Heritage Fund – DELETED

Revenues collected through the Michigan Heritage Fund are appropriated, and available for expenditure upon receipt.