



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1443 (as reported without amendment)
Sponsor: Senator Michael Switalski
Committee: Appropriations

(as enrolled)

CONTENT

The bill would authorize the State Administrative Board to convey all or portions of 19 parcels of property located in various counties. The parcels are currently under the jurisdiction of the Department of State Police and were originally acquired as radio tower sites. The authority granted in Public Act 174 of 1997 to dispose of the property expired on December 30, 2004.

The parcels include property in:

Bergland Township, Ontonagon County
Berlin Township, Ionia County
Boon Township, Wexford County (Parcels
A, B & C)
Hawes Township, Alcona County
Ironwood Township, Gogebic County
Kasson Township, Leelanau County
Keene Township, Ionia County
Leelanau Township, Leelanau County

Leonidas Township, St. Joseph County
City of Manistee, Manistee County
City of Mt. Pleasant, Isabella County
City of Munising, Alger County
Ossineke Township, Alpena County
Richmond Township, Osceola County
Rock River Township, Alger County
Courtland Township, Kent County
Watersmeet Township, Gogebic County

The Department of Management and Budget would have to take necessary steps to realize the "best value" for the property by preparing to convey it through competitive bidding, a public auction, use of real estate brokerage services, a value-for-value conveyance, offering the property for sale for fair market value to a local unit or units of government, or offering the property for sale for less than fair market value to a local unit or units of government if the property would be used exclusively for public purposes. Fair market value of the parcels would have to be determined by an appraisal prepared by an independent appraiser.

The State would not reserve the mineral rights to the property conveyed. However, if the purchaser or any grantee developed any oil, gas, or minerals found on, within, or under the conveyed property, the State would receive one-half of the gross revenue generated from the development of the minerals. The State would reserve all rights in aboriginal antiquities, including mounds, earthworks, forts, burial and village sites, mines, and other relics, on, within, or under the property.

FISCAL IMPACT

Appraisals completed before 2004 valued the 19 parcels totaling approximately 272 acres at \$742,700. Net revenue from the sale of the property would be deposited in the State General Fund.

Date Completed: 11-6-08

Fiscal Analyst: Bill Bowerman