

SFA

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

• (517) 373-5383

RECEIVED

Senate Bill 283 (as reported with amendment)

Sponsor: Senator John M. Engler

Committee: State Affairs, Tourism, and Transportation

Date Completed: 6-2-87

JUN 24 1987

Mich. State Law Library

RATIONALE

Central Michigan University (CMU) annually hosts the Michigan Special Olympics and houses the Olympics' participants. In the past, accommodations for the participants have been provided in various campus facilities, and the university would like to develop centralized facilities to be used specifically for the Special Olympics program. The Department of Transportation (DOT) owns a parcel of land adjacent to the CMU campus that contains a structure formerly used as a maintenance garage. The DOT has constructed a new garage facility and has little or no use for the former facility. The university would like to convert the building into housing units for the Special Olympics program.

CONTENT

Senate Bill 283 would authorize the Department of Transportation (DOT) to convey a parcel of State-owned land in the city of Mt. Pleasant to Central Michigan University (CMU) for \$1. The property currently is the location of a DOT maintenance garage, and is adjacent to the CMU campus.

The conveyance would have to be by deed approved by the Attorney General. All rights to coal, oil, gas, and other minerals found on, within, or under the property would be reserved by the State. Revenue received from the conveyance would be deposited in the State Treasury and credited to the Transportation Fund.

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

ARGUMENTS***Supporting Argument***

The DOT has no further use for the land or the structure in question, and the conveyance of the property would fulfill CMU's need for adequate housing for Special Olympics participants.

Opposing Argument

Most State land transfers contain a standard clause providing for the land to revert to the State if it is used for other than the stated purposes. Without such a clause in this bill, CMU could be free to sell the land.

Response: Since CMU is an arm of the State, a reverter clause is not necessary. The bill merely would transfer the land from one State entity to another. Further, reverter clauses often are ignored and only serve to clog the title to the property.

Legislative Analyst: P. Affholter
Fiscal Analyst: J. Makokha

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

S.B. 283 (6-2-87)