



Senate Fiscal Agency
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BILL



ANALYSIS

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House Bill 5211 (as reported with amendments)
Sponsor: Representative Allen L. Lowe
House Committee: Regulatory Affairs
Senate Committee: Local, Urban and State Affairs

Date Completed: 2-23-96

RATIONALE

Reportedly, there have been recent discussions between Department of Natural Resources (DNR) officials and representatives of Clearwater Township, in Kalkaska County, concerning approximately 80 acres of the Pere Marquette State Forest in that county. The township apparently has expressed an interest in acquiring the land and leasing it to the Michigan Heritage and Research Foundation, which is proposing to build a cultural and activities center on the land. Evidently, the parcel in question is adjacent to county-owned land to the north, and could provide a connection between the DNR's Skegemog Lake Wildlife Area and State forest land to the south. Initial plans for the center include memorials for Vietnam war-era MIAs and POWs from Michigan and for law enforcement officers killed in the line of duty, as well as a museum and community center and walking trails. To enable this project to go forward, it has been suggested that the State forest land be conveyed to the township.

CONTENT

The bill would authorize the State Administrative Board to convey to Clearwater Township, in Kalkaska County, for \$1, certain State-owned property located in Clearwater Township. The conveyance would have to require that the property be used exclusively for public purposes, and to provide that, upon termination of that use, or upon failure to begin development of the site and building construction within five years after the deed date, title would revert immediately to the State, which would assume no liability for improvements made at the township's expense. The conveyance also would have to provide that if the property were used for a public park or for other public recreation purposes, the area

conveyed would have to be open to all residents of the State on the same terms, fees, and conditions.

The conveyance would have to be by quitclaim deed approved by the Attorney General, and reserve to the State all rights to timber and to coal, oil, gas, and other minerals found on or under the property.

SENATE COMMITTEE ACTION

The Senate Local, Urban and State Affairs Committee adopted amendments to provide that the property would revert to the State if development or construction were not begun within five years; to reserve timber rights to the State; and to require that the land be open to all State residents on the same terms, fees, and conditions. The House-passed version had included language permitting the grantee to waive fees for specific groups or classes of people.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

According to the Michigan Heritage and Research Foundation, the proposed facility would have a favorable economic impact on the region by enhancing tourism, and would inform and educate Michigan residents regarding their State's unique heritage and contributions to the nation. In addition to the initial plans to memorialize MIAs/POWs and slain law enforcement officers, it is envisioned that space would be designated in the future to prominent Michigan citizens, the

historical and present role of Native Americans in the State, environmental issues, geographic characteristics, and Michigan flora and fauna. The foundation also indicates that the facility would develop and maintain an ongoing working relationship with one or more State universities, which would create quality educational enhancement programs for visitors to and residents of Kalkaska County. In addition, the community center would provide a location for public information programs, live theater productions, musical presentations, political debates, etc. Reportedly, the land under consideration is a particularly picturesque area that currently may be inaccessible to many. The development of walking trails and a community center would enable many more people to enjoy this public land.

Opposing Argument

The goals of the foundation sound well-meaning, but the proposed conveyance raises some concerns. For example, if the project were started but not completed, the State could end up with 80 acres of partially cleared forest land. The conveyance also could set precedent for other nonprofit organizations to obtain State land. In addition, it appears that funding for the project is far from secure, and it is not clear how the foundation, the township, or the county would address infrastructure needs.

Legislative Analyst: S. Margules

FISCAL IMPACT

To the degree that the property is currently used for a public purpose and would be conveyed for a public purpose, the public purpose protected by a reverter clause, there would be no impact on the State except in terms of potential revenue associated with outright sale of the property or recompense for any original cost of the property. The Department of Natural Resources indicates that both timber and gravel are present on the site. Removal of these resources for other than a public purpose would be precluded under the proposed legislation.

It is apparently the intent of the township to lease the land to a nonprofit organization to establish memorials to veterans, and prisoners of war and law enforcement officers killed in the line of duty. Any lease payments, netted for any costs to the township, would represent a revenue to the township.

Fiscal Analyst: R. Abent

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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.