

HOUSE BILL No. 5114

August 31, 2005, Introduced by Rep. Brown and referred to the Committee on Natural Resources, Great Lakes, Land Use, and Environment.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 52706 (MCL 324.52706), as amended by 2004 PA 377.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 52706. (1) The department, the department of treasury, or
2 ~~ether~~ A state officer having charge of state land, may sell
3 homestead, tax, swamp, or primary school land to a public agency
4 for forestry purposes, at a price set by the department,
5 department of treasury, or other state officer. However, the
6 amount of land sold shall not exceed the amount that may be
7 necessary for the public agency, and any land that is sold shall

1 be suitable for and used solely for a forestry purpose unless
2 conveyed as provided in this section. Prime land sold to a public
3 agency under this section shall be used only for a forestry
4 purpose. When the prime land is no longer used for a forestry
5 purpose, the land shall revert to this state.

6 (2) Except as provided in subsection (5), the department shall
7 not retain a reversionary interest in municipal forestland conveyed
8 to a public agency ~~under this section~~ before ~~the effective date~~
9 ~~of the amendatory act that added this subsection~~ **OCTOBER 12, 2004**.
10 The department shall relinquish any such reversionary interest
11 ~~within 3 years after the effective date of the amendatory act that~~
12 ~~added this subsection~~ **BY OCTOBER 12, 2007** or within 90 days after
13 the department receives a written request for relinquishment from
14 the public agency that owns the municipal forestland subject to the
15 reversionary interest, whichever is earlier. The department shall
16 relinquish its reversionary interest by an instrument approved by
17 the department of attorney general and recorded with the register
18 of deeds of the county where the municipal forestland is located.
19 The instrument shall include provisions implementing subsection
20 (3).

21 (3) Beginning ~~4 years after the effective date of the~~
22 ~~amendatory act that added this subsection~~ **OCTOBER 12, 2008**, a
23 public agency to which a reversionary interest was relinquished
24 under subsection (2) shall not convey the municipal forestland
25 formerly subject to the reversionary interest unless the conveyance
26 is approved by the department.

27 (4) A public agency to which a reversionary interest was

1 relinquished under subsection (2) shall not convey the municipal
2 forestland formerly subject to the reversionary interest for less
3 than fair market value. If a public agency to which a reversionary
4 interest was relinquished under subsection (2) conveys the
5 municipal forestland formerly subject to the reversionary interest,
6 the public agency shall distribute the proceeds of the conveyance
7 as follows:

8 (a) Except as provided in subdivision (b), 50% of the proceeds
9 shall be retained by that public agency and the remaining 50% of
10 the proceeds shall be submitted to the department of treasury for
11 deposit as follows:

12 (i) The first \$18,000,000.00 in total proceeds from all such
13 conveyances shall be deposited in the general fund.

14 (ii) Any proceeds in excess of \$18,000,000.00 shall be
15 deposited in the fire protection fund created in section 732a of
16 the Michigan vehicle code, 1949 PA 300, MCL 257.732a.

17 (b) If the municipal forestland is conveyed to another public
18 agency, all of the proceeds shall be retained by the public agency
19 conveying the municipal forestland.

20 (5) Subsection (2) does not apply to prime land.

21 (6) A public agency to which a reversionary interest is
22 relinquished under subsection (2) shall not convey the municipal
23 forestland formerly subject to the reversionary interest to a third
24 person unless the public agency has conducted a public hearing on
25 the proposed conveyance. The public agency may conduct a second
26 public hearing on the proposed conveyance if the public agency
27 determines that a second public hearing may be necessary. Notice of

1 a public hearing under this subsection shall be published at least
2 twice in a newspaper of general circulation in the county or
3 counties where the municipal forestland is located, not more than
4 28 or less than 7 days before the hearing. The notice shall
5 describe where the municipal forestland is located, specify the
6 approximate size of the municipal forestland, describe its current
7 use, and identify the person to whom the municipal forestland is
8 proposed to be sold, if known.

9 (7) The requirements of subsection (6) do not relieve the
10 public agency of any notice, hearing, or other requirements imposed
11 by any other law.

12 (8) If, before ~~4 years after the effective date of the~~
13 ~~amendatory act that added this subsection~~ **OCTOBER 12, 2008,**
14 municipal forestland formerly subject to a reversionary interest
15 that was relinquished under subsection (2) is conveyed by the
16 public agency to which the reversionary interest was relinquished
17 under subsection (2), the public agency shall notify the department
18 within 60 days of the conveyance. Notice of the conveyance shall be
19 in a form prescribed by the department.

20 (9) If municipal forestland was conveyed to a public agency
21 ~~under this section~~ and the municipal forestland is subsequently
22 conveyed by the public agency to the department, then, for purposes
23 of subparts 13 and 14 of part 21, the municipal forestland shall
24 not be considered to have been reacquired by the department on or
25 after January 1, 1933 for natural resource purposes unless the
26 municipal forestland was originally acquired by the department on
27 or after January 1, 1933 for natural resource purposes.

1 (10) As used in this section:

2 (a) "Municipal forestland" means homestead, tax, swamp, or
3 primary school land sold **BY THE DEPARTMENT, THE DEPARTMENT OF**
4 **TREASURY, OR A STATE OFFICER HAVING CHARGE OF STATE LAND** to a
5 public agency ~~under this section~~ solely for a forestry purpose.

6 (b) "Prime land" means land that meets 1 or more of the
7 following requirements:

8 (i) Is within a boundary of a program administered by the
9 department.

10 (ii) Provides access to a public body of water.

11 (iii) Is not less than 80 acres in size and, at any time during
12 the preceding 10 years, had a basal area of not less than 90 square
13 feet per acre.

14 (c) "Public agency" means a school district, public
15 educational institution, governmental unit of this state or agency
16 of this state, or a municipality.