

SFA

BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

(517) 373-5383

House Bill 5410 (as reported without amendment)

Sponsor: Representative Bart Stupak

House Committee: State Affairs

Senate Committee: State Affairs, Tourism, and Transportation

Date Completed: 10-17-90

RATIONALE

Reportedly, in the fall of 1989, the Breitung Township School District built a new school and closed four elementary schools--Quinnesec, Garden Village, Westwood, and Roosevelt--that did not conform to current building and health standards. The school district sold these older schools to local investors, but, during the process, a title search apparently revealed that three of the lots on which Roosevelt School was built, and one of the lots on which Garden Village School was built, were owned by the State. Title to the properties cannot be properly transferred to the local investors without legislation conveying the lots to the Breitung Township School District.

CONTENT

The bill would authorize the State Administrative Board to convey to the Breitung Township School District, for fair market value, any State interest in certain property located in the City of Kingsford in Dickinson County. The bill would require that the conveyance be approved by the Attorney General and that the revenue received from the sale be credited to the General Fund.

FISCAL IMPACT

The fair market value of the property is not known at this time. The State would receive revenue equal to the fair market value of the property and the Breitung Township School District would incur costs equal to the fair market value; the costs would be paid to the State.

ARGUMENTS**Supporting Argument**

In order for the investors who bought property from the Breitung Township School District to have clear title to the land, the State must sell the lots to the school district, which then could legally convey title to the land to the investors.

Legislative Analyst: L. Burghardt

Fiscal Analyst: A. Rich

H.B. 5410 (10-17-90)

H8990\S5410A

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.