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**SFA****BILL ANALYSIS**

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Senate Bill 150 (as introduced 2-6-03)  
Sponsor: Senator Jason E. Allen  
Committee: Natural Resources and Environmental Affairs

Date Completed: 2-24-03

## **CONTENT**

**The bill would amend Parts 781 and 791 of the Natural Resources and Environmental Protection Act to permit colleges and universities to enter into contracts and agreements with the Department of Natural Resources (DNR) to finance harbor or waterway projects; and allow colleges and universities to receive funding for participation in Federal projects, the development of harbors, and public boating access sites.**

Currently, by a vote of their legislative bodies, local units of government situated on inland Great Lakes waterways, or channels to nearby inland lakes and streams that may be opened for navigation and shelter of light draft vessels, may enter into contracts and agreements with the DNR to accomplish the purposes of Part 781, which establishes the Michigan State Waterways Commission. The bill would permit colleges and universities also to enter into contracts and agreements with the DNR consistent with this part.

Under Part 781, the Department is authorized to finance local agencies' participation in Federal projects, and to enter into agreements with political subdivisions in connection with Federal projects. The bill would add colleges and universities to those agencies eligible to enter into agreements with the DNR and receive DNR financing of participation in Federal projects.

Part 781 establishes the Michigan State Waterways Fund for, in part, the provision of grants to local units of government to acquire and develop harbors of refuge and public boating access. Local units of governments may use the grants for a required match under a State or Federal program. The bill would add colleges and universities to the entities that may receive Fund grants.

Also, Part 781 required the DNR to establish a public boating access sites grant program. The program provides money from the Fund to local units of government to acquire land for public boating access sites and to develop the sites. The local units of government must agree to operate the public boating access sites in accordance with the DNR's requirements. Under the bill, colleges and universities also could receive program funding, and would have to operate the site in accordance with the DNR's requirements.

Under Part 791 (Harbor Development), the DNR may purchase and then lease real property accessible to water for the development of marinas. Part 791 permits the DNR to enter into lease agreements with local units of government acting jointly with the DNR as a lessor. Revenue from each lease must be apportioned according to the proportional share of the investment made by the DNR and the local unit of government in the construction of nonrevenue-producing harbor facilities, and in consideration of the relative land investments of the entities. The bill would permit colleges and universities also to enter into lease agreements with the DNR, with revenue apportioned as it is with local units of government.

MCL 324.78106 et al.

Legislative Analyst: Claire Layman

**FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Jessica Runnels