



**House  
Legislative  
Analysis  
Section**

Manufacturer's Bank Building, 12th Floor  
Lansing, Michigan 48909  
Phone: 517/373-6466

**TRADE ISABELLA COUNTY PROPERTY  
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House Bill 4865 as introduced  
First Analysis (11-9-89)

**DEC 19 1989**

Sponsor: Rep. Gary L. Randall Mich. State Law Library  
Committee: State Affairs

***THE APPARENT PROBLEM:***

The Gratiot-Isabella Intermediate School District has been renting a 7.58 acre parcel of property in Isabella County as part of an agreement by which it provided special education classes for the Mt. Pleasant Regional Center for Developmental Disabilities. The state encouraged the school district to build a temporary facility, and also gave the school district a 20-acre parcel of land on which to build a permanent facility. Since then, the state has reduced its institutionalized population. As a result, the temporary facility has proved to be adequate for the reduced number of students, and it has been suggested that the school district be allowed to trade the 20-acre site for the smaller site. The property is currently under the jurisdiction of the Department of Mental Health and legislation is needed to effect this trade.

***THE CONTENT OF THE BILL:***

The bill would permit the state administrative board to convey 7.58 acres of state-owned property in Union Township, Isabella County to the Gratiot-Isabella Intermediate School District. The conveyance would provide that the land be used exclusively for public purposes and that upon termination of that use the property conveyed would revert immediately to the state, which would assume no liability for improvements made at the school district's expense. The conveyance would also require that the school district access alternative sources of sewer and water services.

In exchange for the above property, the state administrative board could acquire from the school district a 20 acre parcel of land in at the Mt. Pleasant Regional Center in Union Township. The board could then convey this property to the highest bidder for fair market value, as determined by a state tax commission appraisal. All conveyances would be by quitclaim deed approved by the attorney general and would reserve all coal, oil, gas and other mineral rights, excluding sand, gravel, clay, or other nonmetallic minerals, to the state. The revenue would be credited to the general fund.

***FISCAL IMPLICATIONS:***

According to the House Fiscal Agency, the bill would have no impact on state funds. (11-8-89)

***ARGUMENTS:***

***For:***

The bill would allow the Gratiot-Isabella Intermediate School District to trade property for which it has no further use for, for property on which it has already built a temporary facility for special education students.

***Against:***

The bill states that the state administrative board "may" convey the 7.85 parcel of land, and in exchange "may" acquire the 20 acre parcel. If the board does convey the first parcel, it would make more sense to require the board to acquire the second parcel.

***POSITIONS:***

The Department of Mental Health would support the bill if an amendment were included to require the state administrative board to acquire the second piece of property. (11-8-89)

H.B. 4865 (11-9-89)