

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 51

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 7jj (MCL 211.7jj[1]), as added by 2006 PA 378.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7jj. (1) Except as otherwise limited in this subsection,
2 qualified forest property is exempt from the tax levied by a local
3 school district for school operating purposes to the extent
4 provided under section 1211 of the revised school code, 1976 PA
5 451, MCL 380.1211, according to the provisions of this section.
6 **BUILDINGS, STRUCTURES, OR LAND IMPROVEMENTS LOCATED ON QUALIFIED**
7 **FOREST PROPERTY ARE NOT ELIGIBLE FOR THE EXEMPTION UNDER THIS**
8 **SECTION.** The amount of qualified forest property in this state that
9 is eligible for the exemption under this section is limited as

1 follows:

2 (a) In the fiscal year ending September 30, 2008, 300,000
3 acres.

4 (b) In the fiscal year ending September 30, 2009, 600,000
5 acres.

6 (c) In the fiscal year ending September 30, 2010, 900,000
7 acres.

8 (d) In the fiscal year ending September 30, 2011 and each
9 fiscal year thereafter, 1,200,000 acres. **BEGINNING IN THE FISCAL**
10 **YEAR ENDING SEPTEMBER 30, 2013 AND EACH FISCAL YEAR THEREAFTER,**
11 **REAL PROPERTY ELIGIBLE FOR EXEMPTION UNDER THIS SECTION AS**
12 **QUALIFIED FOREST PROPERTY AS A RESULT OF THE WITHDRAWAL OF THAT**
13 **PROPERTY FROM THE OPERATION OF PART 511 OF THE NATURAL RESOURCES**
14 **AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.51101 TO**
15 **324.51120, AS PROVIDED IN SECTION 51108(5) OF THE NATURAL RESOURCES**
16 **AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.51108, SHALL**
17 **NOT BE CREDITED AGAINST THE 1,200,000 ACRES OF PROPERTY THAT ARE**
18 **ELIGIBLE FOR EXEMPTION AS QUALIFIED FOREST PROPERTY UNDER THIS**
19 **SECTION.**

20 (2) IF A PROPERTY OWNER IS INTERESTED IN OBTAINING AN
21 EXEMPTION FOR QUALIFIED FOREST PROPERTY UNDER THIS SECTION, THE
22 PROPERTY OWNER MAY CONTACT THE LOCAL CONSERVATION DISTRICT OR THE
23 DEPARTMENT, AND THE LOCAL CONSERVATION DISTRICT OR THE DEPARTMENT
24 SHALL ADVISE THE PROPERTY OWNER ON THE EXEMPTION PROCESS. IF
25 REQUESTED BY THE PROPERTY OWNER, THE LOCAL CONSERVATION DISTRICT OR
26 THE DEPARTMENT SHALL PROVIDE THE PROPERTY OWNER WITH A LIST OF
27 QUALIFIED FORESTERS TO PREPARE A FOREST MANAGEMENT PLAN. THE

1 DEPARTMENT SHALL MAINTAIN A LIST OF QUALIFIED FORESTERS THROUGHOUT
2 THE STATE AND SHALL MAKE THE LIST AVAILABLE TO THE CONSERVATION
3 DISTRICTS AND TO INTERESTED PROPERTY OWNERS. TO CLAIM AN EXEMPTION
4 UNDER SUBSECTION (1), A PROPERTY OWNER SHALL OBTAIN A FOREST
5 MANAGEMENT PLAN FROM A QUALIFIED FORESTER AND SUBMIT A DIGITAL COPY
6 OF THAT FOREST MANAGEMENT PLAN, AN APPLICATION FOR EXEMPTION AS
7 QUALIFIED FOREST PROPERTY, AND A FEE OF \$50.00 TO THE DEPARTMENT ON
8 A FORM CREATED BY THE DEPARTMENT BY SEPTEMBER 1 PRIOR TO THE TAX
9 YEAR WITHIN WHICH THE EXEMPTION IS REQUESTED. A FOREST MANAGEMENT
10 PLAN IS NOT SUBJECT TO THE FREEDOM OF INFORMATION ACT, 1976 PA 442,
11 MCL 15.231 TO 15.246. THE DEPARTMENT SHALL FORWARD A COPY OF THE
12 APPLICATION TO THE LOCAL CONSERVATION DISTRICT FOR REVIEW AND TO
13 THE LOCAL TAX COLLECTING UNIT FOR NOTIFICATION OF THE APPLICATION.

14 (3) A CONSERVATION DISTRICT SHALL REVIEW THE APPLICATION TO
15 DETERMINE IF THE APPLIED-FOR PROPERTY MEETS THE MINIMUM
16 REQUIREMENTS SET FORTH IN SUBSECTION (16) (I) FOR ENROLLING INTO THE
17 QUALIFIED FOREST PROGRAM. A CONSERVATION DISTRICT SHALL RESPOND
18 WITHIN 45 DAYS OF THE DATE OF ITS RECEIPT OF THE APPLICATION
19 INDICATING WHETHER THE PROPERTY IN THE APPLICATION IS ELIGIBLE FOR
20 ENROLLMENT. IF THE CONSERVATION DISTRICT DOES NOT RESPOND WITHIN 45
21 DAYS OF ITS RECEIPT OF THE APPLICATION, THE PROPERTY SHALL BE
22 CONSIDERED ELIGIBLE FOR THE EXEMPTION UNDER THIS SECTION.

23 (4) THE DEPARTMENT SHALL REVIEW THE APPLICATION, COMMENTS FROM
24 THE CONSERVATION DISTRICT, AND THE FOREST MANAGEMENT PLAN TO
25 DETERMINE IF THE PROPERTY IS ELIGIBLE FOR THE EXEMPTION UNDER THIS
26 SECTION. THE DEPARTMENT SHALL REVIEW THE FOREST MANAGEMENT PLAN TO
27 DETERMINE IF THE ELEMENTS REQUIRED IN SUBSECTION (16) (E) ARE IN THE

1 PLAN. WITHIN 90 DAYS OF ITS RECEIPT OF THE APPLICATION, FOREST
2 MANAGEMENT PLAN, AND FEE, THE DEPARTMENT SHALL REVIEW THE
3 APPLICATION AND IF THE APPLICATION AND SUPPORTING DOCUMENTS ARE NOT
4 IN COMPLIANCE, THE DEPARTMENT SHALL NOTIFY THE PROPERTY OWNER OF
5 DENIAL. IF THE APPLICATION AND SUPPORTING DOCUMENTS ARE IN
6 COMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION, THE DEPARTMENT
7 SHALL APPROVE THE APPLICATION AND SHALL PREPARE A QUALIFIED FOREST
8 SCHOOL TAX AFFIDAVIT, IN RECORDABLE FORM, INDICATING ALL OF THE
9 FOLLOWING:

10 (A) THE NAME OF THE PROPERTY OWNER.

11 (B) THE LEGAL DESCRIPTION OF THE PROPERTY.

12 (C) THE YEAR THE APPLICATION WAS SUBMITTED FOR THE EXEMPTION.

13 (D) A STATEMENT THAT THE PROPERTY OWNER IS ATTESTING THAT THE
14 PROPERTY FOR WHICH THE EXEMPTION IS CLAIMED IS QUALIFIED FOREST
15 PROPERTY AND WILL BE MANAGED ACCORDING TO THE APPROVED FOREST
16 MANAGEMENT PLAN.

17 (5) THE DEPARTMENT SHALL SEND A QUALIFIED FOREST SCHOOL TAX
18 AFFIDAVIT PREPARED UNDER SUBSECTION (4) TO THE PROPERTY OWNER FOR
19 EXECUTION. THE 90-DAY REVIEW PERIOD BY THE DEPARTMENT MAY BE
20 EXTENDED UPON REQUEST OF THE PROPERTY OWNER. THE PROPERTY OWNER
21 SHALL EXECUTE THE QUALIFIED FOREST SCHOOL TAX AFFIDAVIT AND SHALL
22 HAVE THE EXECUTED QUALIFIED FOREST SCHOOL TAX AFFIDAVIT RECORDED BY
23 THE REGISTER OF DEEDS IN THE COUNTY IN WHICH THE PROPERTY IS
24 LOCATED. THE PROPERTY OWNER SHALL PROVIDE A COPY OF THE QUALIFIED
25 FOREST SCHOOL TAX AFFIDAVIT TO THE DEPARTMENT. THE DEPARTMENT SHALL
26 PROVIDE 1 COPY OF THE QUALIFIED FOREST SCHOOL TAX AFFIDAVIT TO THE
27 CONSERVATION DISTRICT AND 1 COPY TO THE DEPARTMENT OF TREASURY.

1 THESE COPIES MAY BE SENT ELECTRONICALLY.

2 (6) IF THE APPLICATION IS DENIED, THE PROPERTY OWNER HAS 30
3 DAYS FROM THE DATE OF NOTIFICATION OF THE DENIAL BY THE DEPARTMENT
4 TO INITIATE AN APPEAL OF THAT DENIAL. AN APPEAL OF THE DENIAL SHALL
5 BE BY CERTIFIED LETTER TO THE DIRECTOR OF THE DEPARTMENT.

6 (7) ~~(2)~~ To claim an exemption under subsection (1), the owner
7 of qualified forest property shall ~~file an affidavit claiming the~~
8 ~~exemption and an approved forest management plan or a certificate~~
9 ~~provided by a third party certifying organization with the~~ **PROVIDE**
10 **A COPY OF THE RECORDED QUALIFIED FOREST SCHOOL TAX AFFIDAVIT**
11 **ATTESTING THAT THE LAND IS QUALIFIED FOREST PROPERTY TO THE** local
12 tax collecting unit **AND ASSESSOR** by December 31. An owner may claim
13 an exemption under this section for not more than ~~320 acres~~ **640**
14 **ACRES MAXIMUM OR THE EQUIVALENT OF 16 SURVEY UNITS CONSISTING OF**
15 **1/4 OF 1/4 OF A SECTION** of qualified forest property in each local
16 tax collecting unit. If an exemption is granted under this section
17 for less than ~~320~~ **640** acres in a local tax collecting unit, an
18 owner of that property may subsequently claim an exemption for
19 additional property in that local tax collecting unit if that
20 additional property meets the requirements of this section.

21 ~~— (3) The affidavit shall be on a form prescribed by the~~
22 ~~department of treasury and shall require the person submitting the~~
23 ~~affidavit to attest that the property for which the exemption is~~
24 ~~elaimed is qualified forest property and will be managed according~~
25 ~~to the approved forest management plan.~~

26 (8) ~~(4) The~~ **IF A COPY OF THE RECORDED QUALIFIED FOREST SCHOOL**
27 **TAX AFFIDAVIT IS PROVIDED TO THE ASSESSOR BY THE OWNER, THE**

1 ~~assessor shall determine if the property is qualified forest~~
2 ~~property based on a recommendation from the department of natural~~
3 ~~resources and confirmation that the acreage limitation set forth in~~
4 ~~subsection (1) has not been reached and if so shall exempt the~~
5 property from the collection of the tax as provided in subsection
6 (1) until December 31 of the year in which the property is no
7 longer qualified forest property.

8 (9) BEGINNING IN THE YEAR THAT QUALIFIED FOREST PROPERTY IS
9 FIRST EXEMPT UNDER THIS SECTION AND EACH YEAR THEREAFTER, THE LOCAL
10 TAX COLLECTING UNIT SHALL COLLECT A FEE ON EACH PARCEL OF QUALIFIED
11 FOREST PROPERTY EXEMPT UNDER THIS SECTION LOCATED IN THAT LOCAL TAX
12 COLLECTING UNIT. THE FEE SHALL BE DETERMINED BY MULTIPLYING 2 MILLS
13 BY THE TAXABLE VALUE OF THAT QUALIFIED FOREST PROPERTY. THE FEE
14 SHALL BE COLLECTED AT THE SAME TIME AND IN THE SAME MANNER AS TAXES
15 COLLECTED UNDER THIS ACT. EACH LOCAL TAX COLLECTING UNIT SHALL
16 DISBURSE THE FEE COLLECTED UNDER THIS SUBSECTION TO THE DEPARTMENT
17 OF TREASURY FOR DEPOSIT IN THE PRIVATE FORESTLAND ENHANCEMENT FUND
18 CREATED IN SECTION 51305 OF THE NATURAL RESOURCES AND ENVIRONMENTAL
19 PROTECTION ACT, 1994 PA 451, MCL 324.51305. IF PROPERTY IS NO
20 LONGER EXEMPT AS QUALIFIED FOREST PROPERTY UNDER THIS SECTION, THE
21 FEE UNDER THIS SUBSECTION SHALL NOT BE COLLECTED ON THAT PROPERTY.
22 THE FEE COLLECTED IN THIS SUBSECTION SHALL BE SUBJECT TO THE
23 PROPERTY TAX ADMINISTRATION FEE ESTABLISHED BY THE LOCAL TAX
24 COLLECTING UNIT UNDER SECTION 44.

25 (10) ~~(5)~~ Not more than 90 days after all or a portion of the
26 exempted property is no longer qualified forest property, the owner
27 shall rescind the exemption for the applicable portion of the

1 property by filing with the ~~local tax collecting unit~~ REGISTER OF
2 DEEDS FOR THE COUNTY IN WHICH THE EXEMPTED PROPERTY IS LOCATED a
3 rescission form prescribed by the department. ~~of treasury.~~ A COPY
4 OF THE RESCISSION FORM SHALL BE PROVIDED TO THE ASSESSOR. THE
5 RESCISSION FORM SHALL INCLUDE A LEGAL DESCRIPTION OF THE EXEMPTED
6 PROPERTY. An owner who fails to file a rescission as required by
7 this subsection is subject to a penalty of \$5.00 per day for each
8 separate failure beginning after the 90 days have elapsed, up to a
9 maximum of \$1,000.00. This penalty shall be collected under 1941 PA
10 122, MCL 205.1 to 205.31, and shall be deposited in the ~~general~~
11 ~~fund of this state.~~ PRIVATE FORESTLAND ENHANCEMENT FUND.

12 (11) ~~(6)~~ An owner of property that is qualified forest
13 property on December 31 for which an exemption was not on the tax
14 roll may file an appeal with the July or December board of review
15 under section 53b in the year the exemption was claimed or the
16 immediately succeeding year. ~~An owner of property that is qualified~~
17 ~~forest property on May 1 for which an exemption was denied by the~~
18 ~~assessor in the year the affidavit was filed may file an appeal~~
19 ~~with the July board of review for summer taxes or, if there is not~~
20 ~~a summer levy of school operating taxes, with the December board of~~
21 ~~review under section 53b.~~

22 ~~—— (7) If the assessor of the local tax collecting unit believes~~
23 ~~that the property for which an exemption has been granted is not~~
24 ~~qualified forest property based on a recommendation from the~~
25 ~~department of natural resources, the assessor may deny or modify an~~
26 ~~existing exemption by notifying the owner in writing at the time~~
27 ~~required for providing a notice under section 24c. A taxpayer may~~

1 ~~appeal the assessor's determination to the board of review meeting~~
2 ~~under section 30. A decision of the board of review may be appealed~~
3 ~~to the residential and small claims division of the Michigan tax~~
4 ~~tribunal.~~

5 (12) ~~(8)~~—If property for which an exemption has been granted
6 under this section is not qualified forest property, the property
7 that had been subject to that exemption shall be immediately placed
8 on the tax roll by the local tax collecting unit if the local tax
9 collecting unit has possession of the tax roll or by the county
10 treasurer if the county has possession of the tax roll as though
11 the exemption had not been granted. A corrected tax bill shall be
12 issued for each tax year being adjusted by the local tax collecting
13 unit if the local tax collecting unit has possession of the tax
14 roll or by the county treasurer if the county has possession of the
15 tax roll.

16 (13) ~~(9)~~—If **ALL OR A PORTION OF** property for which an
17 exemption has been granted under this section is converted by a
18 change in use and is no longer qualified forest property, ~~the~~
19 ~~property is subject to the qualified forest property recapture tax~~
20 ~~levied~~**AN OWNER SHALL IMMEDIATELY NOTIFY THE LOCAL TAX COLLECTING**
21 **UNIT, THE ASSESSOR, THE DEPARTMENT, AND THE DEPARTMENT OF TREASURY**
22 **ON A FORM CREATED BY THE DEPARTMENT. THE FORM SHALL INCLUDE A LEGAL**
23 **DESCRIPTION OF THE EXEMPTED PROPERTY. A COPY OF THE FORM SHALL BE**
24 **FILED WITH THE REGISTER OF DEEDS FOR THE COUNTY IN WHICH THE**
25 **EXEMPTED PROPERTY IS LOCATED. UPON NOTICE THAT PROPERTY IS NO**
26 **LONGER QUALIFIED FOREST PROPERTY, THE LOCAL TAX COLLECTING UNIT AND**
27 **ASSESSOR SHALL IMMEDIATELY RESCIND THE EXEMPTION UNDER THIS SECTION**

1 AND SHALL PLACE THE PROPERTY ON THE TAX ROLL AS THOUGH THE
2 EXEMPTION UNDER THIS SECTION HAD NOT BEEN GRANTED FOR THE
3 IMMEDIATELY SUCCEEDING TAX YEAR AND THE DEPARTMENT OF TREASURY
4 SHALL IMMEDIATELY BEGIN COLLECTION OF ANY APPLICABLE TAX AND
5 PENALTY UNDER THIS ACT OR under the qualified forest property
6 recapture tax act, 2006 PA 379, MCL 211.1031 TO 211.1036. An owner
7 of qualified forest property shall inform a prospective buyer of
8 that qualified forest property that the qualified forest property
9 is subject to the recapture tax provided in the qualified forest
10 property recapture tax act, if the qualified forest property is
11 converted by a change in use. HOWEVER, BEGINNING JUNE 1, 2013 AND
12 ENDING NOVEMBER 30, 2013, OWNERS OF PROPERTY EXEMPT AS QUALIFIED
13 FOREST PROPERTY PRIOR TO JANUARY 1, 2013 MAY EXECUTE A NEW
14 QUALIFIED FOREST SCHOOL TAX AFFIDAVIT UNDER THIS SECTION. IF AN
15 OWNER OF PROPERTY EXEMPT AS QUALIFIED FOREST PROPERTY ELECTS TO
16 EXECUTE A NEW QUALIFIED FOREST SCHOOL TAX AFFIDAVIT UNDER THIS
17 SECTION, THAT OWNER IS NOT REQUIRED TO PAY THE \$50.00 FEE REQUIRED
18 UNDER SUBSECTION (2). IF AN OWNER OF QUALIFIED FOREST PROPERTY
19 ELECTS NOT TO EXECUTE A NEW QUALIFIED FOREST SCHOOL TAX AFFIDAVIT
20 UNDER THIS SECTION, THE EXISTING AFFIDAVIT SHALL BE RESCINDED
21 WITHOUT PENALTY AND THE PROPERTY SHALL BE PLACED ON THE TAX ROLL AS
22 THOUGH THE EXEMPTION UNDER THIS SECTION HAD NOT BEEN GRANTED. IF A
23 PROPERTY OWNER ELECTS NOT TO EXECUTE A QUALIFIED FOREST SCHOOL TAX
24 AFFIDAVIT UNDER THIS SECTION, THE PROPERTY IS NOT SUBJECT TO THE
25 RECAPTURE TAX PROVIDED FOR UNDER THE QUALIFIED FOREST PROPERTY
26 RECAPTURE TAX ACT, 2006 PA 379, MCL 211.1031 TO 211.1036.

27 (14) ~~(10)~~ If qualified forest property is exempt under this

1 section, an owner of that qualified forest property shall annually
2 report to the department ~~of natural resources~~ on a form prescribed
3 by the department ~~of natural resources~~ the amount of timber
4 produced on that qualified forest property and whether any
5 buildings or structures have been constructed on the qualified
6 forest property. **WHEN A FOREST PRACTICE OR TIMBER HARVEST HAS**
7 **OCCURRED ON THE QUALIFIED FOREST PROPERTY DURING A CALENDAR YEAR.**
8 **THE REPORT SHALL INDICATE THE FOREST PRACTICE COMPLETED OR THE**
9 **VOLUME AND VALUE OF TIMBER HARVESTED ON THAT QUALIFIED FOREST**
10 **PROPERTY. ONE COPY OF THE FORM SHALL BE FORWARDED TO THE**
11 **CONSERVATION DISTRICT, AND 1 COPY SHALL BE RETAINED BY THE**
12 **DEPARTMENT FOR 7 YEARS. IF IT IS DETERMINED BY THE DEPARTMENT THAT**
13 **A FOREST PRACTICE OR HARVEST HAS OCCURRED IN A CALENDAR YEAR AND NO**
14 **REPORT WAS FILED, A FINE OF \$500.00 MAY BE COLLECTED BY THE**
15 **DEPARTMENT.** Beginning ~~in 2008,~~ **DECEMBER 31, 2013** and every ~~3~~ years
16 **YEAR** thereafter, the department ~~of natural resources~~ shall provide
17 to the standing committees of the senate and house of
18 representatives with primary jurisdiction over forestry issues a
19 report that includes all of the following:

20 (a) The number of acres of qualified forest property in each
21 county.

22 (b) The amount of timber produced on qualified forest property
23 each year.

24 (c) **THE NUMBER OF FOREST MANAGEMENT PLANS COMPLETED BY**
25 **CONSERVATION DISTRICTS AND THE TOTAL NUMBER OF FOREST MANAGEMENT**
26 **PLANS SUBMITTED FOR APPROVAL EACH YEAR.**

27 (15) **WHILE QUALIFIED FOREST PROPERTY IS EXEMPT UNDER THIS**

1 SECTION, THE OWNER SHALL RETAIN THE CURRENT MANAGEMENT PLAN, MOST
2 RECENT HARVEST RECORDS, RECORDED COPY OF A RECEIPT OF THE TAX
3 EXEMPTION, AND A MAP THAT SHOWS THE LOCATION AND SIZE OF ANY
4 BUILDINGS AND STRUCTURES ON THE PROPERTY. THE OWNER SHALL MAKE THE
5 DOCUMENTS AVAILABLE TO THE DEPARTMENT UPON REQUEST. THE DEPARTMENT
6 SHALL MAINTAIN A DATABASE LISTING ALL QUALIFIED FOREST PROPERTIES,
7 INCLUDING THE DATES INDICATED FOR FOREST PRACTICES AND HARVESTS IN
8 THE FOREST MANAGEMENT PLAN, AND SHALL NOTIFY THE PROPERTY OWNER AND
9 THE CONSERVATION DISTRICT IN ANY YEAR THAT FOREST PRACTICES OR
10 HARVESTS ARE TO OCCUR. IF AN OWNER DOES NOT ACCOMPLISH FOREST
11 PRACTICES AND HARVESTS WITHIN 3 YEARS AFTER THE TIME SPECIFIED IN
12 THE CURRENT FOREST MANAGEMENT PLAN, AND THE PLAN HAS NOT BEEN
13 AMENDED TO EXTEND THE DATE OF FOREST PRACTICES AND HARVESTS, THE
14 PROPERTY IS NOT ELIGIBLE FOR THE EXEMPTION UNDER THIS SECTION AND
15 THE PROPERTY SHALL BE PLACED ON THE TAX ROLL AS THOUGH THE
16 EXEMPTION UNDER THIS SECTION HAD NOT BEEN GRANTED AS PROVIDED IN
17 THIS SECTION AND SHALL BE SUBJECT TO REPAYMENT AS INDICATED IN THE
18 QUALIFIED FOREST PROPERTY RECAPTURE TAX ACT, 2006 PA 379, MCL
19 211.1031 TO 211.1036. INFORMATION IN THE DATABASE SPECIFIC TO AN
20 INDIVIDUAL PROPERTY OWNER'S FOREST MANAGEMENT PLAN IS EXEMPT FROM
21 DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL
22 15.231 TO 15.246. HOWEVER, INFORMATION IN THE DATABASE IN THE
23 AGGREGATE, INCLUDING, BUT NOT LIMITED TO, HOW MUCH TIMBER WOULD BE
24 EXPECTED TO BE ON THE MARKET EACH YEAR AS A RESULT OF ENROLLEES, IS
25 NOT EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT,
26 1976 PA 442, MCL 15.231 TO 15.246.

27 (16) ~~(11)~~—As used in this section:

1 (a) "Approved forest management plan" means ~~1 of the~~
2 ~~following:~~

3 ~~—— (i) A~~ **A** forest management plan ~~approved by the department of~~
4 ~~natural resources.~~ **DEVELOPED BY A QUALIFIED FORESTER.** An owner of
5 property ~~may~~ **SHALL** submit a ~~proposed~~ forest management plan to the
6 department ~~of natural resources~~ for approval **AS PRESCRIBED IN**
7 **SUBSECTION (2).** The ~~proposed~~ forest management plan shall include a
8 statement signed by the owner that he or she agrees to comply with
9 all terms and conditions contained in the approved forest
10 management plan. ~~The department of natural resources may charge a~~
11 ~~fee of not more than \$200.00 for the consideration of each proposed~~
12 ~~forest management plan submitted. The department of natural~~
13 ~~resources shall review and either approve or disapprove each~~
14 ~~proposed forest management plan submitted.~~ **IF A FOREST MANAGEMENT**
15 **PLAN AND APPLICATION ARE SUBMITTED TO THE DEPARTMENT, THE**
16 **DEPARTMENT SHALL REVIEW AND EITHER APPROVE OR DISAPPROVE THE**
17 **OWNER'S APPLICATION WITHIN 90 DAYS OF SUBMISSION. APPROVAL OF THE**
18 **PLAN SHALL BE BASED SOLELY ON COMPLIANCE WITH THE ELEMENTS REQUIRED**
19 **IN SUBDIVISION (E). DENIAL OF THE PLAN SHALL BE BASED SOLELY ON**
20 **NONCOMPLIANCE WITH THE REQUIREMENTS LISTED IN SUBDIVISION (E).** If
21 the department ~~of natural resources~~ disapproves a ~~proposed~~ forest
22 management plan, the department ~~of natural resources~~ shall indicate
23 the changes necessary to qualify the ~~proposed~~ forest management
24 plan for approval on subsequent review. ~~At the request of the owner~~
25 ~~submitting a proposed forest management plan, the department of~~
26 ~~natural resources may agree to complete a proposed forest~~
27 ~~management plan. An owner and the department of natural resources~~

1 ~~may mutually agree to amend a proposed forest management plan or an~~
2 ~~approved forest management plan. AN OWNER MAY SUBMIT AMENDMENTS TO~~
3 ~~HIS OR HER FORESTRY PLAN TO THE DEPARTMENT. THE DEPARTMENT MAY~~
4 ~~REJECT AMENDMENTS THAT DELAY A HARVEST DATE REPEATEDLY OR~~
5 ~~INDEFINITELY. A forest management plan submitted to the department~~
6 ~~of natural resources for approval shall not extend beyond a period~~
7 ~~of 20 years. An~~ BE FOR A MAXIMUM OF 20 YEARS. TO CONTINUE RECEIVING
8 AN EXEMPTION UNDER THIS SECTION, AN owner of property ~~may~~ SHALL
9 submit a **DIGITAL COPY OF ANY** succeeding proposed forest management
10 plan to the department ~~of natural resources for approval~~ **TOGETHER**
11 **WITH A FEE OF \$50.00. THE FIRST AMENDMENT TO THE PLAN SHALL NOT BE**
12 **SUBJECT TO A FEE. ADDITIONAL AMENDMENTS MAY BE SUBJECT TO A FEE OF**
13 **\$50.00.**

14 ~~—— (ii) A forest management plan certified by a third party~~
15 ~~certifying organization.~~

16 (B) "CONSERVATION DISTRICT" MEANS A CONSERVATION DISTRICT
17 ORGANIZED UNDER PART 93 OF THE NATURAL RESOURCES AND ENVIRONMENTAL
18 PROTECTION ACT, 1994 PA 451, MCL 324.9301 TO 324.9313.

19 (C) ~~(b)~~ "Converted by a change in use" means that term as
20 defined in section 2 of the qualified forest property recapture tax
21 act, 2006 PA 379, MCL 211.1032.

22 (D) "DEPARTMENT" MEANS THE DEPARTMENT OF AGRICULTURE AND RURAL
23 DEVELOPMENT.

24 (E) "FOREST MANAGEMENT PLAN" MEANS A WRITTEN PLAN PREPARED AND
25 SIGNED BY A QUALIFIED FORESTER THAT PRESCRIBES MEASURES TO OPTIMIZE
26 PRODUCTION, UTILIZATION, AND REGENERATION OF FOREST RESOURCES. THE
27 FOREST MANAGEMENT PLAN SHALL INCLUDE A SCHEDULE AND TIMETABLES FOR

1 THE VARIOUS SILVICULTURAL PRACTICES USED ON FORESTLANDS, WHICH
2 SHALL BE A MAXIMUM OF 20 YEARS IN LENGTH. A FOREST MANAGEMENT PLAN
3 SHALL INCLUDE ALL OF THE FOLLOWING:

4 (i) THE NAME AND ADDRESS OF EACH OWNER OF THE PROPERTY.

5 (ii) THE LEGAL DESCRIPTION AND PARCEL IDENTIFICATION NUMBER OF
6 THE PROPERTY OR OF THE PARCEL ON WHICH THE PROPERTY IS LOCATED.

7 (iii) A STATEMENT OF THE OWNER'S FOREST MANAGEMENT OBJECTIVES.

8 (iv) A MAP, DIAGRAM, OR AERIAL PHOTOGRAPH THAT IDENTIFIES BOTH
9 FORESTED AND UNFORESTED AREAS OF THE PROPERTY, USING CONVENTIONAL
10 MAP SYMBOLS INDICATING THE SPECIES, SIZE, AND STOCKING RATE AND
11 OTHER MAJOR FEATURES OF THE PROPERTY, INCLUDING THE LOCATION OF ANY
12 BUILDINGS. THE LOCATION AND USE OF ANY BUILDINGS CAN BE ESTABLISHED
13 ON A MAP CREATED BY A QUALIFIED FORESTER AND DOES NOT REQUIRE A
14 SURVEY BY A REGISTERED SURVEYOR.

15 (v) A DESCRIPTION OF FOREST PRACTICE, INCLUDING HARVESTING,
16 THINNING, AND REFORESTATION, THAT WILL BE UNDERTAKEN, SPECIFYING
17 THE APPROXIMATE PERIOD OF TIME BEFORE EACH IS COMPLETED.

18 (vi) A DESCRIPTION OF SOIL CONSERVATION PRACTICES THAT MAY BE
19 NECESSARY TO CONTROL ANY SOIL EROSION THAT MAY RESULT FROM THE
20 FOREST PRACTICE DESCRIBED PURSUANT TO SUBPARAGRAPH (v).

21 (vii) A DESCRIPTION OF ACTIVITIES THAT MAY BE UNDERTAKEN FOR
22 THE MANAGEMENT OF FOREST RESOURCES OTHER THAN TREES, INCLUDING
23 WILDLIFE HABITAT, WATERSHEDS, AND AESTHETIC FEATURES.

24 (F) "FOREST PRACTICE" MEANS ANY ACTION INTENDED TO IMPROVE
25 FORESTLAND OR FOREST RESOURCES AND INCLUDES, BUT IS NOT LIMITED TO,
26 ANY OF THE FOLLOWING:

27 (i) THE PREPARATION OF FOREST MANAGEMENT PLANS FOR FORESTLAND.

1 (ii) THE IMPROVEMENT OF SPECIES OF FOREST TREES.

2 (iii) REFORESTATION.

3 (iv) THE HARVESTING OF SPECIES OF FOREST TREES.

4 (v) ROAD CONSTRUCTION ASSOCIATED WITH THE IMPROVEMENT OR
5 HARVESTING OF FOREST TREE SPECIES OR REFORESTATION.

6 (vi) USE OF CHEMICALS OR FERTILIZERS FOR THE PURPOSE OF GROWING
7 OR MANAGING SPECIES OF FOREST TREES.

8 (vii) APPLICABLE SILVICULTURAL PRACTICES.

9 (G) ~~(e)~~—"Forest products" includes, but is not limited to,
10 timber and pulpwood-related products.

11 (H) "HARVEST" MEANS THE POINT AT WHICH TIMBER THAT HAS BEEN
12 CUT, SEVERED, OR REMOVED FOR PURPOSES OF SALE OR USE IS FIRST
13 MEASURED IN THE ORDINARY COURSE OF BUSINESS AS DETERMINED BY
14 REFERENCE TO COMMON PRACTICE IN THE TIMBER INDUSTRY.

15 ~~—— (d) "Natural resources professional" and "registered forester"~~
16 ~~mean those terms as defined in section 51101 of the natural~~
17 ~~resources and environmental protection act, 1994 PA 451, MCL~~
18 ~~324.51101.~~

19 ~~—— (e) "Proposed forest management plan" means a proposed plan~~
20 ~~for sustainable forest management that includes, but is not limited~~
21 ~~to, harvesting, planting, and regeneration of forest products on a~~
22 ~~parcel of property that is prepared by a qualified forester. A~~
23 ~~proposed forest management plan shall include all of the following:~~

24 ~~—— (i) The name and address of each owner of the property.~~

25 ~~—— (ii) The legal description and parcel identification number of~~
26 ~~the property or of the parcel on which the property is located.~~

27 ~~—— (iii) A statement of the owner's forest management objectives.~~

1 ~~—— (iv) A map, diagram, or aerial photograph that identified both~~
 2 ~~forested and unforested areas of the property, using conventional~~
 3 ~~map symbols indicating the species, size, and density of vegetation~~
 4 ~~and other major features of the property.~~

5 ~~—— (v) A description of the forestry practices, including~~
 6 ~~harvesting, thinning, and reforestation, that will be undertaken,~~
 7 ~~specifying the approximate period of time before each is completed.~~

8 ~~—— (vi) A description of soil conservation practices that may be~~
 9 ~~necessary to control any soil erosion that may result from the~~
 10 ~~forestry practices described pursuant to subparagraph (v).~~

11 ~~—— (vii) A proposed forest management plan shall also include a~~
 12 ~~description of activities that may be undertaken for the management~~
 13 ~~of forest resources other than trees, including wildlife habitat,~~
 14 ~~watersheds, and aesthetic features.~~

15 (I) ~~(f)~~—"Qualified forest property" means a parcel of real
 16 property that meets all of the following conditions as determined
 17 by the department of ~~natural resources~~: **AGRICULTURE AND RURAL**

18 **DEVELOPMENT:**

19 (i) Is not less than 20 contiguous acres in size. ~~7~~ ~~of which~~
 20 ~~not less than 80% is productive forest capable of producing wood~~
 21 ~~products.~~ **FOR PARCELS LESS THAN 40 ACRES, NOT LESS THAN 80% SHALL**
 22 **BE STOCKED WITH PRODUCTIVE FOREST CAPABLE OF PRODUCING FOREST**
 23 **PRODUCTS. FOR PARCELS 40 ACRES OR MORE, NOT LESS THAN 50% SHALL BE**
 24 **STOCKED WITH PRODUCTIVE FOREST CAPABLE OF PRODUCING FOREST**
 25 **PRODUCTS.** Contiguity is not broken by a road, a right-of-way, or
 26 property purchased or taken under condemnation proceedings by a
 27 public utility for power transmission lines if the 2 parcels

1 separated by the purchased or condemned property were a single
 2 parcel prior to the sale or condemnation. As used in this
 3 subparagraph, "productive forest" means real property capable of
 4 growing not less than 20 cubic feet of wood per acre per year.
 5 However, if property has been considered productive forest, an act
 6 of God that negatively affects that property shall not result in
 7 that property not being considered productive forest.

8 ~~(ii) Is stocked with forest products.~~

9 ~~(iii) Has no buildings or structures located on the real~~
 10 ~~property.~~

11 (ii) ~~(iv)~~ Is subject to an approved forest management plan.

12 (iii) FOR A PARCEL EXEMPT AS QUALIFIED AGRICULTURAL PROPERTY
 13 UNDER SECTION 7EE, THE QUALIFIED FOREST PORTION OF THE PARCEL SHALL
 14 BE NOT LESS THAN 20 CONTIGUOUS ACRES. IF THE QUALIFIED FOREST
 15 PORTION OF THE PARCEL IS LESS THAN 40 ACRES, NOT LESS THAN 80%
 16 SHALL BE STOCKED WITH PRODUCTIVE FOREST CAPABLE OF PRODUCING FOREST
 17 PRODUCTS. IF THE QUALIFIED FOREST PORTION OF THE PARCEL IS 40 ACRES
 18 OR MORE, NOT LESS THAN 50% SHALL BE STOCKED WITH PRODUCTIVE FOREST
 19 CAPABLE OF PRODUCING FOREST PRODUCTS.

20 (J) ~~(g)~~ "Qualified forester" means ~~natural resources~~
 21 ~~professional, a registered forester, or a conservation district~~
 22 ~~forester.~~ AN INDIVIDUAL WHO MEETS 1 OR MORE OF THE FOLLOWING
 23 REQUIREMENTS AND HAS REGISTERED WITH THE DEPARTMENT OF AGRICULTURE
 24 AND RURAL DEVELOPMENT UNDER SECTION 51306 OF THE NATURAL RESOURCES
 25 AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.51306:

26 (i) IS A FORESTER CERTIFIED BY THE SOCIETY OF AMERICAN
 27 FORESTERS.

1 (ii) IS A FOREST STEWARDSHIP PLAN WRITER.

2 (iii) IS A TECHNICAL SERVICE PROVIDER AS REGISTERED BY THE
3 UNITED STATES DEPARTMENT OF AGRICULTURE FOR FOREST MANAGEMENT PLAN
4 DEVELOPMENT.

5 (iv) IS A REGISTERED FORESTER.

6 ~~(h) "Third party certifying organization" means an independent~~
7 ~~third party organization that assesses and evaluates forest~~
8 ~~management practices according to the standards of a certification~~
9 ~~program that measures whether forest management practices are~~
10 ~~consistent with principles of sustainable forestry. Third party~~
11 ~~certifying organization includes, but is not limited to, the forest~~
12 ~~stewardship council and the sustainable forest initiative.~~

13 (K) "REGISTERED FORESTER" MEANS A PERSON REGISTERED UNDER
14 ARTICLE 21 OF THE OCCUPATIONAL CODE, 1980 PA 299, MCL 339.2101 TO
15 339.2108.

16 Enacting section 1. This amendatory act takes effect June 1,
17 2013.