

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

SUBPART 10
LAND EXCHANGE FACILITATION FUND

324.2130 Definitions.

Sec. 2130. As used in this subpart:

- (a) "Board" means the Michigan natural resources trust fund board established in section 1905.
- (b) "Fund", unless the context implies otherwise, means the land exchange facilitation and management fund created in section 2134.
- (c) "Land" includes lands, tenements, and real estate and rights to and interests in lands, tenements, and real estate.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2018, Act 238, Eff. Sept. 25, 2018.

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324.2131 Designation and sale of surplus land; restrictions.

Sec. 2131. (1) Subject to subsection (2), the department may designate as surplus land any state-owned land that is under the control of the department and may, on behalf of this state, sell that land if the sale is not otherwise prohibited by law and the department has considered all of the following:

- (a) Whether the sale will not materially diminish the quality or utility of other state-owned land adjoining the land to be sold.
- (b) Whether the sale is in the best interests of this state, giving due regard to the variety, use, and quantity of lands then under the control of the department.
- (c) Whether the sale will resolve an inadvertent trespass.
- (d) Whether the sale will promote the development of the forestry or forest products industry or the mineral extraction and utilization industry or other economic activity in this state.

(2) Except as provided in section 74102b, the department shall not designate as surplus land any land within a state park, state recreation area, state fish hatchery, state game area, or state public boating access site.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2001, Act 174, Imd. Eff. Dec. 11, 2001;—Am. 2006, Act 308, Imd. Eff. July 20, 2006;—Am. 2012, Act 622, Imd. Eff. Jan. 9, 2013;—Am. 2018, Act 238, Eff. Sept. 25, 2018.

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324.2132 Sale of surplus land; price; methods; sale to highest bidder; condition to acceptance of bid; application for negotiated sale; application fee; notice; disposition of proceeds; quitclaim deed; consideration of application; local preference.

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.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1998, Act 117, Imd. Eff. June 9, 1998;—Am. 2012, Act 240, Imd. Eff. July 2, 2012;—Am. 2012, Act 622, Imd. Eff. Jan. 9, 2013;—Am. 2018, Act 238, Eff. Sept. 25, 2018;—Am. 2022, Act 2, Eff. Mar. 29, 2023.

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324.2132a Purchase or sale based on appraised value.

Sec. 2132a. If land is proposed for purchase or sale by or exchange with the department under this act based on its appraised value, if 2 or more appraisals of the land that meet department standards are made on behalf of the parties to the proposed transaction, and if the high appraisal is less than 10% higher than the low appraisal, the accepted value for purposes of the purchase, sale, or exchange shall be the average of all the appraised values. If the high appraisal is at least 10% higher than the low appraisal, the parties may agree upon a new appraiser, whose appraisal, or determination based on review of the existing appraisals, shall be the accepted value for purposes of the purchase, sale, or exchange. The department is responsible for the new appraiser's fee.

History: Add. 2018, Act 238, Eff. Sept. 25, 2018.

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324.2133 List of surplus lands.

Sec. 2133. (1) Upon request, the department shall furnish a list of surplus lands being offered for sale at public auction. The surplus land sale list shall include all of the following:

- (a) The date, time, and place of sale.
- (b) Descriptions of surplus lands being offered.
- (c) The conditions of sale.

(2) Upon request, the department shall furnish a list of surplus lands being offered in a negotiated sale. The surplus land negotiated sale list shall include both of the following:

- (a) The date, time, and place that the department will meet to authorize the sale.
- (b) Descriptions of surplus lands being offered.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2018, Act 240, Eff. Sept. 25, 2018.

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324.2134 Land exchange facilitation and management fund; creation; deposit of money or

other assets; investment; administration; money carried over.

Sec. 2134. (1) A land exchange facilitation and management fund is created in the state treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(3) The fund shall be administered by the department and shall be used only as provided in section 2135.

(4) Any money, including interest earned by the fund, remaining in the fund at the end of a fiscal year shall be carried over in the fund to the next and succeeding fiscal years and shall not lapse to the general fund.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2018, Act 239, Eff. Sept. 25, 2018.

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Popular name: NREPA

324.2135 Land exchange facilitation and management fund; use of money; purchase of land identified in recommendation; report.

Sec. 2135. (1) Money from the fund shall be used by the department only for the following purposes:

(a) The purchase of land for natural resources management if the land meets the needs outlined in the strategic plan most recently approved by the legislature under section 503.

(b) The costs of advertising, appraisals, negotiations, surveys, and closings incurred by the department in the sale of surplus land.

(c) The costs of environmental assessments, appraisals, negotiations, surveys, and closings incurred by the department in the purchase of land authorized by this subpart.

(d) The costs of managing the natural resources for public recreation activities and public recreation development projects on department-managed land.

(2) The report required by section 506 shall include a summary of all the disbursements of money from the fund for the purposes listed in subsection (1).

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2018, Act 239, Eff. Sept. 25, 2018.

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324.2136 Construction of subpart.

Sec. 2136. This subpart does not limit the authority of the department to exchange land as provided in subpart 3.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2018, Act 238, Eff. Sept. 25, 2018.

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Popular name: NREPA

324.2137 Sale or exchange of land not designated as surplus land; exclusions.

Sec. 2137. (1) Upon request, the department shall consider selling or exchanging land that is not designated as surplus land. The sale or exchange of the land is subject to the same procedures as apply to the sale of land that is designated as surplus land under this subpart.

(2) Subsection (1) does not apply to land in a state park, state recreation area, state fish hatchery, state game area, or state public boating access site. Subsection (1) does not apply to a request to sell land if the request meets the requirements of section 2138.

History: Add. 2018, Act 238, Eff. Sept. 25, 2018.

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324.2138 Sale or lease of certain land; notice of proposed sale or lease; disposition of proceeds.

Sec. 2138. (1) Upon request, the department shall consider selling or leasing land if both of the following requirements are met:

(a) The prospective buyer or lessee is an existing business located adjacent to state land and is limited from expansion because of adjacent state land.

(b) The sale or lease will result in a net economic benefit or other benefit for a local unit of government or region.

(2) The department shall give notice of the proposed sale or lease of the land as provided in section 2165.

(3) In making its decision on the request under subsection (1), the department shall consider both of the

following:

(a) Any comments on the proposed sale or lease from local units of government or other persons.

(b) The impact on natural resources and outdoor recreation in this state, giving due regard to the variety, use, and quantity of lands then under control of the department.

(4) The price for sale of the land shall be established using a method determined appropriate by the department and agreed to by the applicant, such as those listed in section 2132(1).

(5) Proceeds from sale of the land shall be deposited in the fund that provided the revenue for the acquisition of the land by the department. If there is more than 1 such fund, the revenue shall be deposited in the funds in amounts proportionate to their respective contributions for the department's acquisition of the land. To the extent that the land was in whole or in part acquired other than with restricted fund revenue, a proportionate amount of proceeds of the sale of the land shall be deposited in the land exchange facilitation and management fund created in section 2134.

History: Add. 2018, Act 238, Eff. Sept. 25, 2018.

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