

SENATE BILL No. 1164

June 5, 2012, Introduced by Senators CASPERSON, BOOHER, HILDENBRAND, BRANDENBURG, EMMONS, GREEN and MEEKHOF and referred to the Committee on Natural Resources, Environment and Great Lakes.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 502 (MCL 324.502), as amended by 2004 PA 587.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 502. (1) The commission may promulgate rules, not
2 inconsistent with law, governing its organization and procedure.

3 (2) The department may do 1 or more of the following:

4 (a) Promulgate and enforce reasonable rules concerning the use
5 and occupancy of lands and property under its control in accordance
6 with section 504.

7 (b) Provide and develop facilities for outdoor recreation.

8 (c) Conduct investigations it considers necessary for the
9 proper administration of this part.

10 (d) Remove and dispose of forest products as required for the
11 protection, reforestation, and proper development and conservation

1 of the lands and property under the control of the department.

2 (e) Require the payment of a fee as provided by law for a
3 daily permit or other authorization that allows the person to hunt
4 and take waterfowl on a public hunting area managed and developed
5 for waterfowl.

6 (3) Except as provided in ~~subsection (4)~~, **SUBSECTIONS (4) AND**
7 **(5)**, the department may enter into contracts for the taking of
8 coal, oil, gas, and other mineral products from state owned lands,
9 upon a royalty basis or upon another basis, and upon the terms the
10 department considers just and equitable subject to section 502a.
11 This contract power includes authorization to enter into contracts
12 for the storage of gas or other mineral products in or upon state
13 owned lands, if the consent of the state agency having jurisdiction
14 and control of the state owned land is first obtained. A contract
15 permitted under this section for the taking of coal, oil, gas, or
16 metallic mineral products, or for the storage of gas or other
17 mineral products, is not valid unless the contract is approved by
18 the state administrative board. Money received from a contract for
19 the storage of gas or other mineral products in or upon state lands
20 shall be transmitted to the state treasurer for deposit in the
21 general fund of the state to be used for the purpose of defraying
22 the expenses incurred in the administration of this act and other
23 purposes provided by law. Other money received from a contract
24 permitted under this subsection, except money received from lands
25 acquired with money from the former game and fish protection fund
26 or the game and fish protection account of the Michigan
27 conservation and recreation legacy fund provided for in section

1 2010, shall be transmitted to the state treasurer for deposit in
2 the Michigan natural resources trust fund created in section 35 of
3 article IX of the state constitution of 1963 and provided for in
4 part 19. However, the money received from the payment of service
5 charges by a person using areas managed for waterfowl shall be
6 credited to the game and fish protection account of the Michigan
7 conservation and recreation legacy fund provided for in section
8 2010 and used only for the purposes provided by law. Money received
9 from bonuses, rentals, delayed rentals, royalties, and the direct
10 sale of resources, including forest resources, from lands acquired
11 with money from the former game and fish protection fund or the
12 game and fish protection account of the Michigan conservation and
13 recreation legacy fund provided for in section 2010 shall be
14 credited to the Michigan game and fish protection trust fund
15 established in section 41 of article IX of the state constitution
16 of 1963 and provided for in part 437, except as otherwise provided
17 by law.

18 (4) The department shall not enter into a contract that allows
19 drilling operations beneath the lake bottomlands of the Great
20 Lakes, the connected bays or harbors of the Great Lakes, or the
21 connecting waterways as defined in section 32301, for the
22 exploration or production of oil or gas.

23 (5) A COUNTY ROAD COMMISSION MAY REQUEST THE DEPARTMENT TO
24 ENTER AN AGREEMENT AUTHORIZING THE COUNTY ROAD COMMISSION TO
25 EXTRACT, PROCESS, AND REMOVE NONMETALLIC MINERALS SUCH AS
26 CONSTRUCTION SAND, GRAVEL, COBBLES, BOULDERS, AND CLAY FROM LANDS
27 SPECIFIED BY THE COUNTY ROAD COMMISSION IF THE NONMETALLIC MINERAL

1 RIGHTS ARE OWNED BY THIS STATE AND UNDER THE JURISDICTION AND
2 CONTROL OF THE DEPARTMENT, TO BE USED EXCLUSIVELY ON COUNTY ROAD
3 COMMISSION PROJECTS, AND TO BUILD A ROADWAY, IF NECESSARY, TO
4 ACCESS THE NONMETALLIC MINERAL MINING SITE. THE REQUEST SHALL BE
5 MADE ON A FORM PROVIDED BY THE DEPARTMENT AND ACCOMPANIED BY A
6 PROCESSING FEE. THE DEPARTMENT SHALL ESTABLISH THE PROCESSING FEE
7 TO GENERATE REVENUE THAT DOES NOT EXCEED THE REASONABLE COSTS
8 ACTUALLY INCURRED BY THE DEPARTMENT IN PROCESSING REQUESTS UNDER
9 THIS SUBSECTION. THE DEPARTMENT SHALL ENTER INTO AN AGREEMENT
10 WITHIN 30 DAYS AFTER RECEIVING A COMPLETE REQUEST FORM AND THE
11 PROCESSING FEE. THE AGREEMENT MAY REQUIRE THE ROAD COMMISSION TO
12 ERECT AND MAINTAIN REASONABLE SIGNAGE, FENCING, AND GATES. THE
13 AGREEMENT SHALL INCLUDE A RECLAMATION PLAN AS PROPOSED BY THE ROAD
14 COMMISSION. EXCEPT AS PROVIDED IN THIS SUBSECTION, THE DEPARTMENT
15 SHALL NOT CHARGE A ROYALTY, RENTAL, TIMBER CONSIDERATION FEE, OR
16 OTHER FEE UNDER THE AGREEMENT. THIS SUBSECTION DOES NOT WAIVE ANY
17 OTHER APPLICABLE REQUIREMENTS UNDER THIS ACT.

18 (6) ~~(5)~~—This section does not permit a contract for the taking
19 of gravel, sand, coal, oil, gas, or other metallic mineral products
20 that does not comply with applicable local ordinances and state
21 law.