

Michigan Proposal 1, Use of State and Local Park Funds Amendment (2020)

Michigan Proposal 1



Election date

[November 3, 2020](#)

Topic

[Forests and parks](#)

Status

On the ballot

Type

[Constitutional
amendment](#)

Origin

[State
legislature](#)

Submit

Michigan Proposal 1, the **Use of State and Local Park Funds Amendment**, is on the [ballot](#) in [Michigan](#) as a [legislatively referred constitutional amendment](#) on [November 3, 2020](#).

A "**yes**" vote supports making changes to how revenue in the state's park-related funds can be spent, including (a) making projects to renovate recreational facilities eligible for grants and (b) allowing the parks endowment fund to be spent on park operations and maintenance, and (c) removing the cap on the size of the natural resources trust fund.

A "no" vote opposes making changes to how revenue in the state's park-related funds can be spent, thus (a) continuing to prohibit projects to renovate recreational facilities from receiving grants and (b) continuing to prohibit the parks endowment fund from being spent on park operations and maintenance, and (c) keeping the cap on the size of the natural resources trust fund.

Overview

What would the measure do?

Proposal 1 would make changes to how revenue in the state's park-related funds can be spent. As of 2018, the funds received revenue from mineral, oil, and gas leases and royalties. The ballot measure would affect the following funds:^[1]

- The **Natural Resources Trust Fund** (NRTF) provides grants to local governments for acquiring land for recreational use, environmental conservation, and scenic importance and for developing recreational facilities. The ballot measure would make projects to renovate and redevelop existing recreational facilities eligible for grants. The ballot measure would require that a minimum of 25 percent of grant funding be spent on developing, renovating, and redeveloping recreational facilities each year. As of 2018, a maximum of 25 percent of grant funding could be spent on developing facilities. The ballot measure would continue to provide that a minimum of 25 percent of grant funding be spent on acquiring land each year.
- The **State Parks Endowment Fund** (SPEF) provides funding for the state park system. As of 2018, the fund could be spent on the acquisition of land and capital improvements. The ballot measure would allow the fund to be spent on park operations and maintenance. The ballot measure would require that at least 20 percent of the annual expenditures be spent on capital improvements.

Proposal 1 would also remove the NRTF's cap of \$500 million in principal and allow the trust fund to begin receiving revenue again after the SPEF reaches \$800 million in principal. The NRTF reached the cap in 2011. Removal of the cap would allow the NRTF to grow faster and increase funding for grants.^[1]

Text of measure

Ballot title

The ballot title is as follows:^[2]

“ A proposed constitutional amendment to allow money from oil and gas mining on state-owned lands to continue to be collected in state funds for land protection and creation and maintenance of parks, nature areas, and public recreation facilities; and to describe how money in those state funds can be spent^[3] ”

Ballot summary

The ballot summary is as follows:^[2]

- “ This proposed constitutional amendment would:
- Allow the State Parks Endowment Fund to continue receiving money from sales of oil and gas from state-owned lands to improve, maintain and purchase land for State parks, and for Fund administration, until its balance reaches \$800,000,000.
 - Require subsequent oil and gas revenue from state-owned lands to go into the Natural Resources Trust Fund.
 - Require at least 20% of Endowment Fund annual spending go toward State park improvement.
 - Require at least 25% of Trust Fund annual spending go toward parks and public recreation areas and at least 25% toward land conservation.^[3]
- ”

Constitutional changes

See also: [Article IX, Michigan Constitution](#)

The ballot initiative would amend [Section 35](#) and [Section 35a](#) of [Article IX](#) of the [Michigan Constitution](#). The following underlined text would be added and text would be deleted:^[1]

Note: Use your mouse to scroll over the below text to see the full text.

Section 35. Michigan Natural Resources Trust Fund

(1) There is hereby established the Michigan natural resources trust fund. The trust fund shall consist of all bonuses, rentals, delayed rentals, and royalties collected or reserved by the state under provisions of leases for the extraction of nonrenewable resources from state owned lands, except such revenues accruing under leases of state owned lands acquired with money from state or federal game and fish protection funds or revenues accruing from lands purchased with such revenues. However, until the Michigan State Parks Endowment Fund reaches an accumulated principal of \$800,000,000.00, the

revenues from bonuses, rentals, delayed rentals, and royalties described in this section that would otherwise be deposited into the trust fund shall be deposited into the Michigan State Parks Endowment Fund. In addition to the revenues described in this subsection, the trust fund may receive appropriations, money, or other things of value. The assets of the trust fund shall be invested as provided by law.

(2) Until the Michigan State Parks Endowment Fund reaches an accumulated principal of \$800,000,000.00, the amount accumulated in the trust fund in any state fiscal year shall not exceed \$500,000,000.00, exclusive of interest and earnings and money authorized for expenditure pursuant to this section.

T This amount is the accumulated principal limit. The accumulated principal of the trust fund shall not be expended. However, the interest and earnings of the trust fund shall be expended for the following:

(A) Acquisition of land or rights in land for recreational uses or protection of the land because of its environmental importance or its scenic beauty.

(B) Development, renovation, and redevelopment of public recreation facilities.

(C) Administration of the trust fund, which may include payments in lieu of taxes on state owned land purchased through the trust fund.

(3) The trust fund may provide grants to local units of government or public authorities which shall be used for the purposes of this section. The legislature shall provide that a portion of the cost of a project funded by these grants be provided by the local unit of government or public authority.

(4) After the Michigan State Parks Endowment Fund reaches an accumulated principal of \$800,000,000.00, the accumulated principal limit for the trust fund as provided for in subsection (2) no longer applies and the revenues from bonuses, rentals, delayed rentals, and royalties described in subsection (1) shall be deposited into the trust fund. From these revenues each year the legislature may provide, in addition to the expenditure of interest and earnings authorized by this section, that a portion, not to exceed 50 percent, be expended during subsequent state fiscal years for the purposes of this section.

(5) Not less than 25 percent of the money made available for expenditure from the trust fund from any state fiscal year shall be expended for acquisition of land and rights in land for recreational uses or protection of the land because of its environmental importance or its scenic beauty, and not less than 25 percent of

the money made available for expenditure from the trust fund from any state fiscal year shall be expended for development, renovation, and redevelopment of public recreation facilities.

(6) The legislature shall provide by law for the establishment of a trust fund board within the department of natural resources. The trust fund board shall recommend the projects to be funded. The board shall submit its recommendations to the governor who shall submit the board's recommendations to the legislature in an appropriations bill.

(7) The legislature shall provide by law for the implementation of this section.

Section 35a. Michigan State Parks Endowment Fund

(1) There is hereby established the Michigan state parks endowment fund. The endowment fund shall consist of revenues as provided in section 35 of this article, and as provided by law. The endowment fund may also receive private contributions of money or other things of value. The assets of the endowment fund shall be invested as provided by law.

(2) The accumulated principal of the endowment fund shall not exceed \$800,000,000.00, which amount shall be annually adjusted pursuant to the rate of inflation beginning when the endowment fund reaches \$800,000,000.00. This annually adjusted figure is the accumulated principal limit of the endowment fund.

(3) Money available for expenditure from the endowment fund as provided in this section shall be expended for all of the following:

(A) Capital improvements at Michigan state parks.

(B) Operations and maintenance at Michigan state parks.

(C) Acquisition of land or rights in land for Michigan state parks.

(4) Not less than 20 percent of the money made available for expenditure from the endowment fund from any state fiscal year shall be expended under subsection (3)(a) for capital improvements at Michigan state parks.

(5) Money in the endowment fund shall be expended as follows:

(A) Until the endowment fund reaches an accumulated principal of \$800,000,000.00, each state fiscal year the legislature may appropriate not more than 50 percent of the money received under section 35 of this article plus

interest and earnings and any private contributions or other revenue to the endowment fund.

(B) Once the accumulated principal in the endowment fund reaches \$800,000,000.00, only the interest and earnings of the endowment fund in excess of the amount necessary to maintain the endowment fund's accumulated principal limit may be made available for expenditure.

(6) Unexpended appropriations of the endowment fund from any state fiscal year as authorized by this section may be carried forward or may be appropriated as determined by the legislature for purposes of this section.

(7) The legislature shall provide by law for implementation of this section.^[3]

Support

Vote Yes for MI Water Wildlife & Parks is leading the campaign in support of the ballot measure.^[4]

Supporters

Corporations

- DTE Energy ^[Source]

Organizations

- Detroit Greenways Coalition ^[Source]
- Ducks Unlimited ^[Source]
- Environment Michigan ^[Source]
- Michigan Environment Council
- Michigan Forest Products Council ^[Source]
- Michigan League of Conservation
- Michigan Recreation & Parks Association ^[Source]
- Michigan Trails & Greenways
- National Wild Turkey Federation ^[Source]
- Natural Resources Defense Co

- Pheasants Forever [\[Source\]](#)

- The Nature Conservancy [\[Source\]](#)

Arguments

- **Becca Maher, campaign manager for Vote Yes for MI Water Wildlife & Parks:** "This will create the flexibility needed to fund trails and parks while continuing to prioritize land conservation and protection. This ballot measure will not increase taxes." [\[Source\]](#)

Opposition

Ballotpedia has not identified individuals and entities opposing the ballot measure. If you are aware of published opposition to the ballot measure, you may send a reference link to editor@ballotpedia.org.