

HOUSE BILL NO. 4363

February 25, 2021, Introduced by Reps. Howell, Cambensy, Wozniak, Rendon and Bellino and referred to the Committee on Natural Resources and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," 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:

- 1 Sec. 2104. (1) Any of the lands under the control of the
- 2 department, the title to which is in this state, and which may be
- 3 sold and conveyed may be exchanged for lands of equal area or

1 approximately equal value belonging to the United States or owned
2 by private individuals if it is in the interest of this state to do
3 so.

4 (2) If the department charged an application fee for a
5 proposed sale **or exchange** of land under this ~~section-part~~ and the
6 state land proposed for sale **or exchange** is instead sold to **or**
7 **exchanged for land of** another party within 3 years after the date a
8 completed application was received by the department from the prior
9 applicant, the department shall refund the application fee in full
10 to the prior applicant if the prior applicant has informed the
11 department of his or her current address.

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

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

26 (5) Within ~~180~~**210** days after the application is complete, or
27 a later date agreed to by the applicant and the department, the
28 department shall approve or deny the application and notify the
29 applicant in writing. If the department denies the application, the

1 notice shall set forth the specific reasons for the denial.

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

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

10 (a) Appraisal, subject to section 2132a.

11 (b) Appraisal consulting.

12 (c) A schedule adopted by the department for pricing property
13 with uniform characteristics and low utility.

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

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

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

22 (a) A public auction sale.

23 (b) A negotiated sale.

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

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

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

12 (7) Within ~~180~~**210** days after the application is considered to
13 be complete, or a later date agreed to by the applicant and the
14 department, the department shall approve or deny the application
15 and notify the applicant in writing. If the department denies the
16 application, the notice shall set forth the specific reasons for
17 the denial.

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

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

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

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

28 (12) Each application, as may be later amended or
29 supplemented, submitted by a private person under subsection (3) (b)

1 for the purchase of ~~the land identified in that application as a~~
 2 ~~prospect for purchase~~ shall be considered and acted upon by the
 3 department to final decision before any other application submitted
 4 at a later date by a different private person for the purchase or
 5 exchange of the same land. However, if an application is not
 6 completed or the fee under subsection (8) is not paid within 60
 7 days after the department notifies the applicant under subsection
 8 (6) that the application is incomplete or that the fee has not been
 9 paid, the department shall consider and act upon to final decision
 10 an application submitted at a later date that is completed and for
 11 which the fee has been paid before that previously submitted
 12 application.

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

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

20 (a) Provide notice in writing to the legislative bodies of the
 21 local units of government where the land is located.

22 (b) Post the notice on its website.

23 (c) Publish the notice in a newspaper of general circulation
 24 in the county where the land is located.

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

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

1 (b) The proposed timing of the land transaction.

2 (c) The proposed use for the land.

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

9 (e) A website address where additional information on the
10 proposed transaction can be found.

11 (f) For persons who wish to comment on or ask questions about
12 the proposed transaction, the name, telephone number, electronic
13 mail address, and mailing address of a department contact person.

14 (g) For the website notice, the following additional
15 information:

16 (i) For the acquisition, lease from another person, or
17 development of land, the fund source that will be used.

18 (ii) For the acquisition of land, the estimated annual payments
19 in lieu of taxes.

20 (iii) The effect the proposal is expected to have on achieving
21 the strategic performance goals set forth in the strategic plan
22 pursuant to section 503(7).

23 (3) If the legislative body of a local unit of government
24 where the land is located or 5 or more residents of or owners of
25 land in the county where the land is located request a general
26 public meeting and the department receives the necessary request or
27 requests within 15 days after providing notice under subsection
28 (1), the department shall meet with the general public in the
29 county where the land is located to discuss the proposed

1 disposition, acquisition, lease, or development. The department
2 shall send a representative to the meeting who is familiar with the
3 proposal.

4 (4) The department shall provide notice of a meeting under
5 subsection (3) by all of the following means:

6 (a) Written notice to the legislative body of each local unit
7 of government where the land is located.

8 (b) Written notice to each resident or owner of land that
9 requested the meeting under subsection (3).

10 (c) Posting of the notice on the department's website.

11 (5) The department shall provide an opportunity for
12 representatives of all local units of government where the land is
13 located to meet in person with a department representative who is
14 familiar with the proposed disposition, acquisition, lease, or
15 development to discuss the proposal.

16 (6) Subsections (1) to (5) do not apply to either of the
17 following:

18 (a) A lease with a term of 10 years or less.

19 (b) A lease limited to exploration for and production of oil
20 and gas.

21 (7) As used in this section:

22 (a) "Development" means development that would significantly
23 change or impact the current use of the land subject to
24 development. "Developing" has a corresponding meaning. The removal
25 of a berm, gate, or other human-made barrier under section 504 is
26 not development.

27 (b) "Newspaper" means that term as defined in section 1461 of
28 the revised judicature act of 1961, 1961 PA 236, MCL 600.1461.