

NATURAL RESOURCES AND ENVIRONMENT

Summary: As Passed by the Senate

Senate Bill 1161 (S-1)

Analyst: Viola Bay Wild

	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: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$12,322,900	\$12,517,700	\$12,401,300			\$78,400	0.6
Federal	252,998,700	261,331,500	260,191,100			7,192,400	2.8
Local	0	0	0			0	0.0
Private	6,040,000	6,509,100	6,486,300			446,300	7.4
Restricted	396,617,100	398,191,300	391,635,000			(4,982,100)	(1.3)
GF/GP	43,949,400	42,104,300	41,341,500			(2,607,900)	(5.9)
Gross	\$711,928,100	\$720,653,900	\$712,055,200			\$127,100	0.0
FTEs	3,712.0	3,674.5	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.

Major Budget Changes From FY 2009-10 YTD Appropriations

1. Department Consolidation Savings

Executive 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. **Senate** concurs with the Executive.

	FY 2009-10 YTD (as of 2/11/10)	Executive Change From YTD	Senate Change From YTD
FTE	11.0	(5.0)	(5.0)
Gross	N/A	(\$356,000)	(\$356,000)
GF/GP	N/A	(\$356,000)	(\$356,000)

2. Administrative GF/GP Funding Reductions

Executive 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).

FTE	N/A	(16.5)	(16.5)
Gross	N/A	(\$1,036,000)	(\$1,036,000)
GF/GP	N/A	(\$1,036,000)	(\$1,036,000)

3. Forest Recreation Program Reduction

Executive 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. **Senate** concurs with the Executive.

FTE	51.0	(3.0)	(3.0)
Gross	\$4,924,000	(\$323,900)	(\$323,900)
Restricted	4,360,100	0	0
GF/GP	\$563,900	(\$323,900)	(\$323,900)

4. Pittman-Robertson Federal Funding Increase

Executive increases federal funding authorization in Communications and Law Enforcement line items for additional federal Pittman-Robertson funding. **Senate** concurs with the Executive.

Gross	N/A	\$555,000	\$555,000
Federal	N/A	555,000	555,000

5. Restricted Funds Reduction

Gross	N/A	(\$3,460,900)	(\$3,460,900)
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		FY 2009-10 YTD (as of 2/11/10)	Executive Change From YTD	Senate Change From YTD
Major Budget Changes From FY 2009-10 YTD Appropriations				
Executive reduces restricted funding authorization for Game and Fish Fund -- Deer Habitat, Snowmobile Registration Fee revenue, and Marine Safety Fund to align with expected revenues. Senate concurs with the Executive.	Restricted	N/A	(3,460,900)	(3,460,900)
6. Brownfield Redevelopment Supplemental Funding				
Executive reduces restricted funding for brownfield redevelopment grants and loans by \$5.5 million to eliminate one-time supplemental funding from previous year. Senate concurs with the Executive.	Gross Restricted	\$5,500,000 5,500,000	(\$5,500,000) (5,500,000)	(\$5,500,000) (5,500,000)
7. Water Program GF/GP Reductions				
Executive includes 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. Senate concurs with the Executive.	FTE	N/A	(13.0)	(13.0)
	Gross GF/GP	N/A N/A	(\$1,299,400) (1,299,400)	(\$1,299,400) (1,299,400)
8. Waste and Hazardous Materials Funding Shifts				
Executive replaces GF/GP support for Hazardous Waste Management program with restricted funding from the Hazardous Materials Transport Permit Fund. Senate concurs with the Executive.	Gross Restricted GF/GP	N/A N/A N/A	\$0 400,000 (\$400,000)	\$0 400,000 (\$400,000)
9. Michigan Historical Programs				
Executive 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. Senate concurs with the Executive.	Gross Restricted	N/A N/A	\$698,800 698,800	\$698,800 698,800
10. Additional Funding Adjustments				
Executive 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.	Gross Private Restricted	N/A N/A N/A	\$30,700 (75,900) 106,600	\$30,700 (75,900) 106,600
11. Information Technology Savings				
Executive 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. Senate concurs with the Executive.	Gross Restricted GF/GP	N/A N/A N/A	(\$157,800) (52,000) (\$105,800)	(\$157,800) (52,000) (\$105,800)
12. Capital Outlay				
Executive 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. Senate concurs with the Executive.	Gross Federal Private Restricted	\$16,991,200 5,067,100 2,000,000 9,924,100	\$1,987,400 4,007,900 0 (2,020,500)	\$1,987,400 4,007,900 0 (2,020,500)
13. Aquifer Dispute Resolution Program				
Senate includes a \$100 placeholder for the Aquifer Protection and Dispute Resolution Program.	Gross GF/GP	N/A N/A	N/A N/A	\$100 100
14. Economic Adjustments				
Executive increases funding by \$17.6 million Gross and \$1.7 million GF/GP for economics which includes a 3.0% salaries and wages increase, retirement, building occupancy charges, and insurances costs. Senate includes \$9.0 million economic adjustments, but does not include funding for the state employee 3.0% pay increase.	Gross IDG Federal Private Restricted GF/GP	N/A N/A N/A N/A N/A N/A	\$17,587,900 271,200 2,629,300 45,000 12,966,400 \$1,676,000	\$8,989,100 154,800 1,488,900 22,200 6,410,100 \$913,100

Major Boilerplate Changes From FY 2009-10

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. **Executive** and **Senate** delete language.

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. **Executive** and **Senate** delete language.

Major Boilerplate Changes From FY 2009-10

Sec. 210. Waterways Fund Projects – DELETED

Requires DNRE 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. **Executive** and **Senate** delete language.

Sec. 216. Disciplinary Action Against State Employees – RETAINED

Prohibits DNRE from disciplining state employees for communicating with members of Legislature and their staffs. **Executive** deletes language, **Senate** retains language (Sec. 212).

Sec. 217. Rule Promulgation – RETAINED

Requires report on any policy changes made to implement a public act; DNRE is not allowed to adopt a rule that will apply to a small business if it has a disproportionate economic impact. **Executive** deletes language, **Senate** retains language (Sec. 213).

Sec. 219. Restricted Fund Allocation Plan – DELETED

Requires DNRE 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. **Executive** and **Senate** delete language.

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. **Executive** and **Senate** delete language.

Sec. 221. Refined Petroleum Fund (RPF) – NEW

Senate includes new language stating legislative intent that after FY 2011, revenues from the RPF be used solely for leaking underground storage tank program.

Sec. 222. FTE Report – DELETED

Requires DNRE to report every other month on number of FTEs in pay status on the first day of the month. **Executive** and **Senate** delete language.

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

Requires DNRE to report on supportable FTEs including salary, wage and benefit costs for FTEs for each line item. **Executive** and **Senate** delete language.

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

Requires cost allocation plan for restricted funds for administrative units; requires report. **Executive** and **Senate** delete language.

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

States legislative intent to re-combine DEQ and DNR, making DNR the successor agency. **Executive** and **Senate** delete language.

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; expected savings of \$2.0 million. **Executive** and **Senate** delete language.

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. **Executive** and **Senate** delete language.

Sec. 231. Pending Permits – RETAINED

Any permit application pending after a 2 year period shall be considered administratively complete on January 1, 2010. **Executive** deletes language, **Senate** retains language (Sec. 218).

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

Requires Department to report expenditures on public internet site, including purpose of the expenditures. **Executive** and **Senate** delete language.

Sec. 233. Report Retention – DELETED

Requires Department to retain copies of all funded reports; reports are to be received and provided for public use. **Executive** and **Senate** delete language.

Sec. 235. Criminal and Civil Fine Revenue – DELETED

Requires Department to annually report the amount of criminal and civil fine revenue collected during FY 2008-09. **Executive** and **Senate** delete language.

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. **Executive** and **Senate** delete language.

Sec. 237. Best Available Retrofit Technologies (BART) – RETAINED

Requires Department to use BART standards in actions taken on air pollution permits. **Executive** deletes language; **Senate** retains language (Sec. 220).

Sec. 238. Great Lakes Water Quality Bond – DELETED

Requires report outlining the implementation of the Great Lakes Water Quality bond. **Executive** and **Senate** delete language.

Sec. 239. Program Comparisons With Other States – DELETED

Requires Department to compare regulatory programs with other Great Lakes states. **Executive** and **Senate** delete language.

Sec. 240. Permit Program Efficiencies – DELETED

Requires examination of air permitting program to determine efficiencies; requires report. **Executive** and **Senate** delete language.

Sec. 241. Beverage Container Fraud – DELETED

Requires Department to implement 2008 PA 389 concerning reverse vending machines and beverage container standards. **Executive** and **Senate** delete language.

Sec. 242. Freedom of Information Requests – DELETED

Requires semiannually report on requests made under the Freedom of Information Act. **Executive** and **Senate** delete language.

Sec. 301. Wetlands Protection Program Supplemental – DELETED

Gives legislative intent to address funding needs for the wetlands regulatory program through supplemental appropriation. **Executive** and **Senate** delete language.

Sec. 306. Refined Petroleum Fund – RETAINED

States legislative intent to restore \$70.0 million Refined Petroleum Fund transferred to General Fund in FY 2006-07. **Executive** deletes language; **Senate** retains language (Sec. 405).

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. **Executive** and **Senate** include new language.

Sec. 308. Operational Memoranda – RETAINED

Prohibits DNRE from using operational memoranda or similar documents to impose regulations on individuals or businesses conducting cleanup projects without written consent. **Executive** deletes language; **Senate** retains language (Sec. 406).

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. **Executive** and **Senate** delete language.

Sec. 501. Water Quality Enforcement Report – DELETED

Requires report on enforcement and program activities funded from National Pollution Discharge Elimination System (NPDES) Fund. **Executive** and **Senate** delete language.

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. **Executive** and **Senate** delete language.

Sec. 704. Fishing Advisories – DELETED

Requires website address be included in fishing guide for DCH advisory information. **Executive** and **Senate** delete language.

Sec. 705. Land Transactions – DELETED

Requires detailed report to Legislature on land purchases, sales and exchanges. **Executive** and **Senate** delete language.

Sec. 801. Livestock Loss Indemnification – RETAINED

Requires DNRE to reimburse Department of Agriculture for livestock losses caused by wolves, coyotes, or cougars. **Executive** deletes language; **Senate** retains language (Sec. 502).

Sec. 901. Water Control Structure Certification – DELETED

Directs Fisheries Division to not impede certification process for water control structures. **Executive** and **Senate** delete language.

Sec. 1002. State Park Campground Closures – RETAINED

Requires DNRE to notify Legislature before operation reductions at any state park or recreation area. **Executive** deletes language; **Senate** retains language (Sec. 702).

Sec. 1003. Porcupine Mountain Ski Hill – DELETED

Prohibits Department from altering ski hill operations or related buildings in Porcupine Mountains Wilderness State Park. **Executive** and **Senate** delete language.

Sec. 1004. Defibrillators in State Parks – DELETED

Directs Department to maintain defibrillators placed in state parks. **Executive** and **Senate** delete language.

Sec. 1101. Mackinac Island State Park – DELETED

Requires 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. **Executive** and **Senate** delete language.

Sec. 1202. Contract Foresters – DELETED

Allows DNRE to hire contract foresters to mark timber. **Executive** and **Senate** delete language.

Sec. 1203. Timber Marking – RETAINED

Directs DNRE, 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; DNRE must consider impact of timber harvest on wildlife habitat and recreation; requires quarterly report. **Executive** deletes language; **Senate** retains language (Sec. 802).

Sec. 1206. Horseback Riding Opportunities – RETAINED

Directs DNRE to explore opportunities to increase horseback riding opportunities. **Executive** deletes language; **Senate** retains language (Sec. 804).

Sec. 1207. Timber Sale Bidding Process – DELETED

Requires DNRE to work with stakeholders to review bidding process and implement needed changes; requires report. **Executive** and **Senate** delete language.

Sec. 1301. Snowmobile Law Enforcement Grants – RETAINED

Provides snowmobile law enforcement grant funds to county law enforcement agencies in counties with state trails. **Executive** deletes language; **Senate** retains language (Sec. 901).

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. **Executive** and **Senate** delete language.

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

Requires the expenditure of not less than \$980,000 for the development of new ORV trails. **Executive** deletes language; **Senate** retains language (Sec. 1003).

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

Provides work project status to federal grants for local historic preservation projects. **Executive** and **Senate** delete language.

Sec. 1602. Michigan Heritage Fund – DELETED

Revenues collected through the Michigan Heritage Fund are appropriated, and available for expenditure upon receipt. **Executive** and **Senate** delete language.