

**MICHIGAN
STATE REPORT**
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STAFFING

The Michigan Department of Natural Resources (DNR) has 1,430 permanent employees, more than 1,600 non-career/seasonal employees and a \$398.3 million budget that supports programs for wildlife and fisheries management, state parks and recreation areas, trails, boating programs, conservation and law enforcement, forest management, state lands and minerals, the historical museum and archives.

Keith Creagh has returned as the Director of the DNR after a brief assignment as Director of the Department of Environmental Quality. William Moritz has returned to the position of Natural Resources Deputy and Bill O'Neill has returned to his former position of chief of the Forest Resources Division. Director Creagh did continue to be the lead on the water issue though as he returned to his duties at the DNR.

FISCAL YEAR 2015-2016 BUDGET

The DNR budget is \$398,254,100 for fiscal year (FY) 2017, a decrease of one percent (1%) from FY 2016. The DNR is funded by state General Fund revenues, federal funds, and a variety of restricted funds. The budget consists of ten percent General Funds, 19 percent federal funds and 71 percent restricted funds.

Federal funding consists mainly of special purpose categorical grants from various federal agencies, such as the U.S. Department of the Interior, the U.S. Department of Homeland Security, and the U.S. Department of Agriculture. Federal funds support programs for wildlife and fisheries habitat and management, forest management, recreation and other natural resource programs. Restricted funding is generated from sales of licenses, user fees, and other charges. These funds support wildlife and fisheries programs, operation of Michigan's 102 state parks, harbor and boating access site development, marine safety enforcement and education, snowmobile and off-road vehicle trail repair and development, and operation of Michigan's 135 state forest campgrounds. The DNR also generates timber sales revenue from state lands. Approximately 90 percent of timber sales revenue goes to the Forest Development Fund and is used for the protection and development of our state forests. The other ten percent of timber sales goes toward the Game and Fish Protection Trust Fund.

Although the DNR budget did not grow due to the emergency situation in a specific Michigan city related to a safe water issue, there were a number of significant projects that were included in the budget. Partial funding for the replacement of the Land Ownership Tracking

System was provided at \$4 million from restricted funds. This system is used to track the 4.6 million acres of land rights and 6.6 million acres of mineral rights. This antiquated system will be replaced with a .NET application that will simplify working with the 430 data tables that drive this program.

In addition from the Forest Development Fund, \$2.1 million was included in the budget to invest in timber management, \$1.1 million to invest in the forest fire equipment, and another \$1 million for information technology related to forestry. The DNR is investing in technology such as the Vegetative Management System which is used for the state forest inventory, treatment plans, timber sale information, etc. Fisheries will also be replacing a legacy system used to report commercial fish catches which will cost approximately \$600,000.

The DNR will be starting another conservation officer academy in July or August. These new recruits will backfill positions that have been vacated due to retirements or separations. General Fund continues to contribute approximately 23 percent of the \$40 million Law Enforcement budget due to the strong enforcement role the officers fulfill in the rural areas of Michigan.

The DNR continues to try to influence the impact of invasive species through its \$3.6 million General Fund grant program. The grants fund local groups who treat invasive species, development of alternative methods of treatment, project specific invasive removal such as hemlock woolly adelgid on Belle Isle, etc. The threat of invasive species and their impact on natural resources will continue to be a budgetary priority of the DNR.

LEGISLATIVE ACTIVITY

Many of the same issues, especially public land ownership, public land accessibility, and the dedication of restricted funds for land acquisition and development, continue to be discussed in elected offices and in the media. The DNR continues to work with the legislature on the adoption of its Managed Public Land Strategy plan and the land cap removal. The legislature continues to attempt to revise the constitutionally protected Michigan Natural Resources Trust Fund which funds local and state recreation acquisitions and development projects.

NOTEWORTHY DIVISION ISSUES

Chronic Wasting Disease (CWD) in Michigan's deer herd has been detected in another area of the central lower portion of the state. The DNR is working to collaborate with experts around the country in an effort to assemble sound science into a plan of action to combat the disease. The emphasis of this effort will be reviewing genetics and possible links to the spread of the disease. The DNR will continue its monitoring efforts during the 2017 deer season and will encourage hunters to have their deer tested.

The decline in oil, gas, and mineral prices has continued into 2017. This funding is critical to the operations and capital improvements of the state parks. Attendance and camping at state parks continues to be strong and helps to offset some of the mineral revenue loss. Belle Isle continues to increase in visitations and has become a destination site for many.

In response to the Flint Water issue, the Governor has created a 21st Century Infrastructure Commission charged with scoping the state's infrastructure issues. The DNR had both Dr. William Moritz, as DNR Director, and Keith Creagh, as DEQ Director, participating with this commission. The final report was provided in November 2016. How to fund the infrastructure needs continues to be a big discussion topic as the 2018 budget negotiations begin to wind down. The DNR continues to assess and categorize its infrastructure and assets to better inform decisions that are made with the limited funds that are available to address the capital improvements.