

# HOUSE BILL No. 4592

April 28, 2011, Introduced by Rep. McBroom and referred to the Committee on Appropriations.

A bill to authorize the state administrative board to convey a certain parcel of state-owned property in Delta county; to prescribe conditions for the conveyance; to provide for certain powers and duties of certain state departments in regard to the property; and to provide for disposition of revenue derived from the conveyance.

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

1       Sec. 1. (1) The state administrative board, on behalf of the  
2 state, shall offer to and may convey to Delta county, for fair  
3 market value, all of certain state-owned property located in the  
4 city of Escanaba, Delta county, Michigan, and more particularly  
5 described as follows:

6       Lots 1 through 12 of block 11, original plat of the city of

1 Escanaba, lots 17 and 18 of block 11, original plat of the city of  
2 Escanaba, and the east 100 feet of the present 20 foot alley  
3 dividing block 11, together with the public office building erected  
4 thereon; and lots 14, 15, 16, block 11 of original plat of the city  
5 of Escanaba.

6 (2) The description of the property in subsection (1) is  
7 approximate and, for purposes of the conveyance, is subject to  
8 adjustments as the state administrative board or the attorney  
9 general considers necessary by survey or other legal description.

10 (3) The property described in subsection (1) shall include all  
11 surplus, salvage, and scrap property or equipment remaining on the  
12 property as of the date of the conveyance.

13 (4) The fair market value of the property described in  
14 subsection (1) shall be determined by an appraisal prepared for the  
15 department of technology, management, and budget by an independent  
16 appraiser.

17 (5) The state administrative board shall not withdraw an offer  
18 to convey under subsection (1) unless at least 90 days have elapsed  
19 and the offer has not been accepted.

20 (6) The conveyance authorized by this section shall be by  
21 quitclaim deed approved by the department of attorney general.

22 (7) The state shall not reserve oil, gas, or mineral rights to  
23 the property conveyed under this section. However, the conveyance  
24 authorized under this section shall provide that, if the purchaser  
25 or any grantee develops any oil, gas, or minerals found on, within,  
26 or under the conveyed property, the purchaser or any grantee shall  
27 pay the state 1/2 of the gross revenue generated from the

1 development of the oil, gas, or minerals. This payment shall be  
2 deposited in the general fund.

3 (8) The state reserves all aboriginal antiquities including  
4 mounds, earthworks, forts, burial and village sites, mines, or  
5 other relics lying on, within, or under the property with power to  
6 the state and all others acting under its authority to enter the  
7 property for any purpose related to exploring, excavating, and  
8 taking away the aboriginal antiquities.

9 (9) The net revenue received from the sale of property under  
10 this section shall be deposited in the state treasury and credited  
11 to the general fund. As used in this subsection, "net revenue"  
12 means the proceeds from the sale of the property less reimbursement  
13 for any costs to the state associated with the sale of property,  
14 including, but not limited to, administrative costs, including  
15 employee wages, salaries, and benefits; costs of reports and  
16 studies and other materials necessary to the preparation of sale;  
17 environmental remediation; legal fees; and any litigation related  
18 to any conveyance under this section.