

# HOUSE BILL No. 4801

June 20, 2017, Introduced by Reps. LaFave and Rendon and referred to the Committee on Transportation and Infrastructure.

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~~ **THIS** state to be used ~~for the purpose of~~  
22 ~~defraying~~ **TO DEFRAY** the expenses incurred in the administration of  
23 this act and other purposes provided by law. Other money received  
24 from a contract permitted under this subsection, except money  
25 received from lands acquired with money from the former game and  
26 fish protection fund or the game and fish protection account of the  
27 Michigan conservation and recreation legacy fund provided for in

1 section 2010, shall be transmitted to the state treasurer for  
2 deposit in the Michigan natural resources trust fund created in  
3 section 35 of article IX of the state constitution of 1963 and  
4 provided for in part 19. However, the money received from the  
5 payment of service charges by a person using areas managed for  
6 waterfowl shall be credited to the game and fish protection account  
7 of the Michigan conservation and recreation legacy fund provided  
8 for in section 2010 and used only for the purposes provided by law.  
9 Money received from bonuses, rentals, delayed rentals, royalties,  
10 and the direct sale of resources, including forest resources, from  
11 lands acquired with money from the former game and fish protection  
12 fund or the game and fish protection account of the Michigan  
13 conservation and recreation legacy fund provided for in section  
14 2010 shall be credited to the Michigan game and fish protection  
15 trust fund established in section 41 of article IX of the state  
16 constitution of 1963 and provided for in part 437, except as  
17 otherwise provided 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 OR MUNICIPALITY MAY REQUEST THE**  
24 **DEPARTMENT TO ENTER INTO AN AGREEMENT AUTHORIZING THE ROAD**  
25 **COMMISSION OR MUNICIPALITY OR ITS CONTRACTOR TO UTILIZE A**  
26 **PREVIOUSLY ESTABLISHED OR EXISTING NONMETALLIC MINERAL MINING SITE**  
27 **OR ESTABLISH A NEW NONMETALLIC MINERAL MINING SITE FOR EXTRACTION**

1 AND PROCESSING OF NONMETALLIC MINERALS SUCH AS SAND, GRAVEL,  
2 COBBLES, BOULDERS, AND CLAY FROM STATE-OWNED LANDS SPECIFIED BY THE  
3 COUNTY ROAD COMMISSION OR MUNICIPALITY AND UNDER THE JURISDICTION  
4 AND CONTROL OF THE DEPARTMENT, FOR USE ON PUBLIC ROAD, STREET, OR  
5 HIGHWAY PROJECTS, AND TO BUILD AND MAINTAIN A ROADWAY, IF  
6 NECESSARY, TO ACCESS THE NONMETALLIC MINERAL MINING SITE. THE  
7 REQUEST SHALL BE MADE ON A FORM PROVIDED BY THE DEPARTMENT AND  
8 ACCOMPANIED BY A PROCESSING FEE. THE DEPARTMENT SHALL DEVELOP THE  
9 FORM WITHIN 60 DAYS AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT  
10 THAT ADDED THIS SUBSECTION AND SHALL MAINTAIN A COPY OF THE CURRENT  
11 FORM ON THE DEPARTMENT'S WEBSITE. THE DEPARTMENT SHALL ESTABLISH  
12 THE PROCESSING FEE SO THAT REVENUE FROM PROCESSING FEES DOES NOT  
13 EXCEED THE REASONABLE COSTS ACTUALLY INCURRED BY THE DEPARTMENT IN  
14 PROCESSING REQUESTS UNDER THIS SUBSECTION. THE DEPARTMENT SHALL  
15 ENTER THE AGREEMENT WITHIN 30 DAYS AFTER RECEIVING A COMPLETE  
16 REQUEST FORM AND PROCESSING FEE. THE AGREEMENT MAY REQUIRE THE  
17 COUNTY ROAD COMMISSION OR MUNICIPALITY TO ERECT AND MAINTAIN  
18 REASONABLE SIGNAGE, FENCING, AND GATES FOR THE MINING SITE. THE  
19 AGREEMENT MAY INCLUDE A RECLAMATION PLAN AS PROPOSED BY THE COUNTY  
20 ROAD COMMISSION OR MUNICIPALITY. THE DEPARTMENT SHALL NOT CHARGE A  
21 ROYALTY, RENTAL, TIME CONSIDERATION FEE, OR OTHER FEE UNDER THE  
22 AGREEMENT. THIS SUBSECTION DOES NOT WAIVE ANY REQUIREMENTS UNDER  
23 ANY OTHER PART OF THIS ACT.

24 (6) ~~(5)~~—This section does not permit a contract for the taking  
25 of gravel, sand, coal, oil, gas, or other metallic mineral products  
26 that does not comply with applicable local ordinances and state  
27 law.

1           (7) AS USED IN THIS SECTION, "COUNTY ROAD COMMISSION" MEANS  
2 THAT TERM AS DEFINED IN SECTION 10C OF 1951 PA 51, MCL 247.660C.