

**MICHIGAN
STATE REPORT**
June 1, 2020

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STAFFING

The Michigan Department of Natural Resources (DNR) has 1,485 permanent employees, more than 1,600 non-career/seasonal employees and a \$439.7 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.

Dan Eichinger continues to serve as the director of the DNR and Shannon Hanna as the Natural Resources Deputy. Russ Mason has vacated the Wildlife Division chief position. Deb Begalle who served as the Forest Resources Division chief has retired. The positions have not been filled at this time due to a hiring freeze.

FISCAL YEAR 2019-2020 BUDGET

The DNR budget is \$439,717,700 for fiscal year (FY) 2020. The General Fund decreased less than one percent from \$49,081,800 in 2019 to \$46,985,000 in 2020. This decline was due to the removal of one-time appropriations that were provided in FY 2019. The DNR is funded by state General Fund revenues, federal funds, and a variety of restricted funds. The budget consists of 11 percent General Fund, 19 percent federal funds and 70 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 103 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.

The DNR budget contains an additional one-time \$2.0 million along with \$2.6 million on-going for disease surveillance in wildlife. This will assist with the continued efforts in Michigan to perform surveillance and monitoring in relation to Chronic Wasting Disease (CWD) and Bovine

Tuberculosis. In 2019, the DNR awarded slightly less than \$3.3 million in grants in partnership with Michigan State University for CWD. The funds are being used to address outstanding research, coordination, and communication needs.

The DNR received an increase of \$2.4 million for Parks and Recreation to accommodate the increase in minimum wage. State parks hires approximately 1,300 short-term workers annually and the increase in the minimum wage directly affects those employees. Forestry continues to invest in technology to equip the foresters and loggers with the latest in technology utilizing mobile devices. Significant funds are being invested in forest health and regeneration. Infrastructure investments continue in both state parks and state forests.

LEGISLATIVE ACTIVITY

Legislative activity has been reduced significantly since the COVID 19 event. Work on the Fiscal Year 2020 and 2021 budget years is expected to increase over the next several weeks as revenue impacts to the General Fund continue to be assessed.

This past fall, a legislative bill was introduced and approved by both the House and the Senate to eliminate the baiting ban established in response to CWD. The bill was vetoed by the Governor.

NOTEWORTHY DIVISION ISSUES

The DNR tested over 20,000 animals during the past year for CWD. Positive detections continue in Michigan's deer herd in specific areas of the central lower portion of the state. Last year the first CWD positive deer was identified in the Upper Peninsula. No additional positives were detected this year in the Upper Peninsula. The Natural Resources Commission and the DNR continue to work to address this disease. The DNR will determine its monitoring efforts during the 2020 deer season. Research is still needed to assist with the management of this disease. As stated earlier, the DNR and MSU are working together to address the outstanding research issues which include funding for the development of a live animal rapid test.

The State of Michigan and DNR continue to advocate for the construction and operation of the Brandon Road Lock and Dam to prevent the spread of invasive carp. The appropriation supplemental approved in September 2018, included \$8 million for the future operation of the Brandon Road Lock and Dam and was placed in an infrastructure fund. The funds were set to be appropriated from the fund earlier in 2020. However, the funds were vetoed as the COVID 19 event had just begun. The DNR continues to work to have the funds appropriated and available for use for this vital project.

COVID 19

During the COVID 19 event, the majority of the DNR staff have been teleworking. Employees who primarily work in the outdoors are slowly returning to work as appropriate safety procedures and protocols are approved and implemented. The foresters are in the process of returning to the state forests to mark timber. This activity normally generates in excess of \$40

million annually. The state park campgrounds remain closed although planning continues for the opening. Camping generates approximately \$40 million in revenue annually. Refunds continue to be issued for previously reserved camp nights. Day use of the state parks and trails has increased significantly. The sale of spring turkey and fishing licenses have increased substantially.

Due to the impact of COVID 19 on Michigan's economy, the DNR is anticipating a General Fund reduction before the end of the fiscal year which is September 30, 2020. Michigan has a constitutional obligation to balance the budget. The depth of the reduction is unknown at this time as federal assistance with this pandemic has not been finalized. All discretionary spending has been halted. We have had 264 employees on a temporary layoff from April 26, 2020 through May 9, 2020. Starting May 18, 2020 through July 25, 2020, almost all DNR employees except for Law Enforcement will be laid off one day per week or will have three lay off days during that timeframe. A hiring freeze has also been executed.
