

HOUSE BILL No. 6045

May 10, 2006, Introduced by Reps. Taub, Farrah, Elsenheimer, Hildenbrand, Stakoe, Amos, Garfield, Leland, Tobocman, Accavitti, Clack, Condino, Clemente, McConico, Hunter and Cheeks and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1984 PA 431, entitled
"The management and budget act,"
by amending section 251 (MCL 18.1251), as amended by 1999 PA 8.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 251. (1) This section applies to all real property of the
2 state except all of the following:

3 (a) Property under the jurisdiction of the state
4 transportation department.

5 (b) Property under the jurisdiction of a state institution of
6 higher education.

7 (c) Property under the jurisdiction of the department of
8 natural resources.

9 (d) Property under the jurisdiction of the department of
10 military affairs.

11 (2) The department shall provide for the development and

1 maintenance of real property records and facility inventories. The
2 department may award appropriate service contracts or employ land
3 surveyors to survey, monument, map, describe, and record real
4 property and facilities.

5 (3) The department shall issue directives to provide for the
6 disposition process for facilities and lands that are considered
7 surplus. The department shall require a public notice component in
8 its directives regarding the disposition process under this
9 subsection.

10 (4) BEFORE OFFERING REAL PROPERTY FOR PUBLIC SALE, THE
11 DIRECTOR OF THE DEPARTMENT OF MANAGEMENT AND BUDGET SHALL FIRST
12 OFFER THE PROPERTY FOR SALE FOR LESS THAN FAIR MARKET VALUE TO THE
13 LOCAL UNITS OF GOVERNMENT IN WHICH THE PROPERTY IS LOCATED. IN
14 ORDER TO EXERCISE ITS RIGHT TO PURCHASE THE PROPERTY UNDER THIS
15 SUBSECTION, A LOCAL GOVERNMENT MUST ENTER INTO A PURCHASE AGREEMENT
16 WITHIN 60 DAYS AFTER THE DATE OF THE OFFER AND SHALL COMPLETE THE
17 PURCHASE WITHIN 120 DAYS AFTER THE DATE OF THE OFFER. EXCEPT AS
18 PROVIDED UNDER SUBSECTION (5), IF A LOCAL UNIT OF GOVERNMENT
19 PURCHASES THE PROPERTY AND, WITHIN 1 YEAR AFTER THE DATE OF THAT
20 PURCHASE, CONVEYS THE PROPERTY FOR USE OTHER THAN FOR PUBLIC
21 PURPOSES, THE LOCAL UNIT OF GOVERNMENT SHALL PAY TO THE STATE 50%
22 OF THE NET PROFIT, IF ANY, REALIZED FROM THAT CONVEYANCE.

23 (5) A LOCAL UNIT OF GOVERNMENT MAY UTILIZE THE SAVINGS OF
24 PROPERTY PURCHASED UNDER SUBSECTION (4) TO CREATE OR IMPROVE THE
25 OVERALL ECONOMIC OPPORTUNITIES FOR THE LOCAL UNIT OF GOVERNMENT AND
26 ITS RESIDENTS. PROPERTY PURCHASED UNDER THIS SUBSECTION MAY BE USED
27 FOR NONPUBLIC PURPOSES, AND THE LOCAL UNIT OF GOVERNMENT MAY

1 PROCEED EITHER IN ITS OWN RIGHT, IN CONJUNCTION WITH A PRIVATE
2 ENTITY, OR THROUGH THE SALE OF THE PROPERTY UNDER THE TERMS AND
3 CONDITIONS WHICH COMPLY WITH THE RESTRICTIONS OF THIS SUBSECTION.