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Senate Bill 34 (as reported without amendment)
Sponsor: Senator Randy Richardville
Committee: Natural Resources and Environmental Affairs

(as passed by the Senate)

Date Completed: 3-30-09

RATIONALE

In 2006, Michigan voters approved Proposal 06-1, which amended the State Constitution to create the Conservation and Recreation Legacy Fund, and establish several existing conservation and recreation accounts as components of the Fund. The constitutional amendment provides that money held in the component funds may be used only for specified purposes, and may not be diverted to other funds.

Proposal 06-1 combined the Michigan State Waterways Fund, the Harbor Development Fund, and the Marine Safety Fund into the Waterways Account within the umbrella Conservation and Recreation Legacy Fund. The specified purposes for which money in the Waterways Account may be spent include certain expenses associated with recreational boating facilities, property acquisition, and administration. Over the last few years, some people have become concerned that statutory language delineating allowable expenditures leaves room for the use of this money in unrelated ways, and should be more specific.

CONTENT

The bill would amend Part 781 (Michigan State Waterways Commission) of the Natural Resources and Environmental Protection Act to describe the purposes for which money in the Waterways Account may be spent in regard to recreational boating facilities and administration.

The bill would define "recreational boating facilities" as boat launches, harbors, marinas, and locks assisting recreational

boats gaining access to water bodies at different elevations.

Currently, money in the Waterways Account of the Michigan Conservation and Recreation Legacy Fund may be used only for the following:

- The construction, operation, and maintenance of recreational boating facilities.
- The acquisition of property.
- Grants to local units of government and State colleges or universities to acquire and develop harbors of refuge and public boating access sites.
- For the purposes provided in Part 791 (Harbor Development).
- For the administration of Parts 781 and 791.

The bill would retain these provisions, but with regard to the first purpose, the money could be used for the construction, operation, and maintenance of the following that were associated with recreational boating facilities:

- Ramps for launching watercraft.
- Piers, jetties, breakwaters, or other similar structures connected to existing or proposed recreational boating facilities or harbors of refuge.
- Moorage facilities at marinas to provide dockage for transient and seasonal users.
- Studies and surveys necessary for the development or operation of recreational boating facilities, and the implementation of recommendations from these studies and surveys.

- Restrooms, sewage treatment facilities, showers, potable water supplies, security lights, and parking areas.
- Pump outs.
- Access roads, bridges, signals, and other infrastructure to give the public access to recreational boating facilities.
- Engineering costs, including planning and construction costs and costs of environmental assessments and permit applications.
- Dredging, stump removal, and aquatic weed control when the activities could be shown to clear lanes to make a water body more accessible primarily for recreational boats as opposed to general navigation.
- Navigational aids in the immediate area of recreational boating facilities.
- Signage for the effective use of recreational boating facilities.
- Guides, brochures, maps, road signs, internet sites, and other aids to inform boaters of recreational boating facilities.
- Projects that compensated or mitigated for natural resource losses caused by the specified activities related to recreational boating facilities.
- Locks used exclusively by recreational boaters.
- Leases of property for recreational boating facilities or parking areas for their exclusive use.
- Boat storage facilities, boat lift facilities, and boat servicing facilities within recreational boating facilities when constructed to be leased to a private marina operator under guidelines set forth in Part 791.
- Equipment used exclusively for the development, maintenance, or operation of recreational boating facilities.
- The acquisition of property or rights in property for the purposes of Part 781, including land acquisition for the development of recreational boating facilities, marinas, or parking areas exclusively for the servicing of recreational boating facilities.
- Water rights for the securing of recreational boating access facilities.

Also, under the bill, the administration of Parts 781 and 791 would include the following:

- Administrative and overhead cost related directly to recreational boating facilities.

- Employee wages and benefits incurred in the administration of Part 781.
- Conferences, meetings, and training for employees working at or on recreational boating facilities.

MCL 324.78101 & 324.78110

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Voters approved Proposal 06-1 to protect funds dedicated to the conservation of natural resources and recreational opportunities from being diverted to unrelated State programs and functions. Since then, some people have raised concerns that the statutory language outlining allowable uses of Waterways Account money is too broad and does not prevent the diversion of money within the Department of Natural Resources. The specificity the bill would add would ensure that this money was spent in a manner consistent with the spirit of Proposal 06-1.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on State or local government. It would expand and specify additional uses of the Michigan State Waterways account of the Conservation and Recreation Legacy Fund, but it would not increase or decrease any revenue to the account.

Fiscal Analyst: Bill Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.