

**STATE OF MICHIGAN
101ST LEGISLATURE
REGULAR SESSION OF 2022**

Introduced by Reps. Howell, Cambensy, Wozniak, Rendon and Bellino

ENROLLED HOUSE BILL No. 4363

AN ACT to amend 1994 PA 451, entitled “An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to protect the people’s right to hunt and fish; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” by amending sections 2104, 2132, and 2165 (MCL 324.2104, 324.2132, and 324.2165), sections 2104 and 2132 as amended by 2018 PA 238 and section 2165 as added by 2018 PA 240.

The People of the State of Michigan enact:

Sec. 2104. (1) Any of the lands under the control of the department, the title to which is in this state, and which may be sold and conveyed may be exchanged for lands of equal area or approximately equal value belonging to the United States or owned by private individuals if it is in the interest of this state to do so.

(2) If the department charged an application fee for a proposed sale of land under this part and the state land proposed for sale is instead sold to another party within 3 years after the date a completed application was received by the department from the prior applicant, the department shall refund the application fee in full to the prior applicant if the prior applicant has informed the department of his or her current address.

(3) Effective 60 days after the department receives an application from a private individual to exchange that individual’s land for surplus state land, the application shall be considered to be complete unless the department proceeds as provided under subsection (4).

(4) If, before the expiration of the 60-day period under subsection (3), the department notifies the applicant, in writing, that the application is not complete, specifying the information necessary to make the application complete, or that the fee required under subsection (6) has not been paid, specifying the amount due, the running of the 60-day period under subsection (3) is tolled until the applicant submits to the department the specified information or fee amount due, at which time the application shall be considered to be complete.

(5) Within 210 days after the application is complete, or a later date agreed to by the applicant and the department, the department shall approve or deny the application and notify the applicant in writing. If the department denies the application, the notice shall set forth the specific reasons for the denial.

(6) The department shall charge a fee for an application for the exchange of state land. The fee shall be \$300.00 plus, if the state land is more than 300 acres in size, the actual reasonable cost of processing the application.

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

- (a) Appraisal, subject to section 2132a.
- (b) Appraisal consulting.
- (c) A schedule adopted by the department for pricing property with uniform characteristics and low utility.
- (d) The true cash value of nearby land as determined by the local assessor.

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

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

- (a) A public auction sale.
- (b) A negotiated sale.

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

(5) Effective 60 days after the department receives an application to purchase surplus land through a negotiated sale, the application shall be considered to be complete unless the department proceeds as provided under subsection (6).

(6) If, before the expiration of the 60-day period under subsection (5), the department notifies the applicant, in writing, that the application is not complete, specifying the information necessary to make the application complete, or that the fee required under subsection (8) has not been paid, specifying the amount due, the running of the 60-day period under subsection (5) is tolled until the applicant submits to the department the specified information or fee amount due, at which time the application shall be considered to be complete. Notice under this subsection shall include a statement of the requirements of subsection (12).

(7) Within 210 days after the application is considered to be complete, or a later date agreed to by the applicant and the department, the department shall approve or deny the application and notify the applicant in writing. If the department denies the application, the notice shall set forth the specific reasons for the denial.

(8) The department shall charge a fee for an application for the purchase of surplus land. The fee shall be \$300.00 plus, if the surplus land is more than 300 acres in size, the actual reasonable cost of processing the application.

(9) A notice of the proposed sale of surplus land shall be given as provided in section 2165.

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

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

(12) Each application, as may be later amended or supplemented, submitted by a private person under subsection (3)(b) for the purchase of land shall be considered and acted upon by the department to final decision before any other application submitted at a later date by a different private person for the purchase or exchange of the same land. However, if an application is not completed or the fee under subsection (8) is not paid within 60 days after the department notifies the applicant under subsection (6) that the application is incomplete or that the fee has not been paid, the department shall consider and act upon to final decision an application submitted at a later date that is completed and for which the fee has been paid before that previously submitted application.

(13) In a land transaction, the department may give preference to a local unit of government but shall not give preference to any other person.

Sec. 2165. (1) At least 30 days before acquiring, or making a decision to dispose of, lease, or develop, lands that are more than 80 acres in size, the department shall do all of the following:

- (a) Provide notice in writing to the legislative bodies of the local units of government where the land is located.
- (b) Post the notice on its website.
- (c) Publish the notice in a newspaper of general circulation in the county where the land is located.

(2) The notice under subsection (1) shall contain all of the following information:

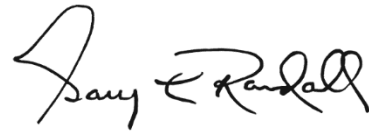
(a) The acreage, the location by address or by distance and direction from specified roads or highways, and the legal description of the land.

(b) The proposed timing of the land transaction.

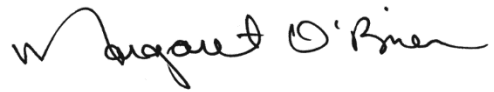
(c) The proposed use for the land.

(d) The opportunity for the legislative body of a local unit of government where the land is located, or 5 or more residents of or owners of land in the county where the land is located, to request a general public meeting on the proposed transaction and the date by which the request must be received by the department under subsection (3).

- (e) A website address where additional information on the proposed transaction can be found.
- (f) For persons who wish to comment on or ask questions about the proposed transaction, the name, telephone number, electronic mail address, and mailing address of a department contact person.
- (g) For the website notice, the following additional information:
 - (i) For the acquisition, lease from another person, or development of land, the fund source that will be used.
 - (ii) For the acquisition of land, the estimated annual payments in lieu of taxes.
 - (iii) The effect the proposal is expected to have on achieving the strategic performance goals set forth in the strategic plan pursuant to section 503(7).
- (3) If the legislative body of a local unit of government where the land is located or 5 or more residents of or owners of land in the county where the land is located request a general public meeting and the department receives the necessary request or requests within 15 days after providing notice under subsection (1), the department shall meet with the general public in the county where the land is located to discuss the proposed disposition, acquisition, lease, or development. The department shall send a representative to the meeting who is familiar with the proposal.
- (4) The department shall provide notice of a meeting under subsection (3) by all of the following means:
 - (a) Written notice to the legislative body of each local unit of government where the land is located.
 - (b) Written notice to each resident or owner of land that requested the meeting under subsection (3).
 - (c) Posting of the notice on the department's website.
- (5) The department shall provide an opportunity for representatives of all local units of government where the land is located to meet in person with a department representative who is familiar with the proposed disposition, acquisition, lease, or development to discuss the proposal.
- (6) Subsections (1) to (5) do not apply to either of the following:
 - (a) A lease with a term of 10 years or less.
 - (b) A lease limited to exploration for and production of oil and gas.
- (7) As used in this section:
 - (a) "Development" means development that would significantly change or impact the current use of the land subject to development. "Developing" has a corresponding meaning. The removal of a berm, gate, or other human-made barrier under section 504 is not development.
 - (b) "Newspaper" means that term as defined in section 1461 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1461.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor