

SENATE BILL No. 1031

March 20, 2012, Introduced by Senator CASPERSON and referred to the Committee on Natural Resources, Environment and Great Lakes.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 52702 and 52706 (MCL 324.52702 and 324.52706), section 52702 as added by 1995 PA 57 and section 52706 as amended by 2006 PA 179.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 52702. Any municipality may acquire by purchase, gift, or
2 devise, or may provide land already in its possession, and use the
3 land for **A forestry purposes, OR RECREATIONAL PURPOSE, OR BOTH,**
4 either within or outside of the territorial limits of the
5 municipality, and may carry on forestry **OR RECREATIONAL ACTIVITIES,**
6 **OR BOTH,** on the land. Any municipality may also receive and expend
7 or hold in trust gifts of money or personalty for **A forestry**

1 ~~purposes.~~**OR RECREATIONAL PURPOSE, OR BOTH.**

2 Sec. 52706. (1) The department, the department of treasury, or
3 a state officer having charge of state land, may sell homestead,
4 tax, swamp, or primary school land to a public agency for **A**
5 forestry ~~purposes,~~**OR RECREATIONAL PURPOSE, OR BOTH,** at a price set
6 by the department, **THE** department of treasury, or ~~other~~**THE** state
7 officer. However, the amount of land sold shall not exceed the
8 amount that may be necessary for the public agency, and any land
9 that is sold shall be suitable for and used ~~solely~~ for a forestry
10 **OR RECREATIONAL** purpose, **OR BOTH,** unless conveyed as provided in
11 this section. Land sold to a public agency under this section or
12 section 6 of former 1931 PA 217 shall be used only for a forestry
13 **OR RECREATIONAL** purpose, **OR BOTH,** if the land is prime land. When
14 the prime land is no longer used for a forestry **OR RECREATIONAL**
15 purpose, **OR BOTH,** the land shall revert to this state.

16 (2) Except as provided in subsection (6), the department shall
17 relinquish a reversionary interest in municipal forestland,
18 conveyed to a public agency under this section or section 6 of
19 former 1931 PA 217 before October 12, 2004, within 90 days after
20 the department receives, on a form prescribed by the department, a
21 written request for relinquishment from the public agency that owns
22 the municipal forestland subject to the reversionary interest. The
23 department shall relinquish its reversionary interest by an
24 instrument approved by the department of attorney general and
25 recorded by the department with the register of deeds of the county
26 where the municipal forestland is located. The instrument shall
27 include provisions implementing subsections (3) through ~~(9).~~**(8).**

1 The department may charge the public agency an amount equal to the
2 charge for recording the release.

3 ~~(3) Beginning 4 years after the effective date of the 2006~~
4 ~~amendatory act that amended this subsection, a~~ A public agency to
5 which a reversionary interest was relinquished under subsection (2)
6 shall not convey the municipal forestland formerly subject to the
7 reversionary interest unless the conveyance is approved by the
8 department.

9 (4) Subject to subsection (5), a public agency to which a
10 reversionary interest was relinquished under subsection (2) and any
11 public agency that is a successor in interest shall not convey the
12 municipal forestland formerly subject to the reversionary interest,
13 or any part thereof, unless the conveyance is to a public agency
14 for \$1.00 or to a public agency or any other person for fair market
15 value. If the conveyance is to a public agency for \$1.00, the deed
16 shall recite "MCL 324.52706 requires an accounting and specifies
17 how proceeds are to be distributed when the property is
18 subsequently conveyed for fair market value.". If the conveyance is
19 to a public agency or any other person for fair market value, the
20 public agency conveying the property shall have an accounting
21 taken, shall retain 50% of the proceeds, and shall submit the
22 remaining 50% of the proceeds to the department of treasury for
23 deposit as follows:

24 (a) The first \$18,000,000.00 in total proceeds from all such
25 conveyances shall be deposited in the general fund.

26 (b) Any proceeds in excess of \$18,000,000.00 shall be
27 deposited in the fire protection fund created in section 732a of

1 the Michigan vehicle code, 1949 PA 300, MCL 257.732a.

2 (5) Once the municipal forestland or part thereof formerly
3 subject to a reversionary interest is conveyed for fair market
4 value and an accounting is taken and the proceeds are distributed
5 as provided under subsection (4), subsection (4) does not apply to
6 subsequent conveyances of that municipal forestland or part
7 thereof, respectively.

8 (6) Subsection (2) does not apply to prime land.

9 (7) A public agency to which a reversionary interest is
10 relinquished under subsection (2) shall not convey the municipal
11 forestland formerly subject to the reversionary interest to a third
12 person unless the public agency has conducted a public hearing on
13 the proposed conveyance. The public agency may conduct a second
14 public hearing on the proposed conveyance if the public agency
15 determines that a second public hearing may be necessary. Notice of
16 a public hearing under this subsection shall be published at least
17 twice in a newspaper of general circulation in the county or
18 counties where the municipal forestland is located, not more than
19 28 or less than 7 days before the hearing. The notice shall
20 describe where the municipal forestland is located, specify the
21 approximate size of the municipal forestland, describe its current
22 use, and identify the person to whom the municipal forestland is
23 proposed to be sold, if known. The public agency shall provide a
24 copy of the notice to the director of the department not less than
25 7 days before the hearing.

26 (8) The requirements of subsection (7) do not relieve the
27 public agency of any notice, hearing, or other requirements imposed

1 by any other law.

2 ~~—— (9) If, before 4 years after the effective date of the 2006~~
 3 ~~amendatory act that amended this subsection, municipal forestland~~
 4 ~~formerly subject to a reversionary interest that was relinquished~~
 5 ~~under subsection (2) is conveyed by a public agency, the public~~
 6 ~~agency shall notify the department within 60 days of the~~
 7 ~~conveyance. Notice of the conveyance shall be in a form prescribed~~
 8 ~~by the department.~~

9 (9) ~~(10)~~ If municipal forestland was conveyed to a public
 10 agency under this section or section 6 of former 1931 PA 217 and
 11 the municipal forestland is subsequently conveyed by the public
 12 agency to the department, then, for purposes of subparts 13 and 14
 13 of part 21, the municipal forestland shall not be considered to
 14 have been reacquired by the department on or after January 1, 1933
 15 for natural resource purposes unless the municipal forestland was
 16 originally acquired by the department on or after January 1, 1933
 17 for natural resource purposes.

18 (10) ~~(11)~~ As used in this section:

19 (a) "Basal area" means the sum of the cross-sectional area of
 20 trees 4 inches or greater in diameter measured at 4.5 feet from the
 21 highest ground at the base of each tree.

22 (b) "Municipal forestland" means homestead, tax, swamp, or
 23 primary school land sold to a public agency under this section or
 24 section 6 of former 1931 PA 217 ~~solely~~ for a forestry **OR**
 25 **RECREATIONAL** purpose, **OR BOTH**.

26 (c) "Prime land" means municipal forestland that meets 1 or
 27 more of the following requirements:

1 (i) Is within a boundary of a program administered by the
2 department.

3 (ii) Provides access to a public body of water.

4 (iii) Is not less than 121 acres in size and, at any time during
5 the preceding 10 years, had a basal area of not less than 90 square
6 feet per acre.

7 (d) "Public agency" means a school district, public
8 educational institution, governmental unit of this state or agency
9 of this state, or a municipality.

10 (E) "RECREATIONAL PURPOSE" INCLUDES ANY MOTORIZED OR
11 NONMOTORIZED RECREATIONAL ACTIVITY.

12 (11) ~~(12)~~—The use in this section of the phrase "this section
13 or section 6 of former 1931 PA 217" does not imply that the term
14 "this section" as used elsewhere in this act does not include the
15 relevant section as it existed in former law codified in this act.