



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

FY 2005-06 Year-to-Date Gross Appropriation	\$280,391,100
----------------------------------------------------------	----------------------

Changes from FY 2005-06 Year-to-Date:

Items Included by the Senate and House

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 1. State Park Revenue Increase. An increase in camping fees became effective Jan. 1, 2006. The budget included an additional appropriation for State parks to reflect the new revenue. | 3,500,000 |
| 2. Purchased Land Payments in Lieu of Taxes (PILT). For purchased land PILT, the budget included \$170,000 GF/GP for special payments to counties related to the advancement of county mill collections for revenue sharing purposes. This would be the third year of a 3-year schedule for the special payments. | 170,000 |
| 3. Coast Guard Funding. The budget included Federal funding from the United States Coast Guard for enforcement of commercial fishing laws and marine safety grants. | 2,940,000 |
| 4. Forestry Fund Shift. In the Forest Fire Protection program, the Governor recommended a reduction of \$1,500,000 GF/GP to be replaced with revenue from the Forest Development Fund. There would be no change to the total budget for the program or to the program operations. The Conference Committee concurred. | 0 |
| 5. Project F.I.S.H. The Conference Committee provided funding from the Game and Fish Protection Fund as a grant to this program promoting sport fishing. | 25,000 |
| 6. Sportsmen Against Hunger. Established in 2005, this program allows donations to the Sportsmen Against Hunger Fund when purchasing a hunting license. The budget included an initial appropriation from the Fund to pay for the processing and distribution of donated game. | 250,000 |
| 7. Human Resource (HR) Changes. Costs related to the HR optimization process and the operation of the service center are included in the budget. | 70,100 |
| 8. Economic Adjustments. The budget included economic adjustments for worker's compensation, building occupancy charges, salaries and fringe benefits, and information technology. | 6,472,800 |

Conference Agreement on Items of Difference

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| 9. Cormorant Control. The Conference Committee included General Fund support for cormorant control activities. | 150,000 |
| 10. General Fund Reduction and Fund Shift. The Conference Committee did not replace a General Fund reduction with revenue from the Forest Development Fund. | 0 |
| 11. Kalamazoo River Dams. The Conference Committee added funding from the Clean Michigan Initiative-Clean Water Fund for the removal of 3 dams on the Kalamazoo River. | 2,000,000 |
| 12. Accessibility Grants. The Conference Committee added private funds from the Kellogg Foundation to improve access at State parks for disabled persons. | 1,000,000 |
| 13. Other Changes. The budget made other adjustments to reflect actual revenue anticipated, supplemental items in FY 2005-06, changes in Federal grant awards, and debt services on revenue bonds. The Conference Committee added funding for docks in Bay City State Park, a bobcat study, repair of the Petoskey breakwall, Chapple Dam maintenance, and for Cascades Park in Jackson County. | (5,305,800) |

Total Changes.....	\$11,272,100
--------------------	--------------

FY 2006-07 Conference Report Gross Appropriation	\$291,663,200
---------------------------------------------------------------	----------------------

Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2005-06 Year to Date:Items Included by the Senate and House

1. **Sections Removed.** The budget removed language addressing turkey hunting licenses, State park corporate sponsorship, the adopt-a-forest program, privatization project plans, bobcat populations, and ORV trail development.
2. **Sections Retained.** The Conference Committee retained language addressing grant and loan programs, game and fish appropriations, Waterways Commission activities, a prohibition on disciplinary action, administrative cost allocation, fish advisory information, land transactions, a prohibition to impede water control structures, construction projects in State parks, defibrillators in State parks, misuse of free day passes, Porcupine Mountains Wilderness State Park, a Gaylord-Cheboygan snowmobile trail, timber marking in State forests, snowmobile law enforcement grants, and Federal land and water conservation funds. (Secs. 208, 209, 210, 216, 218, 404, 405, 601, 702, 703, 704, 705, 803, 806, 901, and 1102)
3. **Contingency Funds.** The budget did not include language recommended by the Governor authorizing contingency fund appropriations of \$3.0 million Federal, \$5.0 million State restricted, \$100,000 local, and \$500,000 private funds.
4. **Project F.I.S.H.** The Conference Committee directed the Department to collaborate with Project F.I.S.H. to increase the number of anglers and submit a cost benefit analysis of the effectiveness of the program. (Sec. 301)
5. **Boating Access Improvement Plans.** The Conference Committee directed the Department to work with the Waterways Commission to develop short and long term plans to improve boating access throughout the State. (Sec. 707)
6. **PILT Special Payments.** The Conference Committee included language designating \$170,000 in funding in Part 1 for special payments to counties with a fiscal year ending Sept. 30 to compensate for reduced purchased land payments in lieu of taxes related to the county revenue sharing provisions enacted in 2005. (Sec. 1001)

Conference Agreement on Items of Difference

7. **Aircraft Use.** Prohibited use of State aircraft by institutions of higher education, legislative staff without prior approval, local government employees. Exception for security or if consistent with Department mission. (Sec. 218)
8. **Deprived and Depressed.** The Conference Committee included language recommended by the Governor directing the Department to ensure businesses in deprived and depressed areas compete for contracts. (Sec. 219)
9. **Indemnification Payments.** Added cougars to the list of predators for these payments. (Sec. 501)
10. **Cormorant Action Plan.** Directed the Department to partner with the USDA and target control activities at the areas most affected in Michigan. (Sec. 502)
11. **Bobcat Study.** The Conference Committee directed the Department to conduct a study of the bobcat population and develop science-based hunting quotas in the Upper and Lower Peninsulas. (Sec. 503)
12. **Kalamazoo River Dams.** The Conference Committee designated \$2.0 million in Part 1 for the removal of the Otsego, Plainwell, and Trowbridge dams on the Kalamazoo River. Stated that this would not preclude the Department from pursuing cost recovery from responsible parties. (Sec. 603)
13. **Island Lake Shooting Range.** The Conference Committee required the Department to have an engineer study and design range modifications to mitigate sound from the shooting range. (Sec. 706)
14. **Bay City State Park Docks.** The Conference Committee specified that the appropriation for this State park is for floating docks for recreation and barrier-free access. (Sec. 708)
15. **Petoskey Breakwall.** Prohibited expenditure unless Federal government agrees to repay Waterways Fund for repairs. (Sec. 709)
16. **Forest Finance Authority Project.** The Conference Committee required a report on the planned use, expenditure, and action taken by the Authority regarding the \$26.0 million grant from the 21st Century Jobs Trust Fund. (Sec. 804)
17. **Additional Foresters.** Directed the Department to employ or contract additional foresters to mark timber. (Sec. 805)
18. **Jordan-Bellaire Trail.** The Conference Committee directed the Department to allow a designated snowmobile trail from Bellaire to the Jordan River Trail. (Sec. 807)
19. **ORV Trail Development.** The Conference Committee directed the Department to spend not less than \$980,000 on the development of new ORV trails according to the plan created in FY 2005-06. (Sec. 1104)

Date Completed: 7-12-06

Fiscal Analyst: Jessica Runnels

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.