

House Committee on Natural Resources
Committee

Testimony for HB 5929

Representative Sara Cambensy

September 15, 2020

Purpose of the Bill:

To require one appointed member out of the five member Natural Resources Trust Fund Board be a resident that resides in a county that has less than 100,000 people.

What is the definition of Urban?

Urbanized Area (UA): An area consisting of a central place(s) and adjacent territory with a general population density of at least 1,000 people per square mile of land area that together have a minimum residential population of at least 50,000 people.

Urban County: any county containing a city of greater than 50,000 people or an area that has at least 100,000 people and has a substantial commuting interchange with a city of greater than 50,000 people.

Data Source: www.census.gov

What counties in Michigan are considered urban? (22 Total)

- Wayne
- Macomb
- Oakland
- Lapeer
- St. Clair
- Monroe
- Washtenaw
- Berrien
- Genesee
- Kent
- Muskegon
- Ottawa
- Allegan
- Jackson
- Kalamazoo
- Calhoun
- Ingham
- Eaton
- Clinton
- Saginaw
- Bay
- Midland

What counties in Michigan are considered rural? (61 Total)

- Alcona
- Alger
- Alpena
- Antrim
- Arenac
- Baraga
- Barry
- Benzie
- Branch
- Cass
- Charlevoix
- Cheboygan
- Chippewa
- Clare
- Crawford
- Delta
- Dickinson
- Emmet
- Gladwin
- Gogebic
- Grand Traverse
- Gratiot
- Hillsdale
- Houghton
- Huron
- Ionia
- Iosco
- Iron
- Isabella
- Kalkaska
- Keweenaw
- Lake
- Leelanau
- Lenawee
- Livingston
- Luce
- Mackinac
- Manistee
- Marquette
- Mason
- Mecosta
- Menominee
- Missaukee
- Montcalm
- Montmorency
- Newaygo
- Oceana
- Ogemaw
- Ontonagon
- Osceola
- Oscoda
- Otsego
- Presque Isle
- Roscommon
- Sanilac
- Schoolcraft
- Shiawassee
- St Joseph
- Tuscola
- Van Buren
- Wexford

Rationale for the Bill:

Currently, all five members on the DNR Trust Fund Board are from urban counties. Even though this may not be intentional, many rural communities are starting to feel the current board makeup is impacting the priorities on what projects are being chosen to fund. The priority of the board is set by members- not by statute.

- Mason (Ingham)
- Lansing (Ingham)
- Lansing (Ingham)
- Grand Rapids (Kent)
- Ann Arbor (Washtenaw)

What is the Michigan Natural Resources Trust Fund?

- The Michigan Natural Resources Trust Fund (MNRTF) began as the "Kammer Recreational Land Trust Fund Act of 1976" via P.A. 204 of 1976. Act 204 created the Michigan Land Trust Fund (MLTF) program to provide a source of funding for the public acquisition of land for resource protection and public outdoor recreation. Funding was derived from royalties on the sale and lease of state-owned minerals (primarily oil and gas).
- On November 6, 1984, Michigan residents voted in favor of Proposal B, which amended the State Constitution and created the MNRTF. The constitutional amendment required that oil, gas, and other mineral lease and royalty payments be placed into the Trust Fund, with proceeds used to both acquire and develop public recreation lands. To implement the constitutional amendment, the Legislature passed the Michigan Natural Resources Trust Fund Act of 1985 (P.A. 101 of 1985, Act 101).
- On August 6, 2002, Michigan residents approved Proposal 2. This amendment to Article IX of the Michigan Constitution allows the MNRTF to invest in a wider array of investments and raised the cap on the corpus amount from \$400 million to \$500 million.
- In 2011, the MNRTF balance achieved the statutorily significant level of \$500 million. At this point grant-making and related operations of the program began to be solely funded by the interest and earnings of the programs invested funds, as opposed to earlier days when mineral royalties themselves were the source of funding. New revenue from mineral royalties started to be deposited into the State Park Endowment Fund.

So in essence, the natural resources being mined come from our rural areas. Our rural counties believe having a designated advocate for rural MNRTF projects will help balance the rural and urban priorities set by the MNRTF Board.

Two additional reasons why we are advocating for a rural county member appointment:

1. Under Governor Snyder, administrative changes were made so that urban projects now receive extra points in the scoring rubric.
2. The Federal Rural and Land Conservation Fund, which funds projects that are community-based (hockey arenas, baseball fields, etc.) is authorized to fully expend the \$600 million cap annually.