

November 2020 Proposal 1 ballot measure affecting public outdoor recreation funding

General Information

- The Michigan Natural Resources Trust Fund and the Michigan State Parks Endowment Fund are established within Michigan's Constitution. A statewide vote of the people is necessary to make changes to these funds.
- The upcoming Proposal 1 ballot measure took form in 2018 under [Senate Joint Resolution O](#).
- The ballot measure proposes several changes to Michigan's Constitution, including:

Allocation of funds

- **Currently:** In 2011, the accumulated principal balance of the Trust Fund reached \$500 million. Since 2011, expenditures from the Trust Fund have been limited to revenues generated from interest and earnings from the Trust Fund principal. Also since 2011, the oil, gas, and mineral royalty revenue previously deposited in the Trust Fund began to be deposited in the State Parks Endowment Fund. That will continue until the State Park Endowment Fund's accumulated principal balance reaches \$800 million. When the accumulated principal balance of the State Parks Endowment Fund reaches \$800 million – the balance at the end of fiscal year 2019 was \$282.7 million – all oil, gas and mineral royalty revenue previously deposited in that fund would be distributed as determined by the state legislature and the governor.
- **If the ballot measure is approved:** When the accumulated principal balance of the State Parks Endowment Fund reaches \$800 million, all oil, gas and mineral royalty revenue previously deposited in that fund would then be deposited in the Trust Fund in perpetuity.

Amounts available for acquisition and development grants

- **Currently:** Of the total amounts made available annually for spending from the Trust Fund, not less than 25% shall be expended for the acquisition of land or rights in land for recreational uses or protection of the land. Not more than 25% shall be expended for the development of public recreation facilities, such as ball fields, fishing platforms, canoe/kayak/boat launches, trails, playgrounds and supporting amenities like restrooms and parking lots.
- **If the ballot measure is approved:** Not less than 25% of the total amounts made available annually for spending from the Trust Fund shall be expended for the acquisition of public land and the development of public recreation facilities.
- **What this means:** The Trust Fund Board would have discretion in recommending the remaining 50% of the total amounts made available (less costs for administration of the Trust Fund) toward acquisition or development projects.

About the Trust Fund

- The Michigan Natural Resources Trust Fund was established under the Kammer Recreational Land Trust Fund Act of 1976. Its purpose was to acquire public land and advance public outdoor recreation using revenue derived from oil, gas and mineral rights owned by the state.
- In 1984, voters added the Trust Fund to Michigan's Constitution and expanded it to allow the fund's use for development of public land.
- Michigan voters have approved other ballot measures over the years to make further constitutional changes to not only the Trust Fund, but also to establish and subsequently amend the Michigan State Parks Endowment Fund.
- Per Michigan's Constitution, the Trust Fund shall be expended for the acquisition of land or rights in land for recreational uses or protection of the land because of its environmental importance or its scenic beauty, development of public recreation facilities, and administration of the Trust Fund, including payments in lieu of taxes to local units of government on state-owned land purchased through the Trust Fund within their jurisdiction.
- Local units of government, certain types of recreation authorities, and state agencies are eligible for Trust Fund grants.
- From the inception of Trust Fund through 2019, more than \$1.2 billion in grants have been awarded, \$935.8 million for acquisition and \$286.4 million for development.