

SENATE BILL NO. 1124

November 14, 2024, Introduced by Senators SHINK, POLEHANKI and CAVANAGH and referred to the Committee on Natural Resources and Agriculture.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 503 (MCL 324.503), as amended by 2018 PA 240, and by adding section 502c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 **Sec. 502c. (1) As used in this section:**
2 **(a) "Biological diversity" means variability within and**

1 between species of organisms and variability of the terrestrial and
2 aquatic ecosystems and the ecological complexes they inhabit.

3 (b) "Biologically diverse area" means a land or aquatic area
4 with biological diversity.

5 (c) "Conserved" means made subject to durable measures that
6 support thriving biological diversity, contribute to climate
7 resilience, and provide ecosystem services, such that the natural
8 character, resources, and functions of lands and waters are
9 permanently maintained or enhanced, both individually and as part
10 of an interconnected network of healthy lands, including working
11 lands, and waters, while allowing for compatible recreational
12 opportunities and sustainable production of natural resources.

13 (d) "Ecological corridor" means a clearly defined geographical
14 space that is governed and managed over the long term to maintain
15 or restore effective habitat connectivity where required to build
16 ecological networks for conservation.

17 (e) "Ecosystem" means a dynamic complex of plant, animal, and
18 microorganism communities and their nonliving environment
19 interacting as a functioning unit.

20 (f) "Ecosystem services" means the benefits people derive from
21 ecosystems, including provision of goods such as food, wood, fiber,
22 and other raw materials and of services, such as crop pollination,
23 soil conservation, nutrient cycling, water purification, and human
24 recreation and well-being.

25 (g) "Environmental justice community" means a community that
26 is disproportionately affected by environmental hazards and social
27 inequalities.

28 (h) "Habitat connectivity" means the components of the
29 landscape that facilitate the movement of organisms and occurrence

1 of natural processes between intact patches of habitat. The
2 processes may be biotic, such as plant propagation and genetic
3 exchange, or abiotic, such as the cycling or conversion of energy,
4 water, or materials. Habitat connectivity may be process- or
5 species-specific and may be natural or facilitated by humans.

6 (i) "Legacy plan" or "plan" means the plan required under
7 subsection (3).

8 (j) "Relevant legislative committees" means that term as
9 defined in section 503.

10 (k) "Sustainable use" means the use of components of
11 biological diversity in a way and at a rate that does not lead to
12 the long-term decline of biological diversity, thereby maintaining
13 its potential to meet the needs and aspirations of present and
14 future generations.

15 (l) "Water" does not include the Great Lakes or Lake St. Clair.

16 (2) Thirty percent of this state's total area of land and
17 water shall be conserved by 2030. The land and water conserved
18 shall include state, federal, and municipal lands and waters,
19 voluntarily conserved tribal lands, and voluntarily conserved
20 private holdings.

21 (3) By December 31, 2025, the department shall develop a
22 legacy plan to implement subsection (2). In developing the legacy
23 plan, the department shall do all of the following:

24 (a) Solicit public comments on the legacy plan and conduct a
25 public meeting on the plan in each of the following areas:

26 (i) The southeast, southwest, northeast, and northwest areas of
27 the Lower Peninsula.

28 (ii) The east and west areas of the Upper Peninsula.

29 (b) Solicit input from private owners of forestlands and

1 agricultural lands; land trusts; conservation, environmental, and
2 social justice organizations; working lands enterprises; outdoor
3 recreation groups; Indian tribes; regional planning commissions;
4 conservation districts; relevant state and federal agencies,
5 including the Michigan state housing development authority; and
6 other interested parties.

7 (c) Consider the plan's contribution to the following:

8 (i) Ecology.

9 (ii) Biological diversity.

10 (iii) Endangered or threatened species.

11 (iv) Climate.

12 (v) Public access.

13 (vi) Environmental justice communities.

14 (vii) Sensitive ecological areas and ecosystems.

15 (viii) Ecological corridors.

16 (ix) Other factors supporting the health and resilience of this
17 state's ecosystems, environment, wildlife, and people.

18 (d) Post the proposed legacy plan on its website.

19 (e) Submit the proposed legacy plan for review to the senate
20 and house committees with primary responsibility for conservation
21 issues.

22 (4) The legacy plan shall be based on the most recent science
23 regarding conservation, protection, and sustainable use of lands
24 and resources and include all of the following:

25 (a) Identification and monitoring of biologically diverse
26 areas with special attention to sensitive areas and areas of urgent
27 concern for biological diversity loss. The plan shall identify
28 areas designated for restoration, where restoration is occurring,
29 and where restoration has been completed. The department shall

1 maintain, monitor, and utilize scientifically appropriate data
2 collection tools to ensure conservation and protection of
3 biologically diverse areas.

4 (b) An inventory of land uses in this state, with a
5 description of each, including, but not limited to, ownership
6 patterns, loss of natural space and farmland in real area and
7 percentage from previous years, and areas where land uses have
8 largely destroyed the land's ability to provide ecosystem services.

9 (c) An inventory and assessment of existing programs and
10 conservation practices and recommendations for new programs and
11 conservation practices to be utilized to comply with subsection
12 (2).

13 (d) An assessment of existing funding and recommendations for
14 new funding sources for acquisition of land, staffing, and long-
15 term stewardship to comply with subsection (2).

16 (5) The department shall not implement the legacy plan unless
17 the plan has been approved by legislation. The department shall
18 implement the most recent legislatively approved plan and shall not
19 change the legacy plan except by a plan update prepared subject to
20 subsection (3) and subsequently approved by the legislature.

21 (6) The department shall do all of the following:

22 (a) Post the legacy plan on its website.

23 (b) Annually report to the legislature on progress in
24 implementing the legacy plan and post the report on the
25 department's website.

26 (c) Collaborate in complying with subsection (2).

27 (d) Annually update the inventory under subsection (4)(b) to
28 track progress in complying with subsection (2).

29 Sec. 503. (1) The department shall protect and conserve the

1 natural resources of this state; provide and develop facilities for
2 outdoor recreation; prevent the destruction of timber and other
3 forest growth by fire or otherwise; promote the reforestation of
4 forestlands belonging to this state; prevent and guard against the
5 pollution of lakes and streams within this state and enforce all
6 laws provided for that purpose with all authority granted by law;
7 and foster and encourage the protection and propagation of
8 **biological diversity, including threatened and endangered species**
9 **and** game and fish. Before issuing an order or promulgating a rule
10 under this act that will designate or classify land managed by the
11 department for any purpose, the department shall consider, in
12 addition to any other matters required by law, all of the
13 following:

14 (a) Providing for access to and use of the public land for
15 recreation and tourism.

16 (b) The existence of or potential for natural resources-based
17 industries, including forest management, mining, or oil and gas
18 development on the public land.

19 (c) The potential impact of the designation or classification
20 on private property in the immediate vicinity.

21 (2) The department has the power and jurisdiction over the
22 management, control, and disposition of all land under the public
23 domain, except for ~~those lands~~ **land** under the public domain that
24 are managed by other state agencies to carry out their assigned
25 duties and responsibilities. On behalf of the people of this state,
26 the department may accept gifts and grants of land and other
27 property and may buy, sell, exchange, or condemn land and other
28 property, for any of the purposes of this part.

29 (3) If any payment under subpart 13 or 14 of part 21 or

1 section 51106 for land located north of the Mason-Arenac line is
2 not made in full and on time during a fiscal year, then, until the
3 end of that fiscal year, the department shall not purchase surface
4 rights to land located north of the Mason-Arenac line unless 1 or
5 both of the following apply:

6 (a) Full payment was made later during that fiscal year.

7 (b) The specific acquisition is approved by resolution adopted
8 by the following, as applicable:

9 (i) If the land is located in a single township, the township
10 board.

11 (ii) If the land is located in 2 or more townships, the county
12 board of commissioners of the county where the land is located.

13 (4) For the purposes of subsections (3) and (9), respectively,
14 land in which the department acquires or owns surface rights does
15 not include any of the following:

16 (a) Land acquired under an option agreement in effect on the
17 date when the payment described in subsection (3) became due if the
18 acquisition takes place within 120 days after the payment became
19 due.

20 (b) Land in which the department has a conservation easement.

21 (c) Land that, before July 2, 2012, was platted under the land
22 division act, 1967 PA 288, MCL 560.101 to 560.293, or a predecessor
23 act and acquired by the department.

24 (d) Any of the following if acquired on or after July 2, 2012:

25 (i) Land with an area of not more than 80 acres, or a right-of-
26 way, for accessing other land owned by the department or for
27 accessing the waters of the state as defined in section 3101.

28 (ii) Land for a trail, subject to all of the following:

29 (A) If the traveled portion of the proposed trail is located

1 within an abandoned railroad right-of-way, the land excluded is
2 limited to the abandoned railroad right-of-way.

3 (B) If the traveled portion of the proposed trail is located
4 in a utility easement, the land excluded is limited to the utility
5 easement.

6 (C) If sub-subparagraphs (A) and (B) do not apply, the land
7 excluded is limited to the traveled portion of the proposed trail
8 and contiguous land. For the purposes of the exclusion, the area of
9 the contiguous land shall not exceed the product of 100 feet
10 multiplied by the length of the proposed trail in feet.

11 (iii) Land that, on July 2, 2012 was commercial forestland as
12 defined in section 51101 if the land continues to be used in a
13 manner consistent with part 511.

14 (iv) Land acquired by the department by gift, including the
15 gift of funds specifically dedicated to land acquisition.

16 (v) Land acquired by the department through litigation.

17 (5) The department shall maintain a record of land as
18 described in subsection (4) (a) to (d). The record shall include the
19 location, acreage, date of acquisition, and use of the land.

20 (6) By October 1, 2014, the department shall develop a written
21 strategic plan to guide the acquisition and disposition of state
22 ~~lands-land~~ managed by the department, submit the plan to the
23 relevant legislative committees, and post the plan on the
24 department's website. In developing the plan, the department shall
25 solicit input from the public and local units of government.

26 (7) The strategic plan shall do all of the following:

27 (a) Divide this state into regions.

28 (b) Identify ~~lands-land~~ managed by the department in each
29 region.

1 (c) Set forth for each region measurable strategic performance
2 goals with respect to all of the following for land managed by the
3 department:

4 (i) Maximizing availability of points of access to the land and
5 to bodies of water on or adjacent to the land.

6 (ii) Maximizing outdoor recreation opportunities.

7 (iii) Forests.

8 (iv) Wildlife and fisheries.

9 **(v) The goals of section 502c.**

10 (d) To assist in achieving the **strategic performance** goals set
11 forth in the strategic plan pursuant to subdivision (c), identify
12 all of the following:

13 (i) Land to be acquired.

14 (ii) Land to be disposed of.

15 (iii) Plans for natural resource management.

16 (e) To the extent feasible, identify public lands in each
17 region that are not managed by the department but affect the
18 achievement of the **strategic performance** goals set forth in the
19 strategic plan pursuant to subdivision (c).

20 (f) Identify ways that the department can better coordinate
21 the achievement of the **strategic performance** goals set forth in the
22 strategic plan pursuant to subdivision (c), recognizing that public
23 ~~lands are~~ **land is** subject to multiple uses and both motorized and
24 nonmotorized uses.

25 (g) Identify critical trail connectors to enhance motorized
26 and nonmotorized natural-resource-dependent outdoor recreation
27 activities for public enjoyment.

28 (8) The legislature approves the strategic plan entitled
29 "Department of Natural Resources Managed Public Land Strategy"

1 issued by the department and dated July 1, 2013. The department
2 shall implement the most recent legislatively approved strategic
3 plan and shall not change the **strategic** plan except by a plan
4 update proposed pursuant to subsection (10) and subsequently
5 approved by the legislature.

6 (9) The department shall annually submit to the relevant
7 legislative committees and post and annually update on the
8 department's website all of the following:

9 (a) A report on the implementation of the **strategic** plan.

10 (b) The number of acres of land in which the department owns
11 surface rights north of the Mason-Arenac line, south of the Mason-
12 Arenac line, and in total for this state.

13 (c) Information on the total number of each of the following:

14 (i) Acres of land managed by the department.

15 (ii) Acres of state park and state recreation area land.

16 (iii) Acres of state game and state waterfowl areas.

17 (iv) Acres of land managed by the department and open for
18 public hunting.

19 (v) Acres of state-owned mineral rights managed by the
20 department that are under a development lease.

21 (vi) Acres of state forestland.

22 (vii) Public boating access sites managed by the department.

23 (viii) Miles of motorized trails managed by the department.

24 (ix) Miles of nonmotorized trails managed by the department.

25 (10) For legislative consideration and approval, as provided
26 in subsection (8), by July 1, 2021, and every 6 years thereafter,
27 the department shall propose an update to the strategic plan,
28 submit the proposed updated **strategic** plan to the relevant
29 legislative committees, and post the proposed updated plan on the

1 department's website. **A strategic plan that is updated after a**
2 **legacy plan is approved by the legislature under section 502c shall**
3 **be consistent with the most recent legislatively approved legacy**
4 **plan.** At least 60 days before posting the proposed updated
5 **strategic** plan, the department shall prepare, submit to the
6 relevant legislative committees, and post on the department's
7 website a report that covers all of the following and includes
8 department contact information for persons ~~who~~**that** wish to comment
9 on the report:

10 (a) Progress toward the goals set forth in the strategic plan
11 pursuant to subsection (7)(c).

12 (b) Any proposed changes to the goals, including the rationale
13 for the changes.

14 (c) The department's engagement and collaboration with local
15 units of government.

16 (11) Subject to subsection (12), if land owned by this state
17 and managed by the department, land owned by the federal
18 government, and land that is commercial forestland as defined in
19 section 51101 constitute 40% or more of the land in a county, the
20 department shall not acquire land in that county if, not more than
21 60 days after the department sent the notice of the proposed
22 acquisition to the board under section 2165, the department
23 receives a copy of a resolution rejecting the proposed acquisition
24 adopted by the following, as applicable:

25 (a) If the land is located in a single township, the township
26 board.

27 (b) If the land is located in 2 or more townships, the county
28 board of commissioners.

29 (12) Subsection (11) does not apply to land described in

1 subsection (4) (d).

2 (13) The department may accept funds, money, or grants for
3 development of salmon and steelhead trout fishing in this state
4 from the government of the United States, or any of its departments
5 or agencies, pursuant to the anadromous fish conservation act, 16
6 USC 757a to 757f, and may use this money in ~~accordance~~ **compliance**
7 with the terms and provisions of that act. However, the acceptance
8 and use of federal funds does not commit state funds and does not
9 place an obligation ~~upon~~ **on** the legislature to continue the
10 purposes for which the funds are made available.

11 (14) The department may appoint ~~persons~~ **individuals** to serve
12 as volunteers to assist the department in meeting its
13 responsibilities as provided in this part. Subject to the direction
14 of the department, a volunteer may use equipment and machinery
15 necessary for the volunteer service, including, but not limited to,
16 equipment and machinery to improve wildlife habitat on state game
17 areas.

18 (15) The department may lease ~~lands~~ **land** owned or controlled
19 by the department or may grant concessions on ~~lands~~ **land** owned or
20 controlled by the department to any person for any purpose that the
21 department determines to be necessary to implement this part. The
22 department shall grant each concession for a term of not more than
23 7 years based on extension, renegotiation, or competitive bidding.
24 However, if the department determines that a concession requires a
25 capital investment ~~in~~ **for** which reasonable financing or
26 amortization necessitates a longer term, the department may grant a
27 concession for up to a 15-year term. A concession granted under
28 this subsection shall require, unless the department authorizes
29 otherwise, that all buildings and equipment be removed at the end

1 of the concession's term. Any lease entered into under this
2 subsection shall limit the purposes for which the leased land is to
3 be used and ~~shall~~ authorize the department to terminate the lease
4 ~~upon a finding~~ **if the department finds** that the land is being used
5 for purposes other than those permitted in the lease. Unless
6 otherwise provided by law, money received from a lease or a
7 concession of tax reverted land shall be credited to the fund
8 providing financial support for the management of the leased land.
9 Money received from a lease of any other land shall be credited to
10 the fund from which the land was purchased. However, money received
11 from program-related leases on these lands shall be credited to the
12 fund providing financial support for the management of the leased
13 lands. For land managed by the forest management division of the
14 department, that fund is either the forest development fund
15 established pursuant to section 50507 or the forest recreation
16 account of the Michigan conservation and recreation legacy fund
17 provided for in section 2005. For land managed by the wildlife or
18 fisheries division of the department, that fund is the game and
19 fish protection account of the Michigan conservation and recreation
20 legacy fund provided for in section 2010.

21 (16) When the department sells land, the deed may reserve all
22 mineral, coal, oil, and gas rights to this state only if the land
23 is in production or is leased or permitted for production, or if
24 the department determines that the land has unusual or sensitive
25 environmental features or that it is in the best interest of this
26 state to reserve those rights as determined by commission policy.
27 However, the department shall not reserve the rights to sand,
28 gravel, clay, or other nonmetallic minerals. When the department
29 sells land that contains subsurface rights, the department shall

1 include a deed restriction that restricts the subsurface rights
2 from being severed from the surface rights in the future. If the
3 landowner severs the subsurface rights from the surface rights, the
4 subsurface rights revert to this state. The deed may reserve to
5 this state the right of ingress and egress over and across land
6 along watercourses and streams. Whenever an exchange of land is
7 made with the United States government, a corporation, or an
8 individual for the purpose of consolidating the state forest
9 reserves, the department may issue deeds without reserving to this
10 state the mineral, coal, oil, and gas rights and the rights of
11 ingress and egress. The department may sell the limestone, sand,
12 gravel, or other nonmetallic minerals. However, the department
13 shall not sell a mineral or nonmetallic mineral right if the sale
14 would violate part 353, part 637, or any other provision of law.
15 The department may sell all reserved mineral, coal, oil, and gas
16 rights to ~~such lands~~ **land** upon terms and conditions as the
17 department considers proper and may sell oil and gas rights as
18 provided in part 610. The owner of ~~these lands~~ **the land** as shown by
19 the records shall be given priority in case the department
20 authorizes any sale of ~~these lands,~~ **the land**, and, unless the
21 landowner waives that priority, the department shall not sell such
22 rights to any other person. For the purpose of this section,
23 mineral rights do not include rights to sand, gravel, clay, or
24 other nonmetallic minerals.

25 (17) The department may enter into contracts for the sale of
26 the economic share of royalty interests it holds in hydrocarbons
27 produced from devonian or antrim shale qualifying for the
28 nonconventional source production credit determined under section
29 45k of the internal revenue code of 1986, 26 USC 45k. However, in

1 entering into these contracts, the department shall ensure that
 2 revenues to the natural resources trust fund under these contracts
 3 are not less than the revenues the natural resources trust fund
 4 would have received if the contracts were not entered into. The
 5 sale of the economic share of royalty interests under this
 6 subsection may occur under contractual terms and conditions
 7 considered appropriate by the department and as approved by the
 8 state administrative board. ~~Funds~~ **The department shall transmit**
 9 **funds** received from the sale of the economic share of royalty
 10 interests under this subsection ~~shall be transmitted~~ to the state
 11 treasurer for deposit in the state treasury as follows:

12 (a) Net proceeds allocable to the nonconventional source
 13 production credit determined under section 45k of the internal
 14 revenue code of 1986, 26 USC 45k, under this subsection shall be
 15 credited to the environmental protection fund created in section
 16 503a.

17 (b) Proceeds related to the production of oil or gas from
 18 devonian or antrim shale shall be credited to the natural resources
 19 trust fund or other applicable fund as provided by law.

20 (18) As used in this section:

21 (a) "Concession" means an agreement between the department and
 22 a person under terms and conditions as specified by the department
 23 to provide services or recreational opportunities for public use.

24 (b) "Lease" means a conveyance by the department to a person
 25 of a portion of this state's interest in land under specific terms
 26 and for valuable consideration, ~~thereby granting~~ **and that grants**
 27 to the lessee the possession of that portion conveyed during the
 28 period stipulated.

29 (c) "Mason-Arenac line" means the line formed by the north

1 boundaries of Mason, Lake, Osceola, Clare, Gladwin, and Arenac
2 Counties.

3 (d) "Natural resources trust fund" means the Michigan natural
4 resources trust fund established in section 35 of article IX of the
5 state constitution of 1963 and provided for in section 1902.

6 (e) "Net proceeds" means the total receipts received from the
7 sale of royalty interests under subsection (17) less costs related
8 to the sale. Costs may include, but are not limited to, legal,
9 financial advisory, geological or reserve studies, and accounting
10 services.

11 (f) "Relevant legislative committees" means the senate and
12 house committees with primary responsibility for natural resources
13 and outdoor recreation and the corresponding appropriation
14 subcommittees.

15 (g) "Strategic plan" or "plan" means the plan developed under
16 subsection (6), as updated under subsection (10), if applicable.