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Introduction

The Department of Environment, Great Lakes, and Energy's (EGLE's) Oil, Gas, and Minerals Division administers the sand dune mining program under Part 637 (Sand Dune Mining) of the Natural Resources and Environmental Protection Act. Part 637 prescribes requirements for the permitting, mining, and reclamation of sand dune mining operations in specified Great Lakes sand dune areas (generally, those up to two miles inland from the Great Lakes). The program's activities are funded by the collection of an annual surveillance fee assessed on the mine operators. Part 637 requires EGLE to calculate the surveillance fee rate such that the amount collected corresponds with the amount needed to cover program costs. The maximum fee that may be charged is $0.10 per ton of sand mined for the previous calendar year. The fees are deposited into the Sand Extraction Fee Revenue Fund, and the Fund generally retains a balance equal to one to two years' operating expenses.

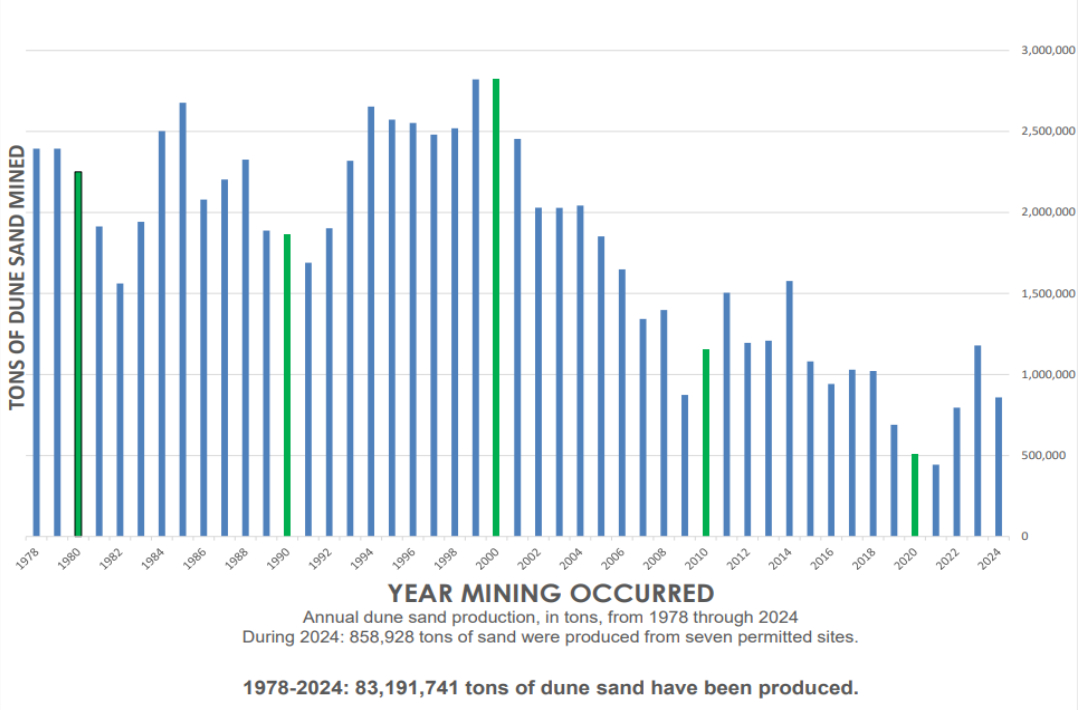
Revenue & Expenditures

The total amount received from sand dune mining surveillance fees totaled $50,000 for fiscal year (FY) 2022-23; in FY 2023-24, the amount collected totaled $40,000. Expenditures in FY 2022-23 totaled $84,931 and in FY 2023-24, they totaled $35,641. Unspent money in the Fund remains in the Fund. At the end of FY 2023-24, the Fund balance was $150,310 (up from $146,777 in FY 2022-23).

Amount of Sand Mined & Mine Locations

As noted above, sand dune mining sites are located within two miles of Lake Michigan's shoreline. Seven sites have active permits. The total amount of dune sand mined in 2024 was 858,928 tons of sand (down from 1,178,690 tons in 2023). From 1978 through 2024, nearly 83.2 million tons of sand have been produced from Michigan sand dune mines. Figure 1 shows the annual sand dune mine production from 1978 through 2024. Figure 2 shows the locations of the seven permitted mine sites (which did not change from 2024).

Figure 1



Source: Department of Environment, Great Lakes, and Energy, "Sand Dune Mining Report, FY 2024".

Figure 2



Source: Department of Environment, Great Lakes, and Energy, "Active Sand Dune Mining Sites".

The sand from Michigan's dunes is primarily used in foundry operations (usually to create molds) and other industrial applications. Its durability and chemical composition make it suitable for applications using high heat. Furthermore, it is cheaper to mine than many other available alternatives and requires little treatment prior to being used in casting processes.