

Expanding the Michigan Natural Resources Trust Fund in 2020

A HISTORIC OPPORTUNITY TO PROTECT WATER, WILDLIFE & PARKS

In November, Michigan voters will be given a historic opportunity to expand the work of the Natural Resources Trust Fund (NRTF) and the State Park Endowment Fund (SPEF) and help protect clean drinking water, wildlife habitats, and parks for future generations.

These changes were approved unanimously by the Michigan Legislature in December 2018 and are supported by a wide range of conservation, outdoor recreation, local community and business groups across the state.

Projects supported by these funds help Michigan communities protect the state's lakes, streams, lands and wildlife and build recreational facilities for the enjoyment of Michigan residents and visitors, with economic, quality-of-life and public health benefits. Every Michigan resident is within a one-hour drive of a state park or recreation area, and state parks are an important contributor to Michigan's \$22.8 billion tourism industry that supports 214,000 direct jobs.

This proposal will ask voters to amend the Michigan Constitution as follows:

MNRTF

- Remove the \$500 million cap on the MNRTF and, once the SPEF reaches its cap, direct all revenue from the sale of state-owned oil, gas and minerals to the MNRTF. The legislature may appropriate up to 50% of that revenue to fund activities according to the purposes of the MNRTF. The unappropriated balance must be deposited in the MNRTF.
- Add "renovation and redevelopment" alongside "development" as an allowable use for MNRTF dollars, and change the percentage of funds made available for these projects from a maximum of 25% to a minimum of 25% to match the percentage available for land acquisition projects.

MSPEF

- At least 20% of expenditures each fiscal year must be used for capital improvements at state parks.
- Add "fund administration" as allowable use of funds.

Michigan Natural Resource Trust Fund (MNRTF)

Established in 1984, the MNRTF receives all oil, gas and other mineral lease and royalty payments from state-managed public lands, up to a constitutional trigger of \$500 million. These funds are reserved for the acquisition and development of public recreation lands. Since the trigger was reached in 2011, only interest and earnings on the balance are available for grants to proposed projects.



Two Hearted River © Drew Kelly

Current Allowable Uses for the MNRTF:



- 1 Acquisition of land, or rights in land, for recreation and conservation.
- 2 Development of recreation facilities for public use.
- 3 Payments in lieu of taxes to compensate local units of government for loss of property taxes on lands purchased through the MNRTF and fund administration.

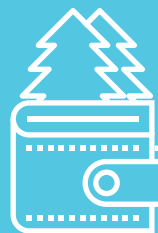
Impacts (as of 2017):

1000+

More than 1,000 public parks funded (acquisition and development).



2,366 public outdoor recreation projects supported, including hundreds of universally accessible facilities.



Over \$1.1 billion awarded for projects in all 83 Michigan counties.

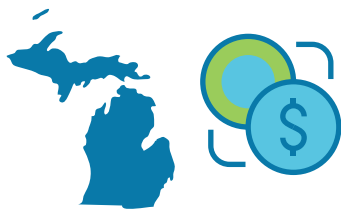
Michigan State Parks Endowment Fund (MSPEF)

The MSPEF was created in 1994 as a source of funding for state parks specifically, redirecting 50% of state oil, gas and mineral revenue deposited in the MNRTF to the MSPEF annually. Since the MNRTF balance reached \$500 million in 2011, 100% of these funds now flow to the MSPEF, per the Constitution. When the MSPEF reaches its \$800 million constitutional trigger, only interest and earnings will be available for funding of the State Park system, and oil, gas and mineral revenue will be distributed as provided by law.



Boardman River ©Mark Godfrey

Current Allowable Uses for the MSPEF:



- 1 Acquisition of land or rights in land to increase state park lands and access.
- 2 This includes the maintenance, operations, and/or capital improvements of state parks.
- 3 By law, the Michigan Legislature can appropriate up to 50% of the MSPEF annual income for the specified allowable uses.

Impacts (as of 2017):

103

PARKS AND RECREATION AREAS

103 state parks and recreation areas that are free and open to the public (with fees for motor vehicles, camping and certain concessions that also support Michigan's state park system).



27 million visitors to state parks and recreation areas annually.



Over 1.1 million camping overnights annually—second highest nationally after California.