

HOUSE BILL NO. 6067

May 03, 2022, Introduced by Reps. VanSingel, Lilly, Brann and Garza and referred to the Committee on Energy.

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 **other** property under its control in

1 accordance with section 504.

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

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

5 (d) Remove and dispose of forest products as required for the
6 protection, reforestation, and proper development and conservation
7 of the lands and property under the control of the department.

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

12 (3) Except as provided in subsection ~~(4)~~, **(5)**, the department
13 may enter into contracts for the taking of coal, oil, gas, and
14 other mineral products from state owned lands, upon a royalty basis
15 or upon another basis, and upon the terms the department considers
16 just and equitable subject to section 502a. This contract power
17 includes authorization to enter into contracts for the storage of
18 gas or other mineral products in or upon state owned lands, if the
19 consent of the state agency having jurisdiction and control of the
20 state owned land is first obtained. A contract permitted under this
21 ~~section for the taking of coal, oil, gas, or metallic mineral~~
22 ~~products, or for the storage of gas or other mineral products,~~
23 **subsection** is not valid unless the contract is approved by the
24 state administrative board.

25 (4) Money received from a contract for the storage of gas or
26 other mineral products in or upon state lands shall be transmitted
27 to the state treasurer for deposit in the general fund of the state
28 to be used for the purpose of defraying the expenses incurred in
29 the administration of this act and other purposes provided by law.

1 Other money received from a contract permitted under this
2 subsection, except money received from lands acquired with money
3 from the former game and fish protection fund or **from** the game and
4 fish protection account of the Michigan conservation and recreation
5 legacy fund provided for in section 2010, shall be transmitted to
6 the state treasurer for deposit in the Michigan natural resources
7 trust fund created in section 35 of article IX of the state
8 constitution of 1963 and provided for in part 19. However, the
9 money received from the payment of service charges by a person
10 using areas managed for waterfowl shall be credited to the game and
11 fish protection account of the Michigan conservation and recreation
12 legacy fund provided for in section 2010 and used only for the
13 purposes provided by law. Money received from bonuses, rentals,
14 delayed rentals, royalties, and the direct sale of resources,
15 including forest resources, from lands acquired with money from the
16 former game and fish protection fund or the game and fish
17 protection account of the Michigan conservation and recreation
18 legacy fund provided for in section 2010 shall be credited to the
19 Michigan game and fish protection trust fund established in section
20 41 of article IX of the state constitution of 1963 and provided for
21 in part 437, except as otherwise provided by law.

22 (5) ~~(4)~~—The department shall not enter into a contract that
23 allows drilling operations beneath the lake bottomlands of the
24 Great Lakes, the connected bays or harbors of the Great Lakes, or
25 the connecting waterways as defined in section 32301, for the
26 exploration or production of oil or gas.

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

1 law.

2 (7) The department may sell carbon credits or ecological
3 services from the state forest and other state-owned lands, or from
4 lands controlled by the department, if all of the following
5 criteria are met:

6 (a) The carbon credits or ecological services are verified by
7 a third party.

8 (b) The sale does not prevent or restrict continued land
9 management as outlined by the department's land management plans or
10 strategies.

11 (c) Unless otherwise provided by law, the proceeds from the
12 sale are deposited into the forest development fund established in
13 section 50507.