

NATURAL RESOURCES

Summary: FY 2008-09 SB 1106, CR-1

Analyst: Kirk Lindquist

	FY 2007-08 YTD	FY 2008-09 Executive	FY 2008-09 Senate	FY 2008-09 House	FY 2008-09 CR-1	Difference: Conference From FY 2007-08 YTD	
						Amount	%
IDG/IDT	\$3,808,300	\$3,802,200	\$3,802,200	\$3,802,200	\$3,802,200	(\$6,100)	(0.2)
Federal	47,968,900	49,909,100	49,909,100	50,409,100	51,702,100	3,733,200	7.8
Local	0	0	0	0	0	0	0.0
Private	3,166,500	3,245,000	3,245,000	3,245,000	4,745,000	1,578,500	49.8
Restricted	210,558,500	206,553,500	204,203,600	209,053,600	219,103,600	8,545,100	4.1
GF/GP	23,743,200	23,458,900	13,419,800	24,648,900	10,624,200	(13,119,000)	(55.3)
Gross	\$289,245,400	\$286,968,700	\$274,579,700	\$291,158,800	\$289,977,100	\$1,913,400	0.7
FTEs	2,088.9	2,170.9	2,170.9	2,173.9	2,173.9	85.0	4.1

Note: FY 2007-08 figures reflect supplementals and Executive Order (EO) actions through May 15, 2008.

Overview

The Department of Natural Resources (DNR) manages, conserves, and protects Michigan's resources. Programs include forest management, land and minerals management, wildlife and fisheries management, conservation law enforcement, and state parks and forest campgrounds.

Major Budget Changes

- Adds \$1,250,000 (Restricted) to timber management programs
- Payment in Lieu of Taxes transferred to Department of Treasury
- Adds \$750,000 (Restricted) funding for grants to Conservation Districts (Department of Agriculture).
- Adds \$500,000 (Federal) for fish hatchery operations and public outreach and education programs.

Major Budget Changes From FY 2007-08 YTD Appropriations		FY 2007-08 YTD	Conference Change From YTD
1. Payments in Lieu of Taxes -- Transfer Program to Treasury	Gross	\$14,184,100	(\$14,184,100)
Transfers funding for this local grant program to the Department of Treasury.	Restricted	2,350,000	(2,350,000)
	GF/GP	\$11,834,100	(\$11,834,100)
2. Forest Development Fund Revenue Adjustment	Gross	\$27,316,800	\$1,250,000
Adds \$1,250,000 funding for forest management programs. This partially restores the \$7,679,800 reduction made in 2008.	Restricted	27,316,800	1,250,000
3. Conservation District Grants	Gross	\$0	\$750,000
Adds \$750,000 funding for grants to Conservation Districts (Grants provided by the Michigan Department of Agriculture).	Restricted	0	750,000
4. Federal Forest Stewardship Grant -- Kamehameha Conservation Easement Purchases	Gross	\$4,125,000	(\$1,000,000)
Reduces appropriation to reflect expected spending for purchases of Upper Peninsula conservation easements.	Federal	4,125,000	(1,000,000)
5. Revenue Adjustment: State Parks	Gross	\$46,981,200	(\$2,500,000)
The appropriation would be reduced to reflect expected revenue to the Park Improvement Fund.	Federal	119,800	0
	Private	362,500	0
	Restricted	\$46,498,900	(\$2,500,000)
6. Coastal Endangered Species Habitat Grant	Gross	\$27,630,000	\$2,400,000
Federal support is added to the Wildlife Management line item to preserve and protect critical Great Lakes wetland habitat.	Federal	10,179,300	2,400,000
	Private	114,400	0
	Restricted	15,510,900	0
	GF/GP	\$1,825,400	\$0

<u>Major Budget Changes From FY 2007-08 YTD Appropriations</u>		<u>FY 2007-08 YTD</u>	<u>Conference Change From YTD</u>
7. Fish Hatchery Production Facilities		Gross	\$28,758,400
Increased Federal Grant support is added to the Fish Hatchery and Fisheries Management programs for hatchery improvements and public outreach and awareness programs.		Federal	9,745,100
		Private	116,300
		Restricted	\$18,897,000
			\$500,000
8. General Fund Reductions, Various		Gross	N/A
Fund shift in Wildfire Suppression (\$1,000,000 from GF/GP to Forest Development Fund), absorbed economics increases, and fringe benefit savings.		GF/GP	
			(\$1,070,600)
9. Economic Adjustments		Gross	N/A
Provides an adjustment to cover the annualized cost of the 2% salary increase provided in FY 2007-08.		Federal	40,200
		Private	3,500
		Restricted	317,300
		GF/GP	\$15,900
			\$376,900

Major Boilerplate Changes From FY 2007-08

Sec. 230. Muskrat Lake – NEW

Requires department to assist in re-establishing the lake level at Muskrat Lake in Clinton County.

Sec. 406. Payments in Lieu of Taxes: Payments Deadline – NEW

Requires payment to local governmental units by February 14, if billings are submitted by December 1, 2008, and are accurate and complete.

Sec. 706. Plan to Generate Corporate Park Sponsorship Revenue – DELETED

Directs Natural Resource Commission to develop a plan to encourage corporate sponsorship of state parks.

Sec. 802. Conservation Districts – NEW

Provides \$750,000 for grants to Soil Conservation Districts through an interdepartmental transfer to the Department of Agriculture.

Sec. 902. Island Lake Shooting Range – NEW

Requires public notice as the operator's concession contract is posted for renewal.

Sec. 807. Horseback Trails – NEW

Requires department to work with horse riding associations to increase the number of miles of horse trails in Michigan.