



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



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 5333 (Substitute H-1 as discharged)
Sponsor: Representative Gregory Markkanen
House Committee: Natural Resources and Outdoor Recreation
Senate Committee: Appropriations (discharged)

CONTENT

The bill would amend the Natural Resources and Environmental Protection Act (NREPA) to revise the allowable uses of the Forest Development Fund. Under current law, the Fund may be used as follows:

- To provide payment of principal and interest on any bonds or notes issued by the Michigan Forest Finance Authority.
- Reforestation, forest protection, and timber stand improvement.
- To obtain and maintain certification of sustainable forestry standards in the State forest.
- Administration and enforcement of Part 535 of NREPA (Registered Foresters).
- Any other uses authorized under Part 505 of NREPA (Michigan Forest Finance Authority).

The bill would remove "any other uses authorized by this Part" and replace it with "the administration of the Forest Development Fund". The bill also would change "[r]eforestation, forest protection, and timber stand improvement" to "forest management operations and practices". "Forest management operations and practices" would be defined as activities related to the harvesting, reforestation, and other forest management, including, but not limited to, road access for silviculture activity and forest thinning, pest control, disease control, fertilization, forest protection, and wildlife management, that are consistent with principles of sustainable forestry.

Finally, the bill would prohibit the Fund from being used to fund payments in lieu of taxes.

MCL 324.50501 et al.

FISCAL IMPACT

The bill would not have a significant impact on the Department of Natural Resources (DNR) or local units of government. The amendments to the allowable uses of the Forest Development Fund contained in the bill do not appear to be at odds with how the Fund is currently used by the DNR. Appropriations for payments in lieu of taxes are contained in the Department of Treasury budget, and the Fund is not used to support those appropriations.

Date Completed: 12-9-20

Fiscal Analyst: Josh Sefton