

Legislative Analysis



GEOLOGIC MAPPING AND INFORMATION PROGRAM TRANSFER

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Senate Bill 507

Sponsor: Sen. Tonya Schuitmaker
Senate Committee: Appropriations
House Committee: Appropriations

Complete to 9-19-11

A SUMMARY OF SENATE BILL 507 AS REPORTED FROM COMMITTEE 9-14-2011

The Geological Survey Program was established by Act 20 of 1837 to conduct geologic mapping and evaluation for the State of Michigan. The program was eventually renamed the Office of Geological Survey (OGS) and the statute later recodified as Part 601, Geological Survey, within the Natural Resources and Environmental Protection Act (NREPA), 1994 PA 451.

Currently, the duties of the Office of Geologic Survey within the Department of Environmental Quality focus mainly on the regulation of oil, gas, and mineral exploration and production. The OGS also has geologic mapping and evaluation responsibilities as well; however, because of budgetary pressures and hiring constraints in recent years, the OGS has found it increasingly difficult to fulfill these duties. Federal funding is a main component for the mapping program, but most federal funding requires state matching funds and there is no funding source to be used as a matching fund identified for the program. Over the past 10 years, the Department has passed federal funding through to a university (primarily WMU) who provides in-kind funding for the federal match.

Senate Bill 507 would transfer the mapping and evaluation duties of the Office of Geological Survey (OGS) within DEQ to the Geosciences Department of Western Michigan University (WMU). By designating WMU as the entity within which the Michigan Geology Survey is established, the University can directly receive the federal funding for the program from the federal government.

BACKGROUND INFORMATION:

The Geologic Mapping and Information Program develops geologic maps which are primarily of glacial or surface geology. The program also compiles maps and information on subsurface geology that is based on well file information and provides other geological information and rock kits for educational purposes. The purpose of the mapping program is to provide the essential geological information that is needed for the following purposes:

- Develop water supplies, oil and gas, minerals, and other resources
- Protect groundwater, surface water, and land resources
- Identify geological hazards
- Provide educational opportunities

MICHIGAN GEOLOGICAL SURVEY

The Michigan Geological Survey (MGS) is currently established within the Office of Geological Survey in the DEQ. The bill would transfer the Survey to WMU and provide that the University would oversee the survey's operations and appoint a director to supervise and carry out the duties of the MGS.

Under current law, the MGS is required to make a thorough geological survey of the state that may include the following:

- Information concerning all strata and rocks.
- The mineral character and economical uses of strata and rocks.
- An investigation of Michigan's soils and subsoils.
- Investigation of all deposits of brines, coal, marl, clay, gypsum, lime, petroleum, metals, metallic ores, building stone, marble, gritstone, mortar and cement materials, mineral paint, and any other geological resources that can be used by humans. This bill would add **natural gas** to this list of items to be surveyed.

Currently, the MGS must submit an annual report to the State Geologist on the progress and any reports, documents or maps needed to fulfill its responsibilities. The statute also requires that any products produced by the MGS are the property of Michigan and shall be under the control of the DEQ. Under the provisions of the bill, these documents would be under the control of WMU.

The bill also requires that if WMU or any successor institution ceases to have a geology or geosciences academic program, or fails to fulfill the duties of the MGS, or notifies the State Geologist that it no longer desires to keep the MGS, the Director of DEQ shall issue an order to transfer the MGS to another state university with a relevant academic program. Before issuing such an order, the Director must provide public notice and take into consideration the State Geologist's recommendation for the transfer.

FISCAL IMPACT:

In FY 2010-11, \$201,300 funding is included for the Geologic Mapping and Information Program in the Oil, Gas, and Mineral Services line item within the DNRE Appropriation Bill (PA 189 of 2010). Of that \$201,300 funding, \$60,500 is federal funding, \$70,800 is appropriated from the Oil and Gas Regulatory Fund, and \$76,700 from Publication Revenue. According to the DEQ, however, despite the amount currently appropriated, the revenue available from the Publication Revenue Fund is only approximately \$4,000.

As part of the budget reductions scheduled for FY 2011-12, the \$201,300 funding for this program was eliminated in the DEQ budget (PA 63 of 2011) -- based on the premise that the program would be transferred to WMU and the University would begin to receive the federal funding directly. In recent years, WMU has been receiving the federal funding of the program from the State and conducting the geologic mapping activities for the program.

Senate Bill 507 would transfer the mapping and evaluation duties of the MGS to WMU and allow the University to be eligible to receive the federal funding that the State of Michigan currently receives for the MGS directly from the federal government. With this

change, Michigan would join the approximately 20 other states that have already designated a major university as the state entity for the state geology survey with the federal government.

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