

Act No. 525
Public Acts of 2002
Approved by the Governor*
July 25, 2002
Filed with the Secretary of State
July 25, 2002
EFFECTIVE DATE: July 25, 2002

*Item Vetoes

PAYMENTS IN LIEU OF TAXES

Sec. 1051.

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PAYMENTS IN LIEU OF TAXES

Sec. 1451.

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**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Senators McManus, Gast and Hoffman

ENROLLED SENATE BILL No. 1106

AN ACT to make appropriations for the department of natural resources for the fiscal years ending September 30, 2002 and September 30, 2003; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2002-03

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of natural resources for the fiscal year ending September 30, 2003, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF NATURAL RESOURCES

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	2,075.5	
GROSS APPROPRIATION		\$ 257,719,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		\$ 3,437,900
ADJUSTED GROSS APPROPRIATION		\$ 254,281,700
Federal revenues:		
Total federal revenues		30,427,300
Special revenue funds:		
Total local revenues		0
Total private revenues		1,793,700
Total other state restricted revenues		178,236,400
State general fund/general purpose		\$ 43,824,300

FUND SOURCE SUMMARY

GROSS APPROPRIATION.....	\$	257,719,600
Interdepartmental grant revenues:		
IDG, engineering services to work orders.....	\$	1,286,700
IDG, MacMullan conference center revenue		1,300,600
IDG, land acquisition services to work orders.....		664,500
IDT, interdivisional charges		186,100
Total interdepartmental grants and intradepartmental transfers		3,437,900
ADJUSTED GROSS APPROPRIATION.....	\$	254,281,700
Federal revenues:		
DAG, federal.....		2,681,800
DOC, federal.....		45,900
DOD, federal.....		31,000
DOE, federal.....		1,000
DOI, federal		20,165,700
DOI-MMS, federal oil and gas royalty revenue.....		150,000
DOI-MMS, federal timber revenue		3,300,000
DOT, federal		3,801,200
EPA, federal.....		248,700
Federal, corporation for national and community service		1,000
Federal, homeland defense		1,000
Total federal revenues.....		30,427,300
Special revenue funds:		
Private funds		1,271,400
Private - gift revenues.....		500,000
Private, IGLFC.....		22,300
Total private revenues.....		1,793,700
Aircraft fees.....		219,900
Air photo - geographic information system.....		135,000
Automated license system revenue.....		429,300
Clean Michigan initiative fund		277,800
Commercial fishing fee revenue.....		200
Delinquent property tax administration fund		1,065,900
Environmental protection fund.....		1,897,600
Forest recreation fund.....		1,120,700
Forest resource revenue		24,341,500
Game and fish protection fund		60,079,300
Game and fish protection fund - deer habitat reserve.....		2,262,100
Game and fish protection fund - turkey permit fees.....		1,457,000
Game and fish protection fund - waterfowl fees.....		90,500
Game and fish - wildlife resource protection fund.....		1,344,100
Harbor development fund		245,900
Land exchange facilitation fund.....		5,503,100
Land sale revenue		2,639,300
Marine safety fund		5,011,400
Michigan civilian conservation corps endowment fund		1,311,000
Michigan state waterways fund		14,834,500
Michigan natural resources trust fund		3,847,600
Michigan state parks endowment fund.....		5,248,500
Nongame wildlife fund.....		592,500
Off-road vehicle trail improvement fund.....		2,759,200
Park improvement fund.....		30,859,800
Publications revenue		58,700
Recreation improvement fund.....		1,414,400
Shop fees		56,300
Snowmobile registration fee revenue		1,779,600
Snowmobile trail improvement fund.....		7,353,700
Total other state restricted revenues.....		178,236,400
State general fund/general purpose	\$	43,824,300

Sec. 102. EXECUTIVE

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	10.0	
Commission (including travel expense—per diem)		\$ 90,000
Unclassified salaries—6.0 FTE positions		438,600
Executive direction—10.0 FTE positions		1,757,400
GROSS APPROPRIATION		\$ 2,286,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MacMullan conference center revenue		15,800
Special revenue funds:		
Air photo - geographic information system		1,000
Delinquent property tax administration fund		5,400
Forest resource revenue		223,800
Game and fish protection fund		669,000
Harbor development fund		600
Land exchange facilitation fund		10,600
Land sale revenue		40,300
Marine safety fund		23,600
Michigan civilian conservation corps endowment fund		500
Michigan natural resources trust fund		2,300
Michigan state parks endowment fund		1,900
Michigan state waterways fund		242,100
Nongame wildlife fund		900
Off-road vehicle trail improvement fund		2,700
Park improvement fund		421,700
Recreation improvement fund		1,700
Snowmobile registration fee revenue		2,700
Snowmobile trail improvement fund		5,100
State general fund/general purpose		\$ 614,300

Sec. 103. ADMINISTRATIVE SERVICES

Full-time equated classified positions	243.2	
Finance and operations services—126.7 FTE positions		\$ 7,275,200
Internal audit—12.0 FTE positions		744,900
Office of information and education—15.0 FTE positions		2,810,800
Human resources—22.0 FTE positions		1,975,100
Office of property management—67.5 FTE positions		12,270,500
GROSS APPROPRIATION		\$ 25,076,500
Appropriated from:		
Interdepartmental grant revenues:		
IDT, interdivisional charges		186,100
IDG, engineering to work orders		1,286,700
IDG, land acquisition services to work orders		664,500
IDG, MacMullan conference center revenue		18,600
Federal revenues:		
DOI, federal		120,300
Special revenue funds:		
Aircraft fees		113,400
Air photo - geographic information system		10,200
Automated license system revenue		3,000
Clean Michigan initiative fund		277,800
Delinquent property tax administration		1,024,400
Forest resource revenue		1,704,100
Game and fish protection fund		4,704,800
Land exchange facilitation fund		5,450,900
Land sale revenue		1,839,300
Marine safety fund		386,300

	For Fiscal Year Ending Sept. 30, 2003
Michigan civilian conservation corps endowment fund	\$ 5,900
Michigan natural resources trust fund	761,800
Michigan state parks endowment fund.....	72,900
Michigan state waterways fund	943,200
Nongame wildlife fund.....	7,600
Off-road vehicle trail improvement fund.....	6,700
Park improvement fund.....	1,730,500
Publications revenue	58,700
Recreation improvement fund.....	8,800
Snowmobile registration fee revenue	67,100
Snowmobile trail improvement fund.....	46,600
State general fund/general purpose	\$ 3,576,300

Sec. 104. DEPARTMENTAL OPERATION SUPPORT

Building occupancy charges.....	\$ 2,139,100
Rent - privately owned property.....	335,700
Gifts and bequests	500,000
GROSS APPROPRIATION.....	\$ 2,974,800

Appropriated from:

Special revenue funds:

Private - gift revenues.....	500,000
Forest resource revenue	139,400
Game and fish protection fund	613,300
Land sale revenue	50,500
Marine safety fund	43,900
Michigan state waterways fund	201,300
Michigan natural resources trust fund	12,500
Park improvement fund.....	57,100
Snowmobile trail improvement fund.....	20,400
State general fund/general purpose	\$ 1,336,400

Sec. 105. WILDLIFE MANAGEMENT

Full-time equated classified positions	183.0
Wildlife administration—14.5 FTE positions	\$ 1,448,200
Wildlife management—159.5 FTE positions	20,509,300
Natural resources heritage—9.0 FTE positions	1,541,300
State game and wildlife area maintenance	200,000
GROSS APPROPRIATION.....	\$ 23,698,800

Appropriated from:

Federal revenues:

DOD, federal.....	31,000
DOI, federal.....	8,162,100
EPA, federal.....	1,000

Special revenue funds:

Private funds	100,000
Game and fish protection fund	8,881,200
Game and fish protection fund - deer habitat reserve.....	2,019,100
Game and fish protection fund - turkey permit fees.....	1,457,000
Game and fish protection fund - waterfowl fees.....	90,500
Nongame wildlife fund.....	563,600
State general fund/general purpose	\$ 2,393,300

Sec. 106. FISHERIES MANAGEMENT

Full-time equated classified positions	225.0
Fisheries administration—8.5 FTE positions.....	\$ 954,400
Commercial fisheries—2.7 FTE positions.....	202,500
Recreational fisheries—14.0 FTE positions.....	1,703,900
Fish production—57.4 FTE positions	6,872,400

	For Fiscal Year Ending Sept. 30, 2003
Fisheries resource management—142.4 FTE positions	\$ 13,166,200
Treaty waters management fund work project	138,200
Stream habitat improvement	1,284,800
GROSS APPROPRIATION	\$ 24,322,400
Appropriated from:	
Federal revenues:	
DOE, federal.....	1,000
DOC, federal.....	45,900
DOI, federal.....	6,510,400
EPA, federal.....	142,100
Special revenue funds:	
Private, IGLFC.....	22,300
Commercial fishing fee revenue.....	200
Game and fish protection fund	17,396,500
State general fund/general purpose	\$ 204,000

Sec. 107. PARKS AND RECREATION

Full-time equated classified positions	830.8
State parks—600.8 FTE positions.....	\$ 39,635,300
MacMullan conference center—7.0 FTE positions	1,266,200
Recreational boating—201.5 FTE positions	12,306,700
Michigan civilian conservation corps—3.0 FTE positions.....	1,306,600
State parks improvement revenue bonds - debt service.....	1,200,000
Trails—18.5 FTE positions	2,392,600
GROSS APPROPRIATION	\$ 58,107,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG, MacMullan conference center revenue	1,266,200
Federal revenues:	
EPA, federal.....	104,600
Federal, corporation for national and community service	1,000
Federal, homeland defense	1,000
Special revenue funds:	
Private funds	316,600
Harbor development fund.....	245,300
Michigan civilian conservation corps endowment fund	1,304,600
Michigan state parks endowment fund.....	4,661,700
Michigan state waterways fund	12,061,400
Off-road vehicle trail improvement fund.....	575,400
Park improvement fund.....	26,497,500
Recreation improvement fund.....	284,900
Snowmobile trail improvement fund.....	1,744,000
State general fund/general purpose	\$ 9,043,200

Sec. 108. FOREST, MINERAL, AND FIRE MANAGEMENT

Full-time equated classified positions	311.0
Timber harvest—86.0 FTE positions.....	\$ 6,781,800
Forest cultivation and reforestation—23.0 FTE positions	3,996,900
Forest resource planning and land use—15.0 FTE positions.....	4,727,700
Private forest development—10.5 FTE positions	879,600
Forest finance authority—9.0 FTE positions.....	1,680,400
Adopt-a-forest program.....	50,000
Forest fire protection—137.5 FTE positions.....	10,219,000
Forest recreation—14.5 FTE positions	2,025,700
Forest management initiative	126,400
Minerals management—15.3 FTE positions	1,813,700
Resource mapping and aerial photography—0.2 FTE positions	307,600
National forest management	1,000

	For Fiscal Year Ending Sept. 30, 2003
Forest fire equipment.....	\$ 1,700,000
Cooperative resource programs.....	1,650,000
GROSS APPROPRIATION.....	\$ 35,959,800
Appropriated from:	
Federal revenues:	
DAG, federal.....	1,556,800
DOI, federal.....	2,000
EPA, federal.....	1,000
Special revenue funds:	
Private funds.....	804,800
Aircraft fees.....	106,500
Air photo - geographic information system.....	103,000
Forest recreation fund.....	1,120,700
Forest resource revenue.....	20,738,100
Game and fish protection fund.....	1,741,600
Michigan natural resources trust fund.....	1,081,400
Michigan state parks endowment fund.....	471,800
Michigan state waterways fund.....	340,500
Shop fees.....	56,300
State general fund/general purpose.....	\$ 7,835,300
 Sec. 109. LAW ENFORCEMENT	
Full-time equated classified positions.....	272.5
Wildlife resource protection—10.0 FTE positions.....	\$ 1,332,500
General law enforcement—262.5 FTE positions.....	25,437,800
GROSS APPROPRIATION.....	\$ 26,770,300
Appropriated from:	
Federal revenues:	
DOI, federal.....	1,061,900
DOT, federal.....	2,001,200
Special revenue funds:	
Game and fish - wildlife resource protection fund.....	1,332,500
Game and fish protection fund.....	15,606,200
Marine safety fund.....	1,303,700
Off-road vehicle trail improvement fund.....	743,400
Snowmobile registration fee revenue.....	564,100
State general fund/general purpose.....	\$ 4,157,300
 Sec. 110. PAYMENTS IN LIEU OF TAXES	
Swamp and tax reverted lands.....	7,071,500
Purchased lands taxes.....	11,614,800
Commercial forest reserve.....	2,691,700
GROSS APPROPRIATION.....	\$ 21,378,000
Appropriated from:	
Special revenue funds:	
Environmental protection fund.....	1,897,600
Game and fish protection fund.....	4,455,800
Michigan natural resources trust fund.....	1,002,700
Michigan state waterways fund.....	283,700
State general fund/general purpose.....	\$ 13,738,200
 Sec. 111. GRANTS	
Grant to counties—marine safety.....	\$ 3,230,000
Federal - land and water conservation fund payments.....	4,134,000
Federal - forest stewardship grants.....	625,000
Federal - urban forestry grants.....	400,000
Federal - clean vessel act grants.....	175,000
Federal - rural community fire protection.....	100,000

	For Fiscal Year Ending Sept. 30, 2003
Grants to communities - federal oil, gas, and timber payments	\$ 3,450,000
Recreation improvement fund grants	1,100,000
Snowmobile local grants program	5,480,000
Snowmobile law enforcement grants	1,142,000
Off-road vehicle trail improvement grants	1,374,500
National recreational trails	1,850,000
Game and nongame wildlife fund grants	10,000
Inland fisheries resources grants	200,000
GROSS APPROPRIATION	\$ 23,270,500
Appropriated from:	
Federal revenues:	
DAG, federal	1,125,000
DOI, federal	4,309,000
DOI, oil and gas royalty revenue	150,000
DOI-MMS, federal timber revenue	3,300,000
DOT, federal	1,800,000
Special revenue funds:	
Private funds	50,000
Game and fish protection fund	200,000
Marine safety fund	3,230,000
Nongame wildlife fund	10,000
Off-road vehicle trail improvement fund	1,374,500
Recreation improvement fund	1,100,000
Snowmobile registration fees	1,142,000
Snowmobile trail improvement fund	5,480,000
State general fund/general purpose	\$ 0

Sec. 112. INFORMATION TECHNOLOGY

Information technology services and projects	\$ 15,599,900
GROSS APPROPRIATION	\$ 15,599,900

Appropriated from:

Special revenue funds:

Air photo - geographic information system	20,800
Automated license system revenue	426,300
Delinquent property tax administration fund	36,100
Forest resource revenue	1,536,100
Game and fish protection fund	5,810,900
Game and fish protection fund - deer habitat reserve	243,000
Game and fish - wildlife resource protection fund	11,600
Land exchange facilitation fund	41,600
Land sale revenue	709,200
Marine safety fund	23,900
Michigan natural resources trust fund	986,900
Michigan state parks endowment fund	40,200
Michigan state waterways fund	762,300
Nongame wildlife fund	10,400
Off-road vehicle trail improvement fund	56,500
Park improvement fund	2,153,000
Recreation improvement fund	19,000
Snowmobile registration fees	3,700
Snowmobile trail improvement fund	57,600
State general fund/general purpose	\$ 2,650,800

Sec. 113. EARLY RETIREMENT AND BUDGETARY SAVINGS

Early retirement savings	\$ (1,269,300)
Budgetary savings	(455,500)
GROSS APPROPRIATION	\$ (1,724,800)

Appropriated from:

State general fund/general purpose	\$ (1,724,800)
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PART 1A

LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2001-02

Sec. 151. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of natural resources for the fiscal year ending September 30, 2002, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY:

GROSS APPROPRIATION.....	\$	836,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	836,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		836,000
State general fund/general purpose	\$	0

Sec. 152. PAYMENTS IN LIEU OF TAXES

Purchased lands taxes	\$	801,000
GROSS APPROPRIATION.....	\$	<u>801,000</u>
Appropriated from:		
Special revenue funds:		
Environmental protection fund.....		598,700
Game and fish protection fund		30,000
Michigan natural resources trust fund		148,000
Michigan state waterways fund		24,300
State general fund/general purpose	\$	0

Sec. 153. GRANTS

Grant to counties—marine safety.....	\$	<u>35,000</u>
GROSS APPROPRIATION.....	\$	35,000
Appropriated from:		
Special revenue funds:		
Marine safety fund		35,000
State general fund/general purpose	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$222,060,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2002-2003 is \$25,750,000.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF NATURAL RESOURCES

PAYMENTS IN LIEU OF TAXES

Swamp and tax reverted lands	\$	7,071,500
Purchased lands taxes		11,614,800
Commercial forest reserve.....		2,691,700

GRANTS

Grants to counties - marine safety	\$	3,230,000
Snowmobile law enforcement.....		<u>1,142,000</u>
TOTAL	\$	25,750,000

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "Commission" means the commission of natural resources.
- (b) "DAG" means the United States department of agriculture.
- (c) "Department" means the department of natural resources.
- (d) "DOC" means the United States department of commerce.
- (e) "DOD" means the United States department of defense.
- (f) "DOE" means the United States department of energy.
- (g) "DOI" means the United States department of interior.
- (h) "DOI-MMS" means DOI minerals management service.
- (i) "DOT" means the United States department of transportation.
- (j) "EPA" means the United States environmental protection agency.
- (k) "FTE" means full-time equated.
- (l) "IDG" means interdepartmental grant.
- (m) "IDT" means intradepartmental transfer.
- (n) "IGLFC" means the international Great Lakes fish commission.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) Beginning October 1, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

(3) It is the intent of the legislature that vacancies resulting from an early retirement program offered to the state civil service after January 1, 2002 are exempt from the hiring freeze imposed by subsection (1). Early retirement vacancies shall be filled at a rate necessary to ensure that the department's mission of conservation, protection, management, use, and enjoyment of the state's natural resources for current and future generations is not impaired.

Sec. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 207. At least 120 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The

evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified in this act, the department shall use the Internet to fulfill the reporting requirements of this act. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 should not be used for the purchase of foreign goods or services, or both, if competitively priced American goods or services, or both, of comparable quality are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable value.

Sec. 210. (1) From funds appropriated under part 1, the department shall prepare a report that lists all of the following regarding grant, loan, or grant and loan programs administered by the department for the fiscal year ending on September 30, 2003:

(a) The name of each program.

(b) The goals, criteria, filing fees, nominating procedures, eligibility requirements, processes, and deadlines for each program.

(c) The maximum and minimum grant and loan available and whether there is a match requirement for each program.

(d) The amount of any required match, and whether in-kind contributions may be used as part or all of a required match.

(e) Information pertaining to the application process, timeline for each program, and the contact people within the department.

(f) The source of funds for each program, including the citation of pertinent authorizing acts.

(g) Information regarding plans for the next fiscal year for the phaseout, expansion, or changes for each program.

(h) A listing of all recipients of grants or loans awarded by the department by type and amount of grant or loan during the fiscal year ending September 30, 2002.

(2) The reports required under this section shall be submitted to the state budget director, the senate and house appropriations committees and the senate and house fiscal agencies by January 1, 2003.

Sec. 211. Appropriations of state restricted game and fish protection funds have been made to the following departments and agencies in their respective appropriation bills. The amounts appropriated to these departments and agencies are limited to the amounts listed below:

Department of civil service.....	\$	293,200
Legislative auditor general.....		21,400
Attorney general		640,800
Department of management and budget.....		233,200
Department of treasury.....		4,200

Sec. 212. By February 15, 2003, the department shall provide the state budget director, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies with an annual report on estimated restricted fund balances, projected revenues, and expenditures for the fiscal years ending September 30, 2002 and September 30, 2003.

Sec. 213. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports. The requirements of this section are satisfied if the reports funded from appropriations in part 1 are retained in electronic format.

Sec. 214. (1) Before January 16, 2003, the department, in cooperation with the Michigan state waterways commission, shall report to the executive budget office, the senate and house fiscal agencies, and the senate and house of representatives appropriations subcommittees on natural resources detailing operations of the Michigan state waterways commission for the preceding 1-year period.

(2) The department, in cooperation with the Michigan state waterways commission, shall determine which projects should be acquired or developed with money from the state waterways fund or harbor development fund and shall submit to the executive budget office, the senate and house fiscal agencies, and the senate and house of representatives

appropriations subcommittees on natural resources in January 2003 a list of those projects, compiled in order of priority. The list shall be accompanied by estimates of total costs for the proposed projects.

(3) The department, in cooperation with the Michigan state waterways commission, shall supply with each list under subsection (2) a statement of the guidelines used in listing and assigning the priority of these projects.

Sec. 215. The department shall develop a plan for allocating restricted funds among department administrative support and regulatory activities. This plan shall be submitted to the house and senate appropriations subcommittees on natural resources by January 30, 2003. This plan shall include a cost allocation plan for financial services support, office space rent and building occupancy charges, support division service for information systems and technology, and a methodology to use information generated through activity reports that identifies the percentage of employee time spent on restricted fund activities.

Sec. 219. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection fund, \$6,000,000.00 for the fiscal year ending September 30, 2003.

EXECUTIVE

Sec. 301. The appropriations in part 1 for the commission may be used for per diem payments to the members of the commission or of committees of the commission for a full day of commission or committee work at which a quorum is present, for attending a hearing as authorized by the commission or committee, or for performing official business as authorized by the commission or committee. The per diem payment for members of the commission shall be \$75.00.

Sec. 302. On June 15, 2003, the department shall submit to the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies a report on fish, game, and nongame habitat improvement and treatment projects completed or planned during the fiscal year ending September 30, 2002 and the fiscal year ending September 30, 2003. This report shall include a list of all habitat treatment and improvement projects by management unit. This list shall be accompanied by all of the following information:

(a) The target species of wildlife or fish to benefit from unit projects.

(b) The number of acres or, for an inland lake, river, or stream, the number of feet treated or improved, the county in which the project is located, and the methods of treatment or improvement.

(c) The division with lead responsibility for the projects and all organizations involved in the projects, including, but not limited to, department personnel, contractors, or subcontractors.

(d) The total cost per acre and the funding sources supporting management unit projects. The report shall identify the program line item supporting project expenditures.

(e) A separate summary, by fund or subfund, of all projects completed in the fiscal year ending September 30, 2002 or the fiscal year ending September 30, 2003.

ADMINISTRATIVE SERVICES

Sec. 401. The department may charge the appropriations contained in part 1, including all special maintenance and capital projects appropriated for the fiscal year ending September 30, 2003, for engineering services provided, a standard percentage fee to recover actual costs. The department may use the revenue derived to support the engineering services charges provided for in part 1.

Sec. 402. The department shall prominently display in a prominent place in the fishing guide provided to each licensed fisher, the website for the department of community health. In addition, the fishing guide shall include information on alternative sources where interested parties without Internet access may find information on fish advisories issued by the department of community health.

Sec. 403. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2003, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 404. The land sale fund is created. An amount equal to the cost of personal services, printing, postage, advertising, contractual services, and facility rental associated with tax reverted lands shall be deducted from the sales and credited to the land sale fund.

WILDLIFE MANAGEMENT

Sec. 601. Of the funds appropriated in section 105, the department shall reimburse the department of agriculture for costs incurred for indemnification payments for livestock losses caused by wolves under the animal industry act of 1987, 1988 PA 466, MCL 287.701 to 287.745.

Sec. 602. By April 1, 2003 and September 30, 2003, the department shall report to the state budget director, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies on spending from the amounts appropriated in part 1 for bovine tuberculosis control efforts. The report shall include, but not be limited to, information on activities at the animal diagnostic laboratory at Michigan State University that are funded with appropriations in part 1.

Sec. 604. Of the amount appropriated in section 105 for wildlife management, \$10,000.00 is appropriated to study available options and develop a strategic plan for the treatment and mitigation of chronic wasting disease in Michigan wildlife populations. This plan shall be provided to the house and senate appropriations subcommittees on natural resources and environmental quality and the house and senate fiscal agencies not later than September 30, 2003.

FISHERIES MANAGEMENT

Sec. 701. The department shall not impede the certification process for water control structures on Michigan waterways. The department shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests of either of the following:

(a) The department of environmental quality as a condition for issuance of a certification under section 401 of the federal water pollution control act, title IV of chapter 758, 86 Stat. 877, 33 U.S.C. 1341.

(b) The federal energy regulatory commission as a condition of licensing under the federal power act, chapter 285, 41 Stat. 1063, 16 U.S.C. 791a to 793, 796 to 797, 798 to 818, 820 to 824a, and 824b to 825r.

Sec. 702. (1) From the appropriation in section 106 for stream habitat improvement, not more than \$758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division of the department shall develop priority and cost estimates for all recommended projects.

PARKS AND RECREATION

Sec. 801. Pursuant to section 1902(2) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.1902, there is appropriated from the Michigan natural resources trust fund to the Michigan state parks endowment fund an amount not to exceed \$10,000,000.00 for the fiscal year ending September 30, 2003.

Sec. 802. Federal corporation for national and community service (AmeriCorps) or office of homeland security funding that is available to the state may be provided to increase appropriations for the Michigan civilian conservation corps, pursuant to section 206.

Sec. 803. (1) The department shall prepare detailed reports for construction projects in state parks that will involve campsite or campground closures. These reports shall include expected costs, impacts on recreation opportunities, impacts on state park revenues, and the expected impact on state park users. The department shall also prepare reports on average monthly campground occupancy rates for every state park during the 2002 summer season. The department shall provide reports described in this subsection to the house and senate appropriations subcommittees on natural resources and environmental quality and the house and senate fiscal agencies not later than April 1, 2003.

(2) The department shall notify the house and senate appropriations subcommittees on natural resources and environmental quality and the house and senate fiscal agencies if it intends to reduce operations or reduce recreation opportunities at any state park or recreation area.

FOREST, MINERAL, AND FIRE MANAGEMENT

Sec. 901. Of the funds appropriated in part 1, the department shall prescribe appropriate treatment on 63,000 acres, plus or minus 10%, at the current average rate of 12.5 to 13 cords per acre provided that the department shall take into consideration the impact of timber harvesting on wildlife habitat and recreation uses. In addition, the department shall take into consideration silvicultural analysis and report annually to the legislature on plans and efforts to address factors limiting management of timber.

Sec. 902. The department is encouraged to continue workgroup efforts to develop an old growth forest stewardship strategy. It is the intent of the legislature that "old growth" means forest stands that are of pre-1880 origin.

Sec. 903. The department shall spend amounts appropriated in part 1 for forest-related activities to employ or contract for additional foresters to mark timber, pursuant to section 901.

Sec. 904. The appropriation in part 1 for federal forest management is contingent upon the delegation of timber management responsibilities by the U.S. department of agriculture. Additional funding may be provided for this purpose, pursuant to section 206.

Sec. 905. The appropriation for the adopt-a-forest program in part 1 shall be used to cover the cost of disposing of waste material collected from state forest lands.

Sec. 906. Forest camping fees shall not be assessed for dispersed camping in Michigan state forests.

Sec. 907. In addition to the funds appropriated in section 108, \$350,000.00 is appropriated to cover costs related to any declared emergency involving the collapse of any abandoned mine shaft located on state land. This appropriation shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations.

LAW ENFORCEMENT

Sec. 1001. The appropriation in section 113 for snowmobile law enforcement grants shall be used to provide grants to county law enforcement agencies in counties with state snowmobile trails to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82160, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of trails in each county in allocating these grants. Any funds not distributed to counties revert back to the local law enforcement fund. Counties shall provide semiannual and annual reports to the department.

PAYMENTS IN LIEU OF TAXES

Sec. 1051. Of the amounts appropriated in part 1 for purchased land taxes, \$1,897,600.00 is appropriated from the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

GRANTS

Sec. 1101. The amount appropriated in part 1 for federal-rural community fire protection shall be awarded as grants to local fire protection departments. To be eligible, local fire protection departments shall be located in governmental units or fire protection districts with permanent populations of less than 10,000 and with publicly owned forested land.

Sec. 1102. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. The department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget office on all amounts appropriated under this section.

Sec. 1103. (1) The use of federal funding received by the state from the land and water conservation fund and appropriated in part 1 shall be coordinated with state grants to local units of government from the Michigan natural resources trust fund. The coordination of the two funding sources shall be conducted in a manner that minimizes the total matching funds required from local units of government for local land acquisition or recreational development projects.

(2) The board of the Michigan natural resources trust fund shall report on the final disposition of federal funding from the land and water conservation fund in the board's annual report to the legislature.

Sec. 1104. Of the amount appropriated in section 113 for off-road vehicle trail improvement grants, not less than \$25,000.00 shall be available for a county that contains a state park off-road vehicle area and applies for law enforcement assistance to regulate off-road vehicle use.

INFORMATION TECHNOLOGY

Sec. 1201. The department of information technology shall establish a schedule of rates, user fees, and charges or assessments for standard services and information system support requirements to be made to departments for technology related services and projects. This schedule, as well as copies of related interagency agreements, shall be provided to the state budget office and the house and senate committees on appropriations before October 1, 2002.

Sec. 1202. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

EARLY RETIREMENT AND BUDGETARY SAVINGS

Sec. 1301. (1) The negative appropriation for early retirement savings in part 1 shall be satisfied by savings realized from not filling all of the positions lost due to the early retirement plan for state employees enacted in 2002 PA 93 amendments to the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(2) The negative appropriation for budgetary savings in part 1 shall be satisfied by savings from the hiring freeze imposed under section 205, efficiencies, and other savings identified by the department director and approved by the state budget director.

(3) Appropriation authorization adjustments required due to negative appropriations for early retirement savings and budgetary savings shall be made only after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

PART 2A

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2001-02

GENERAL SECTIONS

Sec. 1401. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1a for fiscal year 2001-02 is \$836,000.00, and state spending from state resources to be paid to local units of government for fiscal year 2001-02 is \$801,000.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF NATURAL RESOURCES
PAYMENTS IN LIEU OF TAXES

Purchased lands taxes	\$	801,000
TOTAL	\$	<u>801,000</u>

PAYMENTS IN LIEU OF TAXES

Sec. 1451. Of the amounts appropriated in part 1A for purchased lands taxes, \$598,700.00 is appropriated from the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

GRANTS

Sec. 1501. The money appropriated in section 153 shall be used by Michigan State University to develop equipment and procedures that will accurately measure and record distance to and sound levels of watercraft engines if matching funds are provided by lake property associations.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Jay E. Randall

Clerk of the House of Representatives.

Approved

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Governor.