

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 1280

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 2131 and 2132 (MCL 324.2131 and 324.2132),
section 2131 as amended by 2006 PA 308 and section 2132 as amended
by 2012 PA 240.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2131. (1) Except as otherwise provided in subsection (2)
2 or (3), the department may designate as surplus land any state
3 owned land that is under the control of the department and that has
4 been dedicated for public use and may, on behalf of the state, sell
5 that land if the department determines all of the following:

6 (a) That the sale will not **MATERIALLY** diminish the quality or
7 utility of other state owned land **ADJOINING THE LAND TO BE SOLD.**

1 (b) That the sale is not otherwise restricted by law.

2 (c) That the sale is in the best interests of the state,
3 **GIVING DUE REGARD TO THE VARIETY, USE, AND QUANTITY OF LANDS THEN**
4 **UNDER THE CONTROL OF THE DEPARTMENT.**

5 (d) That 1 or ~~both~~ **MORE** of the following conditions are met:

6 (i) The land has been dedicated for public use for not less
7 than 5 years immediately preceding its sale and is not needed to
8 meet a department objective.

9 (ii) The land is occupied for a private use through inadvertent
10 trespass.

11 **(iii) THE SALE WILL PROMOTE THE DEVELOPMENT OF THE FORESTRY OR**
12 **FOREST PRODUCTS INDUSTRY OR THE MINERAL EXTRACTION AND UTILIZATION**
13 **INDUSTRY IN THIS STATE.**

14 (2) The department shall not authorize the sale of surplus
15 land as provided in subsection (1) if the proceeds from the sale of
16 the land will cause the **BALANCE OF THE** fund to exceed
17 ~~\$2,500,000.00.~~ **\$25,000,000.00.**

18 (3) Except as provided in section 74102b, the department shall
19 not designate as surplus land any land within a state park or state
20 recreation area.

21 Sec. 2132. (1) Subject to subsection (2), the department may
22 sell surplus land at a price established using the method that the
23 department determines to be most appropriate, such as any of the
24 following:

25 (a) Appraisal.

26 (b) Appraisal consulting.

27 (c) A schedule adopted by the department for pricing property

1 with uniform characteristics and low utility.

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

4 (2) If the department offers tax reverted land for sale and
5 the land is not sold within 9 months, the department may sell the
6 land to a qualified buyer who submits an offer that represents a
7 reasonable price for the property as determined by the department.

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

10 (a) A public auction sale.

11 (b) A negotiated sale.

12 (4) Subject to subsection (1), the sale of surplus land
13 through a public auction sale shall be to the highest bidder.

14 (5) A notice of the sale of surplus land shall be given as
15 provided in section 2133.

16 (6) The proceeds from the sale of surplus land shall be
17 deposited into the fund.

18 (7) Surplus land that is sold under this subpart shall be
19 conveyed by quitclaim deed approved by the attorney general.

20 (8) EACH APPLICATION, AS LATER AMENDED OR SUPPLEMENTED,
21 SUBMITTED BY A PRIVATE PERSON UNDER SUBSECTION (3)(B) FOR THE
22 PURCHASE OF THE LAND IDENTIFIED IN THAT APPLICATION AS A PROSPECT
23 FOR PURCHASE, SHALL BE CONSIDERED AND ACTED UPON BY THE DEPARTMENT
24 TO FINAL DECISION, BEFORE ANY OTHER APPLICATION SUBMITTED AT A
25 LATER DATE BY A DIFFERENT PRIVATE PERSON FOR THE PURCHASE OR
26 EXCHANGE OF THE SAME LAND.