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BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

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**Senate Bill 794 (as reported with amendment)****Sponsor: Senator Norman D. Shinkle****Committee: State Affairs, Tourism, and Transportation****Date Completed: 5-17-88**

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***RATIONALE***

It had been proposed that the Department of Natural Resources (DNR) convey two State-owned parcels in a Lenawee County subdivision that contains a manmade lake, Lake Loch Erin. According to the DNR, a total of 62 parcels in the subdivision reverted to the State for unpaid taxes. Sixty of those parcels were conveyed to the township so it could recover its costs of putting in utilities. The State kept the remaining two lots, with the idea of creating a public boat launch in the future. Reportedly, however, public access to the lake is opposed by residents of the subdivision, who wish to keep the lake private.

***CONTENT***

The bill would authorize the Department of Natural Resources to convey to the Lenawee County drain commissioner, for \$1, two parcels in the Waterford subdivision of the Lake Loch Erin Project. The conveyance would have to require that the land be used exclusively for public drainage related purposes. The conveyance would have to be by quitclaim deed approved by the Attorney General, and provide that the State would retain all mineral rights. If the property were used for a purpose other than a public purpose, the property would revert to the Department.

***FISCAL IMPACT***

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

***ARGUMENTS******Supporting Argument***

Once the proposed conveyance was made, the DNR obviously could not create a public boat launch onto Lake Loch Erin. Since public access to the lake could depreciate the value of the surrounding parcels, it is in the interest of the individual property owners to keep the lake private. Although the lots themselves would have to be used for public drainage purposes, such purposes presumably would not encompass a boat launch or similar public access to the lake.

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