



**House
Legislative
Analysis
Section**

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**FARMLAND DEV'T RIGHTS
AGREEMENT**

**Senate Bill 692 with House committee
amendments**

Sponsor: Sen. Bev Hammerstrom

Addendum to SFA Analysis (2-20-02)

**Senate Committee: Farming,
Agribusiness, and Food Systems
House Committee: Land Use and
Environment**

ADDENDUM TO SENATE FISCAL AGENCY ANALYSIS OF SB 692 DATED 11-19-01:

HOUSE COMMITTEE ACTION:

The House Committee on Land Use and Environment adopted three amendments to Senate Bill 692, two of which were technical in nature. The third amends a section of Part 361 of the act (Farmland and Open Space Preservation) dealing with cases in which the state releases farmland from a development rights agreement at the request of both a landowner and a local governing body. That section specifies the circumstances under which land can be released (or "relinquished"). One of the instances in current law is when a local governing body determines that the relinquishment is in the public interest and that the farmland in question either 1) is to be owned, operated, and maintained by a public body for public use, or 2) has been zoned for the immediately preceding three years for a commercial or industrial use.

The bill would provide for a third condition: when farmland was zoned for commercial or industrial use and the relinquishment would be mitigated by one of the following means.

1) For every acre of farmland to be relinquished, an agricultural conservation easement would be acquired over two acres of farmland located in the same local unit of government. The agricultural conservation easement would be held by the local unit of government where the farmland to be relinquished was located or, if the local governing body declined to hold the easement, by the state land use agency.

2) If such an agricultural conservation easement could not be acquired, there would be an amount deposited into the State Agricultural Preservation Fund equal to twice the value of the development rights to the farmland being relinquished, as determined by a certified appraisal.

This means that the farmland in question would not have to have been zoned for commercial or industrial use for at least three years immediately preceding the relinquishment.

[The example provided by supporters of the amendment to the House Land Use and Environment Committee involved farmland near railroad property. Such land might be deemed more suitable for development than for farming and so could be released from the farmland

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preservation program for development purposes, with other farmland placed into the program on a two-acres-in-for-one acre-out basis. This means more land would be added to the farmland preservation program. Those who did not support the amendment 1) questioned the advisability of superseding the three-year zoning requirement, suggesting that the original reasoning behind the three-year restriction needed to be explored; and 2) proposed adding the word "comparable" to describe the farmland that would be added to the preservation program in place of farmland being relinquished.]

POSITIONS:

The Department of Agriculture supports the bill. (2-19-02)

The Michigan Farm Bureau supported the bill as it passed the Senate and is still examining the language of the House committee amendment. (2-19-02)

The Michigan Township Association supported the bill as it passed the Senate and is still examining the language of the House committee amendment. (2-19-02)

The Michigan Railroads Association supports the bill as reported from the House committee. (2-19-02)

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Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.