

NATURAL RESOURCES AND ENVIRONMENT
Summary: As Reported by House Subcommittee
FY 2010-11 SB 1161 (H-1) Draft 1



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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: House From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$12,322,900	\$12,517,700	\$12,401,300	\$12,517,700		\$194,800	1.6
Federal	252,998,700	261,331,500	260,191,100	261,331,500		8,332,800	3.3
Local	0	0	0	0		0	0.0
Private	6,040,000	6,509,100	6,486,300	6,509,100		469,100	7.8
Restricted	396,617,100	398,191,300	391,635,000	398,191,300		1,574,200	0.4
GF/GP	43,949,400	42,104,300	41,341,500	40,797,400		(3,152,000)	(7.2)
Gross	\$711,928,100	\$720,653,900	\$712,055,200	\$719,347,000		\$7,418,900	1.0
FTEs	3,712.0	3,674.5	3,674.5	3,678.5		(33.5)	(0.9)

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

		FY 2009-10 YTD (as of 2/11/10)	Executive Change From YTD	Senate Change From YTD	House Change From YTD
1. Department Consolidation Savings	FTE	11.0	(5.0)	(5.0)	(5.0)
Executive reduces funding by \$356,000 Gross and GF/GP for savings from consolidation of Department of Natural Resources and Department of Environmental Quality. Savings of \$200,000 generated from the elimination of 5.0 unclassified FTE positions; rent savings total \$156,000. Senate and House concur with the Executive.	Gross	N/A	(\$356,000)	(\$356,000)	(\$356,000)
	GF/GP	N/A	(\$356,000)	(\$356,000)	(\$356,000)
2. Administrative GF/GP Reductions	FTE	N/A	(16.5)	(16.5)	(16.5)
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). Senate and House concur with the Executive.	Gross	N/A	(\$1,036,000)	(\$1,036,000)	(\$1,036,000)
	GF/GP	N/A	(\$1,036,000)	(\$1,036,000)	(\$1,036,000)
3. Water Program GF/GP Reductions	FTE	N/A	(13.0)	(13.0)	(13.0)
Executive includes reduction of 13.0 FTEs and \$1.3 million GF/GP 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 and House concur with the Executive.	Gross	N/A	(\$1,299,400)	(\$1,299,400)	(\$1,299,400)
	GF/GP	N/A	(\$1,299,400)	(\$1,299,400)	(\$1,299,400)

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	Executive Change From YTD	Senate Change From YTD	House Change From YTD	
4. Additional GF/GP Funding Reductions		FTE	N/A	N/A	0.0	
House reduces GF/GP funding by an additional \$1.35 million throughout various line items. Major reductions taken in Executive Direction (\$81,900), Communications (\$232,700), Wildlife Management (\$95,100), Land and Water Interface Permit Program (\$285,100), Water Resource: Program Direction (\$119,500), Groundwater Discharge (\$94,700), Mackinac Island Park Operations (\$81,400), General Law Enforcement (\$79,600), and IT (\$96,200).		Gross GF/GP	N/A	N/A	N/A	(\$1,354,200)
			N/A	N/A	(\$1,354,200)	
5. Pittman-Robertson Federal Funding		Gross Federal	N/A	\$555,000	\$555,000	\$555,000
Executive increases federal authorization in Communications and Law Enforcement line items for additional federal Pittman-Robertson funding. Senate and House concur with the Executive.			N/A	555,000	555,000	555,000
6. State Forest Campgrounds		FTE	51.0	(3.0)	(3.0)	0.0
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 grooming on ski trails, and by decreasing pathway maintenance work. Senate concurs with the Executive; House reduces funding by \$83,900 but retains the 3.0 FTE positions and \$240,000 to fund the reopening of the 12 state forest campgrounds that were closed by E.O. 2009-22.		Gross Restricted GF/GP	\$4,924,000	(\$323,900)	(\$323,900)	(\$83,900)
			4,360,100	0	0	0
			\$563,900	(\$323,900)	(\$323,900)	(\$83,900)
7. Restricted Funds Reduction		Gross Restricted	N/A	(\$3,460,900)	(\$3,460,900)	(\$3,460,900)
Executive reduces restricted funding authorization for Game and Fish Fund -- Deer Habitat, Snowmobile Registration Fee revenue, and Marine Safety Fund to align with revenues. Senate and House concur with the Executive.			N/A	(3,460,900)	(3,460,900)	(3,460,900)
8. Brownfield Redevelopment Funding		Gross Restricted	\$5,500,000	(\$5,500,000)	(\$5,500,000)	(\$5,500,000)
Executive reduces funding by \$5.5 million for brownfield redevelopment grants and loans to eliminate one-time supplemental funding from previous year. Senate and House concur with the Executive.			5,500,000	(5,500,000)	(5,500,000)	(5,500,000)
9. Additional Funding Adjustments		Gross Private Restricted	N/A	\$30,700	\$30,700	\$30,700
Executive reduces private funding authorization to align with expected revenue (\$75,900); increases restricted authorization for State Parks Improvement bond debt service payment (\$6,600); appropriates \$100,000 for public use and replacement deed program previously appropriated through boilerplate. Senate and House concur with the Executive.			N/A	(75,900)	(75,900)	(75,900)
			N/A	106,600	106,600	106,600
10. Waste and Hazardous Materials Funding		Gross Restricted GF/GP	N/A	\$0	\$0	\$0
Executive replaces GF/GP support for Hazardous Waste Management program with restricted funding from the Hazardous Materials Transport Permit Fund. Senate and House concur with the Executive.			N/A	400,000	400,000	400,000
			N/A	(\$400,000)	(\$400,000)	(\$400,000)
11. Aquifer Dispute Resolution Program		Gross GF/GP	N/A	N/A	\$100	\$0
Senate includes a \$100 placeholder for the Aquifer Dispute Resolution Program.			N/A	N/A	100	0

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	Executive Change From YTD	Senate Change From YTD	House Change From YTD
12. Michigan Historical Programs		Gross	N/A	\$698,800	\$698,800
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. Senate and House concur with the Executive.		Restricted	N/A	698,800	698,800
13. Aquatic Nuisance Control (ANC) Program		FTE	N/A	0.0	0.0
House includes \$84,600 GF/GP funding and 1.0 additional FTE authorization to fund additional staff for the ANC program.		Gross	N/A	\$0	\$0
		GF/GP	N/A	\$0	84,600
14. Cormorant Population Control		Gross	\$0	\$0	\$50,000
House includes \$50,000 restricted funding from the Game and Fish Fund for activities related to controlling the cormorant population in Michigan.		Restricted	0	0	50,000
15. Fisheries Resource Management		Gross	\$0	\$0	(\$50,000)
House reduces the Fisheries Resource Management line item by \$50,000 restricted funding from the Game and Fish Fund.		Restricted	0	0	(50,000)
16. Information Technology Savings		Gross	N/A	(\$157,800)	(\$157,800)
Executive reduces funding to reflect savings from rate reductions, not filling an FTE position, and Department of Technology, Management, and Budget (DTMB) consolidation savings. Senate and House concur with the Executive.		Restricted	N/A	(52,000)	(52,000)
		GF/GP	N/A	(\$105,800)	(\$105,800)
17. Capital Outlay		Gross	\$16,991,200	\$1,987,400	\$1,987,400
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 and House concur with the Executive.		Federal	5,067,100	4,007,900	4,007,900
		Private	2,000,000	0	0
		Restricted	9,924,100	(2,020,500)	(2,020,500)
18. Economic Adjustments		Gross	N/A	\$17,587,900	\$8,989,100
Executive increases funding by \$17.6 million Gross and \$1.7 million GF/GP for economics including a 3.0% wage increase, retirement, building occupancy charges, and insurances. Senate includes \$9.0 million economic adjustments, but does not include funding for state employee 3.0% pay increase. House concurs with Executive, but eliminates \$277,300 GF/GP funding for the NERE state employees 3.0% wage increase in a budgetary savings line.		IDG	N/A	271,200	154,800
		Federal	N/A	2,629,300	2,629,300
		Private	N/A	45,000	22,200
		Restricted	N/A	12,966,400	12,966,400
		GF/GP	N/A	\$1,676,000	\$913,100

Major Boilerplate Changes From FY 2009-10

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

Requires report of revenue, spending, and estimated year-end balance for each restricted fund appropriated; requires report on funding of FTE positions by each line item. **Executive** and **Senate** delete language; **House** retains language (Sec. 222).

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**, **Senate**, and **House** delete language.

Sec. 210. Waterways Fund Projects – RETAINED

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; **House** retains language (Sec. 223).

Major Boilerplate Changes From FY 2009-10

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** and **House** retain 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** and **House** retain language (Sec. 213).

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

Requires DNRE to develop a plan for allocating restricted funds among administrative and regulatory activities; plan to be submitted to legislative subcommittees by January 30, 2010. **Executive** and **Senate** delete language; **House** retains language (Sec. 224).

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

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; **House** retains language (Sec. 225).

Sec. 221. *Refined Petroleum Fund (RPF)* – NOT INCLUDED

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* – MODIFIED

Requires DNRE to report bi-monthly on number of FTEs in pay status by civil service classification on the first day of the month. **Executive** and **Senate** delete language; **House** modifies language to require quarterly reports (Sec. 233 (1)).

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

Requires DNRE to report on supportable FTEs including salary, wage and benefit costs for FTEs for each line item. **Executive** and **Senate** delete language; **House** retains language (Sec. 235).

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

Requires allocation plan for restricted funds for administrative units and report. **Executive**, **Senate** and **House** 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**, **Senate** and **House** 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**, **Senate** and **House** 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**, **Senate** and **House** 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** and **House** retain language (Sec. 218).

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

Requires Department to report expenditures on public internet site, including purpose of the expenditures. **Executive** and **Senate** delete language; **House** modifies language to include ARRA funding and deletes \$25,000 website expenditure limit (Sec. 233 (2)). (House includes \$10,000 website spending limit in new Sec. 234 - see below.)

Sec. 232. *Budgetary Savings* – NEW

House includes language that requires that the negative appropriation for budgetary savings be satisfied from savings and reductions identified by department director and approved by state budget director; requires appropriation authorizations be adjusted after approval of legislative transfers. Authorizes state budget director to reduce federal, local, private, and state restricted appropriations associated with reductions made to general fund.

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**, **Senate** and **House** delete language.

Sec. 234. *Website Expenditure Postings* – NEW

House includes language that requires Department to spend less than \$10,000 to post department expenditures on website.

Sec. 235. Criminal and Civil Fine Revenue – RETAINED

Requires Department to annually report the amount of criminal and civil fine revenue collected during FY 2008-09. **Executive** and **Senate** delete language; **House** retains language (Sec. 227).

Sec. 236. General Fund Lapse – RETAINED

Requires Department to report by September 30, 2010 the estimated amount of general fund lapse by program area. **Executive** and **Senate** delete language; **House** retains language (Sec. 228).

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

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

Sec. 238. Great Lakes Water Quality Bond – RETAINED

Requires report outlining the implementation of the Great Lakes Water Quality bond. **Executive** and **Senate** delete language; **House** retains language (Sec. 229).

Sec. 239. Program Comparisons With Other States – RETAINED

Requires Department to compare regulatory programs with other Great Lakes states. **Executive** and **Senate** delete language; **House** retains language (Sec. 230).

Sec. 240. Permit Program Efficiencies – RETAINED

Requires examination of air permitting program to determine efficiencies; requires report. **Executive** and **Senate** delete language; **House** retains language (Sec. 231).

Sec. 241. Beverage Container Fraud – DELETED

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

Sec. 242. Freedom of Information Act (FOIA) Requests – DELETED

Requires semiannual report on requests made under the FOIA. **Executive**, **Senate** and **House** 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**, **Senate** and **House** 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** and **House** retain language (Sec. 405).

Sec. 306. Historical Program Fees – NEW

Allows Department to charge fees for various historical program services such as document production, conferences, workshops, use of facilities, and museum admissions. **Executive**, **Senate**, and **House** include new language.

Sec. 308. Operational Memoranda – RETAINED

Prohibits DNRE from using operational memoranda documents to impose regulations on individuals or businesses conducting cleanup projects - except with written consent. **Executive** deletes language; **Senate** and **House** retain language (Sec. 406).

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

Transfers \$1.5 million from the Solid Waste Management Fund Perpetual Care Account to the Solid Waste Management Fund Staff Account. **Executive** and **Senate** delete language; **House** revises language to transfer \$2.0 million (Sec. 407).

Sec. 501. Water Quality Enforcement Report – DELETED

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

Sec. 601. Scrap Tire Fire Suppression – RETAINED

Provides \$100,000 for grants to communities for scrap tire suppression costs, if other funding is exhausted. **Executive** and **Senate** delete language; **House** retains language (Sec. 1004).

Sec. 651. Aquatic Nuisance Control Program – NEW

House includes new language requiring \$84,600 appropriated in part 1 to be allocated to fund for one additional FTE position or partial FTE position for the Aquatic Nuisance Control Program in FY 2011; requires report.

Sec. 704. Fishing Advisories – DELETED

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

Sec. 705. Land Transactions – RETAINED

Requires report on land purchases, sales and exchanges. **Executive** and **Senate** delete language; **House** retains language (Sec. 308).

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** and **House** retain language (Sec. 502).

Sec. 807. Timber Industry Meetings – NEW

House includes new language that requires Director of DNRE to meet semiannually in a public forum with timber industry representatives to discuss strategic issues of the timber industry.

Sec. 808. State Forest Campground Funding – NEW

House includes new language that requires that \$240,000 be allocated to reopen and support the 12 state forest campgrounds that were previously closed by E.O. 2009-22; requires report.

Sec. 901. Water Control Structure Certification – DELETED

Directs Fisheries to not impede certification process for water control structures. **Executive**, **Senate** and **House** 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** and **House** retain language (Sec. 702).

Sec. 1003. Porcupine Mountain Ski Hill – RETAINED

Prohibits Department from altering ski hill operations or related buildings in Porcupine Mountains Wilderness State Park. **Executive** and **Senate** delete language; **House** retains language (Sec. 703).

Sec. 1004. Defibrillators in State Parks – RETAINED

Directs Department to maintain defibrillators placed in state parks. **Executive** and **Senate** delete language; **House** retains language (Sec. 704).

Sec. 1101. Mackinac Island State Park – DELETED

Requires revenue from admissions and store sales at Mackinac Island State Park (MISP) be deposited into the MISP operation fund; remaining funds at end of year shall not lapse to the general fund. **Executive**, **Senate** and **House** delete language.

Sec. 1202. Contract Foresters – MODIFIED

Allows DNRE to hire contract foresters to mark timber. **Executive** and **Senate** delete language; **House** modifies language to allow DNRE to hire or contract with a sufficient amount of foresters (Sec. 805).

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** and **House** retain language (Sec. 802).

Sec. 1206. Horseback Riding Opportunities – RETAINED

Directs DNRE to work with horseback riding groups. **Executive** deletes language; **Senate** and **House** retain language (Sec. 804).

Sec. 1207. Timber Sale Bidding Process – RETAINED

Requires DNRE to work with stakeholders to review bidding process and implement needed changes; requires report. **Executive** and **Senate** delete language; **House** retains language (Sec. 806).

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** and **House** retain language (Sec. 901).

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

Requires public notice of expiration date or amendments to concession contract for Island Lake Shooting Range. **Executive** and **Senate** delete language; **House** retains language (Sec. 902).

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** and **House** retain language (Sec. 1003).

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

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

Sec. 1602. Michigan Heritage Fund – DELETED

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