

# HOUSE BILL NO. 4851

September 09, 2025, Introduced by Rep. Maddock and referred to Committee on Natural Resources and Tourism.

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending sections 503 and 2132 (MCL 324.503 and 324.2132),  
section 503 as amended by 2018 PA 240 and section 2132 as amended  
by 2022 PA 2.

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

1       Sec. 503. (1) The department shall protect and conserve the  
2       natural resources of this state; provide and develop facilities for  
3       outdoor recreation; prevent the destruction of timber and other

1 forest growth by fire or otherwise; promote the reforestation of  
2 ~~forestlands~~**forestland** belonging to this state; prevent and guard  
3 against the pollution of lakes and streams within this state and  
4 enforce all laws provided for that purpose with all authority  
5 granted by law; and foster and encourage the protection and  
6 propagation of game and fish. Before issuing an order or  
7 promulgating a rule under this act that will designate or classify  
8 land managed by the department for any purpose, the department  
9 shall consider, in addition to any other matters required by law,  
10 all of the following:

11 (a) Providing for access to and use of the public land for  
12 recreation and tourism.

13 (b) The existence of or potential for natural resources-based  
14 industries, including forest management, mining, or oil and gas  
15 development on the public land.

16 (c) The potential impact of the designation or classification  
17 on private property in the immediate vicinity.

18 (2) The department has the power and jurisdiction over the  
19 management, control, and disposition of all land under the public  
20 domain, ~~except for those lands under the public domain that are~~  
21 **land** managed by other state agencies to carry out their assigned  
22 duties and responsibilities. On behalf of the people of this state,  
23 the department may accept gifts and grants of land and other  
24 property and may buy, sell, exchange, or condemn land and other  
25 property, for any of the purposes of this part.

26 (3) If any payment under subpart 13 or 14 of part 21 or  
27 section 51106 for land located north of the Mason-Arenac line is  
28 not made in full and on time during a fiscal year, then, until the  
29 end of that fiscal year, the department shall not purchase surface

1 rights to land located north of the Mason-Arenac line unless 1 or  
2 both of the following apply:

3 (a) Full payment was made later during that fiscal year.

4 (b) The specific acquisition is approved by resolution adopted  
5 by the following, as applicable:

6 (i) If the land is located in a single township, the township  
7 board.

8 (ii) If the land is located in 2 or more townships, the county  
9 board of commissioners of the county where the land is located.

10 (4) For the purposes of subsections (3) and (9), respectively,  
11 land in which the department acquires or owns surface rights does  
12 not include any of the following:

13 (a) Land acquired under an option agreement in effect on the  
14 date when the payment described in subsection (3) became due if the  
15 acquisition takes place within 120 days after the payment became  
16 due.

17 (b) Land in which the department has a conservation easement.

18 (c) Land that, before July 2, 2012, was platted under the land  
19 division act, 1967 PA 288, MCL 560.101 to 560.293, or a predecessor  
20 act and acquired by the department.

21 (d) Any of the following if acquired on or after July 2, 2012:

22 (i) Land with an area of not more than 80 acres, or a right-of-  
23 way, for accessing other land owned by the department or for  
24 accessing the waters of the state as defined in section 3101.

25 (ii) Land for a trail, subject to all of the following:

26 (A) If the traveled portion of the proposed trail is located  
27 within an abandoned railroad right-of-way, the land excluded is  
28 limited to the abandoned railroad right-of-way.

29 (B) If the traveled portion of the proposed trail is located

1 in a utility easement, the land excluded is limited to the utility  
2 easement.

3 (C) If sub-subparagraphs (A) and (B) do not apply, the land  
4 excluded is limited to the traveled portion of the proposed trail  
5 and contiguous land. For the purposes of the exclusion, the area of  
6 the contiguous land shall not exceed the product of 100 feet  
7 multiplied by the length of the proposed trail in feet.

8 (iii) Land that, on July 2, 2012 was commercial forestland as  
9 defined in section 51101 if the land continues to be used in a  
10 manner consistent with part 511.

11 (iv) Land acquired by the department by gift, including the  
12 gift of funds specifically dedicated to land acquisition.

13 (v) Land acquired by the department through litigation.

14 (5) The department shall maintain a record of land as  
15 described in subsection (4) (a) to (d). The record shall include the  
16 location, acreage, date of acquisition, and use of the land.

17 (6) By October 1, 2014, the department shall develop a written  
18 strategic plan to guide the acquisition and disposition of state  
19 ~~lands-land~~ managed by the department, submit the **strategic** plan to  
20 the relevant legislative committees, and post the **strategic** plan on  
21 the department's website. In developing the **strategic** plan, the  
22 department shall solicit input from the public and local units of  
23 government.

24 (7) The strategic plan shall do all of the following:

25 (a) Divide this state into regions.

26 (b) Identify ~~lands-land~~ managed by the department in each  
27 region.

28 (c) Set forth for each region measurable strategic performance  
29 goals with respect to all of the following for land managed by the

1 department:

2 (i) Maximizing availability of points of access to the land and  
3 to bodies of water on or adjacent to the land.

4 (ii) Maximizing outdoor recreation opportunities.

5 (iii) Forests.

6 (iv) Wildlife and fisheries.

7 (d) To assist in achieving the goals set forth in the  
8 strategic plan pursuant to subdivision (c), identify all of the  
9 following:

10 (i) Land to be acquired.

11 (ii) Land to be disposed of.

12 (iii) Plans for natural resource management.

13 (e) To the extent feasible, identify public ~~lands~~**land** in each  
14 region that ~~are~~**is** not managed by the department but ~~affect~~**that**  
15 **affects** the achievement of the goals set forth in the strategic  
16 plan pursuant to subdivision (c).

17 (f) Identify ways that the department can better coordinate  
18 the achievement of the goals set forth in the strategic plan  
19 pursuant to subdivision (c), recognizing that public ~~lands~~**are****land**  
20 **is** subject to multiple uses and both motorized and nonmotorized  
21 uses.

22 (g) Identify critical trail connectors to enhance motorized  
23 and nonmotorized natural-resource-dependent outdoor recreation  
24 activities for public enjoyment.

25 (8) The legislature approves the strategic plan entitled  
26 "Department of Natural Resources Managed Public Land Strategy"  
27 issued by the department and dated July 1, 2013. The department  
28 shall implement the most recent legislatively approved strategic  
29 plan and shall not change the **strategic** plan except by a **strategic**

1 plan update proposed pursuant to subsection (10) and subsequently  
2 approved by the legislature.

3 (9) The department shall annually submit to the relevant  
4 legislative committees and post and annually update on the  
5 department's website all of the following:

6 (a) A report on the implementation of the **strategic** plan.

7 (b) The number of acres of land in which the department owns  
8 surface rights north of the Mason-Arenac line, south of the Mason-  
9 Arenac line, and in total for this state.

10 (c) Information on the total number of each of the following:

11 (i) Acres of land managed by the department.

12 (ii) Acres of state park and state recreation area land.

13 (iii) Acres of state game and state waterfowl areas.

14 (iv) Acres of land managed by the department and open for  
15 public hunting.

16 (v) Acres of state-owned mineral rights managed by the  
17 department that are under a development lease.

18 (vi) Acres of state forestland.

19 (vii) Public boating access sites managed by the department.

20 (viii) Miles of motorized trails managed by the department.

21 (ix) Miles of nonmotorized trails managed by the department.

22 (10) For legislative consideration and approval, as provided  
23 in subsection (8), by July 1, 2021, and every 6 years thereafter,  
24 the department shall propose an update to the strategic plan,  
25 submit the proposed updated **strategic** plan to the relevant  
26 legislative committees, and post the proposed updated **strategic**  
27 plan on the department's website. At least 60 days before posting  
28 the proposed updated plan, the department shall prepare, submit to  
29 the relevant legislative committees, and post on the department's

1 website a report that covers all of the following and includes  
2 department contact information for persons ~~who~~**that** wish to comment  
3 on the report:

4 (a) Progress toward the goals set forth in the strategic plan  
5 pursuant to subsection (7)(c).

6 (b) Any proposed changes to the goals, including the rationale  
7 for the changes.

8 (c) The department's engagement and collaboration with local  
9 units of government.

10 (11) Subject to ~~subsection (12)~~, **subsections (12) and (13)**, if  
11 land owned by this state and managed by the department, land owned  
12 by the federal government, and land that is commercial forestland  
13 as defined in section 51101 constitute 40% or more of the land in a  
14 county, the department shall not acquire land in that county if,  
15 not more than 60 days after the department sent the notice of the  
16 proposed acquisition to the board under section 2165, the  
17 department receives a copy of a resolution rejecting the proposed  
18 acquisition adopted by the following, as applicable:

19 (a) If the land is located in a single township, the township  
20 board.

21 (b) If the land is located in 2 or more townships, the county  
22 board of commissioners.

23 (12) Subsection (11) does not apply to land described in  
24 subsection (4)(d).

25 **(13) If land owned by this state and managed by the department**  
26 **constitutes more than 50% of the land in a county, township, city,**  
27 **village, or school district, the department shall, by 90 days after**  
28 **the effective date of the amendatory act that added this**  
29 **subsection, declare to be surplus an amount of land in that public**

1 corporation equal to or greater than the excess over 50%. The  
 2 surplus shall be conveyed as provided under section 2132. The  
 3 department shall not acquire additional land in such a public  
 4 corporation if land owned by this state and managed by the  
 5 department constitutes or, as a result of the acquisition, will  
 6 constitute more than 50% of the land in the public corporation.  
 7 This subsection does not apply to land acquired using funds subject  
 8 to federal restrictions on sale or diversion, including, but not  
 9 limited to, the Pittman-Robertson wildlife restoration act, 16 USC  
 10 669 to 669i, and the Dingell-Johnson sport fish restoration act, 16  
 11 USC 777 to 777m, or to land acquired with proceeds from the  
 12 Michigan natural resources trust fund established in section 35 of  
 13 article IX of the state constitution of 1963 and provided for in  
 14 part 19 or the game and fish protection trust fund established in  
 15 section 41 of article IX of the state constitution of 1963 and  
 16 provided for in part 437.

17 (14) ~~(13)~~ The department may accept funds, money, or grants  
 18 for development of salmon and steelhead trout fishing in this state  
 19 from the government of the United States, or any of its departments  
 20 or agencies, pursuant to the anadromous fish conservation act, 16  
 21 USC 757a to 757f, and may use this money in ~~accordance~~ **compliance**  
 22 with the terms and provisions of that act. However, the acceptance  
 23 and use of federal funds does not commit state funds and does not  
 24 ~~place an obligation upon~~ **obligate** the legislature to continue the  
 25 purposes for which the funds are made available.

26 (15) ~~(14)~~ The department may appoint ~~persons~~ **individuals** to  
 27 serve as volunteers to assist the department in meeting its  
 28 responsibilities as provided in this part. Subject to the direction  
 29 of the department, a volunteer may use equipment and machinery

1 necessary for the volunteer service, including, but not limited to,  
2 equipment and machinery to improve wildlife habitat on state game  
3 areas.

4       **(16)** ~~(15)~~—The department may lease ~~lands~~ **land** owned or  
5 controlled by the department or may grant concessions on ~~lands~~ **land**  
6 owned or controlled by the department to any person for any purpose  
7 that the department determines to be necessary to implement this  
8 part. The department shall grant each concession for a term of not  
9 more than 7 years based on extension, renegotiation, or competitive  
10 bidding. However, if the department determines that a concession  
11 requires a capital investment ~~in~~ **for** which reasonable financing or  
12 amortization necessitates a longer term, the department may grant a  
13 concession for up to a 15-year term. A concession granted under  
14 this subsection shall require, unless the department authorizes  
15 otherwise, that all buildings and equipment be removed at the end  
16 of the concession's term. Any lease entered into under this  
17 subsection shall limit the purposes for which the leased land is to  
18 be used and shall authorize the department to terminate the lease  
19 ~~upon a finding~~ **if the department finds** that the land is being used  
20 for purposes other than those permitted in the lease. Unless  
21 otherwise provided by law, money received from a lease or a  
22 concession of tax reverted land shall be credited to the fund  
23 providing financial support for the management of the leased land.  
24 Money received from a lease of any other land shall be credited to  
25 the fund from which the land was purchased. However, money received  
26 from program-related leases on these lands shall be credited to the  
27 fund providing financial support for the management of the leased  
28 lands. For land managed by the forest management division of the  
29 department, that fund is either the forest development fund

1 established pursuant to section 50507 or the forest recreation  
 2 account of the Michigan conservation and recreation legacy fund  
 3 provided for in section 2005. For land managed by the wildlife or  
 4 fisheries division of the department, that fund is the game and  
 5 fish protection account of the Michigan conservation and recreation  
 6 legacy fund provided for in section 2010.

7 **(17)** ~~(16) When~~ **If** the department sells land, the deed may  
 8 reserve all mineral, coal, oil, and gas rights to this state only  
 9 if the land is in production or is leased or permitted for  
 10 production, or if the department determines that the land has  
 11 unusual or sensitive environmental features or that it is in the  
 12 best interest of this state to reserve those rights as determined  
 13 by commission policy. However, the department shall not reserve the  
 14 rights to sand, gravel, clay, or other nonmetallic minerals. ~~When~~  
 15 **If** the department sells land that ~~contains~~ **includes** subsurface  
 16 rights, the department shall include a deed restriction that  
 17 restricts the subsurface rights from being severed from the surface  
 18 rights in the future. If the landowner severs the subsurface rights  
 19 from the surface rights, the subsurface rights revert to this  
 20 state. The deed may reserve to this state the right of ingress and  
 21 egress over and across land along watercourses and streams.

22 ~~Whenever an exchange of land is made~~ **If land is exchanged** with the  
 23 United States government, a corporation, or an individual ~~for the~~  
 24 ~~purpose of consolidating~~ **to consolidate** the state forest reserves,  
 25 the department may issue deeds without reserving to this state the  
 26 mineral, coal, oil, and gas rights and the rights of ingress and  
 27 egress. The department may sell the limestone, sand, gravel, or  
 28 other nonmetallic minerals. However, the department shall not sell  
 29 a mineral or nonmetallic mineral right if the sale would violate

1 part 353, part 637, or any other provision of law. The department  
 2 may sell all reserved mineral, coal, oil, and gas rights to such  
 3 ~~lands upon~~ **land under** terms and conditions ~~as that~~ the department  
 4 considers proper and may sell oil and gas rights as provided in  
 5 part 610. The owner of ~~those lands~~ **the land** as shown by the records  
 6 shall be given priority ~~in case if~~ the department authorizes any  
 7 sale of those ~~lands,~~ **rights,** and, unless the landowner waives that  
 8 priority, the department shall not sell ~~such those~~ rights to any  
 9 other person. For the purpose of this section, mineral rights do  
 10 not include rights to sand, gravel, clay, or other nonmetallic  
 11 minerals.

12 **(18)** ~~(17)~~—The department may enter into contracts for the sale  
 13 of the economic share of royalty interests it holds in hydrocarbons  
 14 produced from devonian or antrim shale qualifying for the  
 15 nonconventional source production credit determined under section  
 16 45k of the internal revenue code of 1986, 26 USC 45k. However, in  
 17 entering into these contracts, the department shall ensure that  
 18 revenues to the natural resources trust fund under these contracts  
 19 are not less than the revenues the natural resources trust fund  
 20 would have received if the contracts were not entered into. The  
 21 sale of the economic share of royalty interests under this  
 22 subsection may occur under contractual terms and conditions  
 23 considered appropriate by the department and as approved by the  
 24 state administrative board. ~~Funds~~ **The department shall transmit**  
 25 **funds** received from the sale of the economic share of royalty  
 26 interests under this subsection ~~shall be transmitted~~ to the state  
 27 treasurer for deposit in the state treasury as follows:

28 (a) Net proceeds allocable to the nonconventional source  
 29 production credit determined under section 45k of the internal

revenue code of 1986, 26 USC 45k, under this subsection shall be credited to the environmental protection fund created in section 503a.

(b) Proceeds related to the production of oil or gas from devonian or antrim shale shall be credited to the natural resources trust fund or other applicable fund as provided by law.

**(19)** ~~(18)~~ As used in this section:

(a) "Concession" means an agreement between the department and a person under terms and conditions as specified by the department to provide services or recreational opportunities for public use.

(b) "Lease" means a conveyance by the department to a person of a portion of this state's interest in land under specific terms and for valuable consideration ~~, thereby granting~~ **and that grants** ~~to the lessee the possession of that~~ **the** portion conveyed during the period stipulated.

(c) "Mason-Arenac line" means the line formed by the north boundaries of Mason, Lake, Osceola, Clare, Gladwin, and Arenac Counties.

(d) "Natural resources trust fund" means the Michigan natural resources trust fund established in section 35 of article IX of the state constitution of 1963 and provided for in section 1902.

(e) "Net proceeds" means the total receipts received from the sale of royalty interests under subsection ~~(17)~~ **(18)** less costs related to the sale. Costs may include, but are not limited to, legal, financial advisory, geological or reserve studies, and accounting services.

(f) "Relevant legislative committees" means the senate and house committees with primary responsibility for natural resources and outdoor recreation and the corresponding appropriation

1 subcommittees.

2 (g) "Strategic plan" or "plan" means the plan developed under  
3 subsection (6), as updated under subsection (10), if applicable.

4 Sec. 2132. (1) Subject to ~~subsection~~**subsections** (2) **and (5)**,  
5 the department may sell surplus land at a price established using  
6 the method that the department determines to be most appropriate,  
7 such as any of the following:

8 (a) Appraisal, subject to section 2132a.

9 (b) Appraisal consulting.

10 (c) A schedule adopted by the department for pricing property  
11 with uniform characteristics and low utility.

12 (d) The true cash value of nearby land as determined by the  
13 local assessor.

14 (2) ~~If~~**Subject to subsection (5), if** the department offers tax  
15 reverted land for sale and the land is not sold within 9 months,  
16 the department may sell the land to a qualified buyer who submits  
17 an offer that represents a reasonable price for the property as  
18 determined by the department.

19 (3) The sale of surplus land shall be conducted by the  
20 department through 1 of the following methods:

21 (a) A public auction sale.

22 (b) A negotiated sale.

23 (4) Subject to subsection ~~(1)~~**(5)**, the sale of surplus land  
24 through a public auction sale shall be to the highest bidder.

25 **(5) Within 180 days after the effective date of the amendatory**  
26 **act that added this subsection, the department of technology,**  
27 **management, and budget, or another agency designated by the**  
28 **department of technology, management, and budget, shall conduct a**  
29 **public auction on the internet of land declared to be surplus under**

1 section 503(13). At least 30 days before an auction under this  
2 subsection, the department shall provide written notice, by  
3 certified mail, to any person that the department knows or has  
4 reason to know may claim a prior conflicting interest in the land,  
5 including, but not limited to, parties to an unrecorded conveyance  
6 or lease. The notice shall state the intent to convey the land and  
7 specify the date and website address of the auction. Any qualified  
8 person may participate in the auction. The department of  
9 technology, management, and budget or other agency conducting the  
10 auction shall accept the highest bid submitted by a qualified  
11 bidder, regardless of its amount. The conveyance of each parcel or  
12 contiguous tract of parcels shall be executed within 90 days after  
13 the auction for that parcel or tract is conducted. If no bids are  
14 submitted for the land, the land is, at the close of the auction,  
15 conveyed by operation of law to the county where the land is  
16 located, unless the department has actual notice of a conflicting  
17 prior conveyance. A conveyance under this subsection shall cover  
18 all of this state's interest in the land and is not subject to any  
19 condition, restriction, covenant, easement, reversionary interest,  
20 or right of entry that was not of record in the office of the  
21 county register of deeds on the effective date of the amendatory  
22 act that added this section. If land is conveyed to a county under  
23 this subsection, the county may sell, lease, manage, or dispose of  
24 the land as permitted by law. However, the county shall not convey  
25 the land back to this state.

26 (6) ~~(5)~~—Effective 60 days after the department receives an  
27 application to purchase surplus land through a negotiated sale, the  
28 application shall be considered to be complete unless the  
29 department proceeds as provided under subsection ~~(6)~~ (7).

1       (7) ~~(6)~~—If, before the expiration of the 60-day period under  
 2 subsection ~~(5)~~, ~~(6)~~, the department notifies the applicant, in  
 3 writing, that the application is not complete, specifying the  
 4 information necessary to make the application complete, or that the  
 5 fee required under subsection ~~(8)~~ ~~(9)~~ has not been paid, specifying  
 6 the amount due, the running of the 60-day period under subsection  
 7 ~~(5)~~ ~~(6)~~ is tolled until the applicant submits to the department the  
 8 specified information or fee amount due, at which time the  
 9 application shall be considered to be complete. Notice under this  
 10 subsection shall include a statement of the requirements of  
 11 subsection ~~(12)~~ ~~(13)~~.

12       (8) ~~(7)~~—Within 210 days after the application is considered to  
 13 be complete, or a later date agreed to by the applicant and the  
 14 department, the department shall approve or deny the application  
 15 and notify the applicant in writing. If the department denies the  
 16 application, the notice shall set forth the specific reasons for  
 17 the denial.

18       (9) ~~(8)~~—The department shall charge a fee for an application  
 19 for the purchase of surplus land. The fee shall be \$300.00 plus, if  
 20 the surplus land is more than 300 acres in size, the actual  
 21 reasonable cost of processing the application.

22       (10) ~~(9)~~—A notice of the proposed sale of surplus land shall  
 23 be given as provided in section 2165.

24       (11) ~~(10)~~—The proceeds from the sale of surplus land shall be  
 25 deposited into the fund. **However, proceeds from the conveyance of**  
 26 **land under subsection (5) shall be deposited as provided in section**  
 27 **2138(5) .**

28       (12) ~~(11)~~—Surplus land that is sold under this subpart shall  
 29 be conveyed by quitclaim deed approved by the attorney general.

1       **(13)** ~~(12)~~—Each application, as may be later amended or  
2 supplemented, submitted by a private person under subsection (3)(b)  
3 for the purchase of land shall be considered and acted upon by the  
4 department to final decision before any other application submitted  
5 at a later date by a different private person for the purchase or  
6 exchange of the same land. However, if an application is not  
7 completed or the fee under subsection ~~(8)~~ **(9)** is not paid within 60  
8 days after the department notifies the applicant under subsection  
9 ~~(6)~~ **(7)** that the application is incomplete or that the fee has not  
10 been paid, the department shall consider and act upon to final  
11 decision an application submitted at a later date that is completed  
12 and for which the fee has been paid before that previously  
13 submitted application.

14       **(14)** ~~(13)~~—In a land transaction, the department may give  
15 preference to a local unit of government but shall not give  
16 preference to any other person.