

# SENATE BILL No. 1326

May 15, 2002, Introduced by Senators MC MANUS, GAST and HOFFMAN and referred to the Committee on Appropriations.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 2131 and 2153 (MCL 324.2131 and 324.2153), section 2131 as amended by 2001 PA 174 and section 2153 as added by 1995 PA 60, and by adding section 2154b.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 2131. (1) ~~Except as otherwise provided in subsection~~  
2 ~~(2), the department may designate as surplus land any~~ IN 2003,  
3 AND AT LEAST ONCE EVERY 5 YEARS THEREAFTER, THE DEPARTMENT SHALL  
4 REVIEW ALL state owned land that is under the control of the  
5 department and that has been dedicated for public use, and ~~may,~~  
6 ~~on behalf of the state, sell that land if the department deter-~~  
7 ~~mines all of the following~~ SHALL DESIGNATE AS SURPLUS LANDS  
8 THOSE LANDS THAT MEET THE REQUIREMENTS OF SUBSECTION (2). UPON  
9 CONDUCTING THIS REVIEW, THE DEPARTMENT SHALL PREPARE A REPORT

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1 IDENTIFYING THE SURPLUS LANDS AND PRIORITIZING THE SURPLUS LANDS  
2 FOR POSSIBLE SALE.

3 (2) THE DEPARTMENT SHALL DESIGNATE LAND AS SURPLUS LAND IF  
4 IT MEETS ALL OF THE FOLLOWING REQUIREMENTS:

5 (a) ~~That the sale~~ THE SALE OF THE LAND will not diminish  
6 the quality or utility of other state owned land.

7 (b) ~~That the sale~~ THE SALE OF THE LAND is not otherwise  
8 restricted by law.

9 (c) ~~That the sale~~ THE SALE OF THE LAND is in the best  
10 interests of the state.

11 (d) ~~That 1~~ ONE or both of the following conditions are  
12 met:

13 (i) The land has been dedicated for public use for not less  
14 than THE IMMEDIATELY PRECEDING 5 years ~~immediately preceding its~~  
15 ~~sale~~ and is not needed to meet a department objective.

16 (ii) The land is occupied for a private use through inadver-  
17 tent trespass.

18 (3) ~~(2)~~ The department shall not authorize the sale of  
19 surplus land ~~as provided in subsection (1)~~ if the proceeds from  
20 the sale of the land will cause the fund to exceed  
21 \$2,500,000.00.

22 Sec. 2153. (1) The valuation of lands described in section  
23 2152, for the purposes of this subpart, shall be fixed by the  
24 state tax commission on or before February 1 of each year, and  
25 the state tax commission shall, on or before February 15 of each  
26 year, make a report to THE DEPARTMENT AND TO THE ASSESSING  
27 OFFICERS OF the assessing districts of the state in which the

1 lands are located, giving a description of the land in the  
2 assessing district held by the state with the valuation as fixed  
3 by the state tax commission. ~~The state tax commission shall~~  
4 ~~furnish a value to the assessing officers that~~

5 (2) FOR LAND INCLUDED IN THE STATE TAX COMMISSION'S 2002  
6 VALUATION OF LANDS UNDER THIS SECTION, THE COMMISSION'S VALUATION  
7 EACH YEAR SHALL BE EQUAL TO THE VALUATION, INCLUDING ANY ADJUST-  
8 MENTS MADE BY THE ASSESSING OFFICER OF THE ASSESSING DISTRICT, AS  
9 DETERMINED UNDER THIS SECTION IN 2002.

10 (3) FOR LAND ACQUIRED AFTER THE STATE TAX COMMISSION'S 2002  
11 VALUATION OF LANDS UNDER THIS SECTION, THE COMMISSION'S FIRST  
12 ANNUAL VALUATION OF THAT LAND shall be at the same value as other  
13 property is assessed in the assessment district. In fixing the  
14 valuation, the state tax commission shall not include improve-  
15 ments made to or placed upon such lands.

16 (4) FOR LAND ACQUIRED AFTER THE STATE TAX COMMISSION'S 2002  
17 VALUATION OF LANDS UNDER THIS SECTION, THE COMMISSION'S SECOND  
18 AND SUBSEQUENT ANNUAL VALUATIONS OF THAT LAND SHALL BE EQUAL TO  
19 THE FIRST ANNUAL VALUATION UNDER THIS SECTION, INCLUDING ANY  
20 ADJUSTMENTS MADE BY THE ASSESSING OFFICER OF THE ASSESSING DIS-  
21 TRICT UNDER SUBSECTION (5) AT THE TIME OF THAT FIRST ANNUAL  
22 VALUATION.

23 (5) Upon receipt of the report ~~by~~ UNDER THIS SECTION, the  
24 assessing officer ~~, he or she~~ shall enter upon the assessment  
25 rolls of each municipality or assessing district the respective  
26 descriptions of the lands with the ~~fixed value and assess such~~  
27 ~~lands for the purposes of this subpart at the same rate as other~~

1 ~~real property in the assessing district, except that adjustment~~  
2 ~~to the value certified by the state tax commission may be made by~~  
3 ~~the assessing officer~~ VALUE FIXED BY THE STATE TAX COMMISSION.  
4 HOWEVER, THE ASSESSING OFFICER MAY ADJUST A FIRST ANNUAL VALUA-  
5 TION OF LAND DESCRIBED IN SUBSECTION (3) AT THE TIME OF THAT  
6 FIRST ANNUAL VALUATION to reflect any general adjustment of  
7 assessed valuation from the prior year that is not included in  
8 the state tax commission computation. If an adjustment to the  
9 value certified by the state tax commission is made, the assess-  
10 ing officer shall certify to the department, not later than the  
11 first Wednesday after the first Monday in March, the amount and  
12 percentage of any general adjustment of assessed valuation and  
13 the amount and percentage of any change in the assessment roll;  
14 the relation of the total valuation to that reported by the state  
15 tax commission; and the adjusted total of ~~conservation land~~.  
16 ~~Assessments for special improvements shall not be included~~ LANDS  
17 DESCRIBED IN SECTION 2152.

18 (6) THE ASSESSING OFFICER SHALL ASSESS LANDS DESCRIBED IN  
19 SECTION 2152 FOR THE PURPOSES OF THIS SUBPART AT THE SAME RATE AS  
20 OTHER REAL PROPERTY IN THE ASSESSING DISTRICT. HOWEVER, THE  
21 LANDS ARE NOT SUBJECT TO ASSESSMENT FOR OR COLLECTION OF ANY OF  
22 THE FOLLOWING:

23 (A) TAXES IMPOSED FOR THE PAYMENT OF BONDS ISSUED BY A CITY,  
24 VILLAGE, TOWNSHIP, COUNTY, SCHOOL DISTRICT, OR OTHER POLITICAL  
25 SUBDIVISION OF THIS STATE UNLESS THE BONDS WERE APPROVED BEFORE  
26 OCTOBER 1, 2002 BY A MAJORITY OF THE ELECTORS VOTING ON THE  
27 QUESTION.

1 (B) THE STATE EDUCATION TAX AUTHORIZED UNDER SECTION 3 OF  
2 THE STATE EDUCATION TAX ACT, 1993 PA 331, MCL 211.903.

3 (C) SPECIAL ASSESSMENTS.

4 (D) ADMINISTRATIVE FEES.

5 (E) PENALTIES OR INTEREST.

6 (F) TAX ASSESSMENTS FOR PRIOR YEARS.

7 SEC. 2154B. (1) THE PAYMENT-IN-LIEU-OF-TAXES FUND, OR PILT  
8 FUND, IS CREATED WITHIN THE STATE TREASURY.

9 (2) AT THE END OF THE 2003 STATE FISCAL YEAR, THE STATE  
10 TREASURER SHALL TRANSFER THE UNAPPROPRIATED BALANCE IN THE ENVI-  
11 RONMENTAL PROTECTION FUND CREATED UNDER SECTION 503A TO THE PILT  
12 FUND. THE STATE TREASURER MAY RECEIVE MONEY OR OTHER ASSETS FROM  
13 ANY SOURCE FOR DEPOSIT INTO THE PILT FUND.

14 (3) THE STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE  
15 PILT FUND. THE STATE TREASURER SHALL CREDIT TO THE PILT FUND  
16 INTEREST AND EARNINGS FROM PILT FUND INVESTMENTS.

17 (4) MONEY IN THE PILT FUND AT THE CLOSE OF THE FISCAL YEAR  
18 SHALL REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL  
19 FUND.

20 (5) THE DEPARTMENT SHALL EXPEND MONEY FROM THE PILT FUND,  
21 UPON APPROPRIATION, ONLY FOR PAYMENTS IN LIEU OF TAXES UNDER SEC-  
22 TION 2154.

23 (6) AS USED IN THIS SECTION, "PILT FUND" OR "FUND" MEANS THE  
24 PAYMENT-IN-LIEU-OF-TAXES FUND CREATED IN SUBSECTION (1).