

**Summary: Executive Budget Recommendation
for Fiscal Year 2018-19
DEPARTMENT OF NATURAL RESOURCES**



Analyst: Austin Scott

	FY 2017-18	FY 2018-19 Executive	Difference: FY 2018-19 Vs. FY 2017-18	
	Year-to-Date as of 2/7/18		Amount	%
IDG/IDT	\$232,200	\$232,200	\$0	0.0
Federal	70,095,700	81,731,600	11,635,900	16.6
Local	0	0	0	--
Private	7,446,000	7,431,400	(14,600)	(0.2)
Restricted	274,248,500	299,965,800	25,717,300	9.4
GF/GP	57,971,100	47,344,300	(10,626,800)	(18.3)
Gross	\$409,993,500	\$436,705,300	\$26,711,800	6.5
FTEs	2,267.8	2,333.3	65.5	2.9

Notes: (1) FY 2017-18 year-to-date figures include mid-year budget adjustments through February 7, 2018. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

The Department of Natural Resources (DNR) manages Michigan's natural and cultural resources through conservation and protection. State parks, wildlife, fisheries, forests, and minerals management are all administered by the DNR.

Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations		FY 2017-18 YTD (as of 2/7/18)	Executive Change from YTD
1. Wildlife Management	FTE	218.5	3.0
Includes an additional 3.0 FTEs and \$1.6 million Gross (\$2.6 million GF/GP) for the wildlife management program. New funding will be used for lab technicians, testing costs and supplies, and veterinary diagnostic services. This increase will also support the DNR's deer management operations including chronic wasting disease response and sharpshooting efforts. A one-time appropriation of \$1.0 million from the Forest Development Fund is not continued in FY 2018-19.	Gross	\$42,932,700	\$1,600,000
	Federal	24,954,900	0
	Private	315,700	0
	Restricted	15,836,900	(1,000,000)
	GF/GP	\$1,825,200	\$2,600,000
2. General Law Enforcement – Conservation Officers	FTE	284.0	10.0
Provides 10.0 FTEs and \$1.5 million GF/GP to support a Conservation Officer (CO) school aimed at producing 10 new commissioned officers. There are 232 COs currently serving; these officers enforce natural resources (game, fish, forestry), environmental pollution, and outdoor recreation (boating, hunting, ORV, snowmobile safety) laws.	Gross	\$42,435,200	\$1,500,000
	Federal	6,510,900	0
	Restricted	24,758,000	0
	GF/GP	\$11,166,300	\$1,500,000
3. Tribal Consent Decree Renegotiation and Implementation	FTE	NA	1.0
Provides 1.0 FTE and \$277,500 GF/GP (including \$37,500 in one-time GF/GP) to cover costs associated with negotiating and implementing a new Great Lakes Consent Decree. A new agreement between signatory tribes, Michigan, and the United States is needed to replace the expiring agreement that has governed the allocation, management, and regulation of Great Lakes fisheries in Michigan since 2000.	Gross	NA	\$277,500
	GF/GP	NA	\$277,500
4. Historical Facilities System – Mackinac Island State Park	FTE	13.0	0.0
Adds \$200,000 GF/GP to increase support for maintenance costs at Mackinac Island State Park facilities.	Gross	\$1,583,700	\$200,000
	Restricted	1,583,700	0
	GF/GP	\$0	\$200,000
5. Snowmobile Trail Groomer Pilot One-Time Funding	Gross	NA	\$200,000
Provides \$200,000 from the snowmobile trail improvement fund to pilot a program aimed at developing a new snowmobile trail groomer to maintain state snowmobile trails.	Restricted	NA	200,000
	GF/GP	NA	\$0

FY 2017-18 YTD
(as of 2/7/18)

Executive
Change
from YTD

Major Budget Changes From FY 2017-18 Year-to-Date (YTD) Appropriations

6. Increased Camping Fee Revenue and Recreation Passport Sales FTE NA 26.5
 Provides 26.5 FTEs and \$4.1 million in additional restricted funding for **Gross NA \$4,075,000**
 departmental marketing and outreach, forest recreation and trails, recreational Restricted NA 4,075,000
 boating, state parks, and Recreation Passport local grants. Funding comes from GF/GP NA \$0
 increased camping fee revenue and Recreation Passport sales.

7. Increased Off-Road Vehicle Fee Revenue FTE NA 2.0
 Provides 2.0 FTEs and \$1.3 million in additional off-road vehicle (ORV) trail **Gross NA \$1,300,000**
 improvement funding for departmental administration, law enforcement, and ORV Restricted NA 1,300,000
 trail improvement grants. Funding comes from increased ORV fee revenue. GF/GP NA \$0

8. Removal of FY 2017-18 One-Time Funding **Gross \$16,676,200 (\$16,676,200)**
 Removes \$16.7 million GF/GP for one-time projects included in the previous fiscal GF/GP \$16,676,200 (\$16,676,200)
 year's budget:

State parks repair and maintenance	\$7,000,000
Trail development	5,000,000
Land ownership tracking system	2,900,000
Bay City state recreation area, playscape reconstruction	400,000
Onaway state park, pavilion reconstruction	400,000
Shooting range construction, repair, and maintenance	250,000
Swimmer's itch pilot program	250,000
Snowmobile local grants program (one-time)	226,200
Invasive species (one-time)	200,000
Mineral extraction summit	50,000

9. Capital Outlay Project Adjustments **Gross \$20,575,000 \$17,643,000**
 Makes current services baseline adjustments to capital outlay projects by increasing Federal 1,075,000 643,000
 federal and restricted funding for a net increase of \$17.6 million Gross. Restricted 18,000,000 17,000,000
 Adjustments include removing funding for East Tawas state harbor phase I as well GF/GP \$1,500,000 \$0
 as adding funding for forest development infrastructure, East Tawas state harbor
 phase III, Elmwood Township marina, Ottawa Brach marina, and Presque Isle
 Marina.

10. Technical Adjustments FTE NA 23.0
 Increases DNR budget by 23.0 FTEs and \$12.8 million Gross (\$929,600 GF/GP) to **Gross NA \$12,814,700**
 align authorization with available funds and comply with organizational changes. Federal NA 10,556,000
 Adjustments include transferring the Office of the Great Lakes from the DEQ to the Private NA (15,000)
 DNR (Executive Order 2017-9) and transferring the Historical Marker program from Restricted NA 1,344,100
 the Michigan History Foundation. GF/GP NA \$929,600

11. Economic Adjustments **Gross NA \$3,777,800**
 Reflects increased costs of \$3.8 million Gross (\$542,300 GF/GP) for negotiated Federal NA 436,900
 salary and wage increases (2.0% ongoing), actuarially required retirement Private NA 400
 contributions, worker's compensation, building occupancy charges, and other Restricted NA 2,798,200
 economic adjustments. GF/GP NA \$542,300

Major Boilerplate Changes From FY 2017-18

Sec. 218. Retention of Reports – DELETED
 Requires DNR to retain copies of all reports funded from appropriations.

Sec. 220. Disciplinary Action Against State Employees – DELETED
 Prohibits DNR from disciplining state employees for communicating with members of the Legislature and their staffs.

Sec. 251. Invasive Species Initiative – DELETED
 Requires \$3.6 million for the Invasive Species Initiative be allocated as grants for prevention, detection, eradication, and control of
 invasive species.

Sec. 404. Museum Store Revolving Fund – DELETED
 States that contract expenditures for the museum store are exempt from the Management and Budget Act.

Major Boilerplate Changes From FY 2017-18

Sec. 405. Proceeds from Artifact Auctions, Sales, or Transfers – DELETED

Funds received through the excess of unneeded artifacts by the Historical Museum are appropriated to the DNR to obtain other desired items for the State Historical Museum; allows carryforward of funds.

Sec. 406. Historical Program Fees – DELETED

Allows DNR to charge fees for historical program services such as document production, conferences, workshops, facilities, and museum admissions.

Sec. 408. Land Transactions – DELETED

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

Sec. 503. Invasive Species Order Enforcement – DELETED

Requires report on efforts taken to enforce the Natural Resources Commission's invasive species order concerning raising feral swine in Michigan.

Sec. 504. Cervid Operation Fees – DELETED

Requires report on the use of registration fees from privately owned cervid operations.

Sec. 602. Water Control Structure Certification – DELETED

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

Sec. 808. Forest Management and Timber Market Development – DELETED

Requires DNR to use increased funding available from the increased timber harvest for the purpose of expanding the forest products economy, includes a departmental requirement to develop corresponding metrics to assess performance.

Sec. 901. Snowmobile Law Enforcement Grants – DELETED

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

Sec. 902. Marine Safety Grants – DELETED

Requires report on the Marine Safety Grant Program. Report to include watercraft registrations revenues; revenues and expenditures of the Marine Safety Fund; grant distribution methodology; and a list of grant awards by county.

Sec. 903. Conservation Officers – DELETED

Directs the use of the increased appropriation in part 1 for conservation officers to hire, train, and equip 10 detectives and two support staff.

Sec. 1201. Swimmer's Itch Pilot Program – DELETED

Designates \$250,000 GF/GP in part 1 to be distributed to a Michigan-based nonprofit organization for swimmer's itch mitigation and research and requires a progress report.