



Senate Bill 248 (Substitute S-2 as reported by the Committee of the Whole)
Sponsor: Senator Tom Casperson
Committee: Natural Resources, Environment and Great Lakes

CONTENT

The bill would amend Part 5 (Department of Natural Resources) of the Natural Resources and Environmental Protection Act to do the following:

- Prohibit the Department of Natural Resources (DNR) from acquiring surface rights if it owned, or as a result of the acquisition would own, the surface rights to more than 4.65 million acres of land.
- Require the DNR to post and maintain on its website the number of acres of land in which the Department owned surface rights, in total and by program.
- Require the DNR to offer for sale at a public auction tax reverted land that had not sold after nine months; and sell the property to the qualified bidder making the highest bid that represented a reasonable price for the property as determined by the DNR, notwithstanding its fair market value.
- Delete a provision prohibiting the acceptance of a bid for surplus land for less than its fair market value.
- Require the DNR to estimate payments in lieu of taxes on the land, and the change in property tax revenue to local governments, before acquiring surface rights.

For the purposes of the 4.65 million-acre restriction, the number of acres in which the Department owned surface rights would not include land in which the Department had a conservation easement; or land platted under the Land Division Act before the bill's effective date, if acquired by the Department before that date.

In addition, the bill would exclude the following from the number of acres the DNR owned, if acquired on or after the bill took effect:

- Land with an area of not more than 80 acres, or a right-of-way for gaining access to other land owned by the DNR.
- Land that was commercial forestland on the bill's effective date.
- Land acquired by the DNR through gift or litigation.
- A trail, subject to certain conditions.

MCL 324.503

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have an indeterminate impact on State and local finances. According to its website, the Department currently owns 4,472,175 acres of land.

Date Completed: 6-20-11

Fiscal Analyst: Josh Sefton