

SENATE BILL No. 390

June 27, 1991, Introduced by Senator FAUST and referred
to the Committee on Agriculture and Forestry.

A bill to amend the title and sections 1, 1a, 2, 3, 4, 5, 6,
6a, 7, 8, 9, 10, 11, 12, 12a, 13, 13a, 13b, 13c, and 14 of Act
No. 94 of the Public Acts of 1925, entitled as amended

"An act to provide for the establishment of commercial forests
and for the administration and taxation of them,"

sections 2, 5, 6, 7, 8, 9, 10, and 12 as amended and section 6a
as added by Act No. 393 of the Public Acts of 1980, being sec-
tions 320.301, 320.301a, 320.302, 320.303, 320.304, 320.305,
320.306, 320.306a, 320.307, 320.308, 320.309, 320.310, 320.311,
320.312, 320.312a, 320.313, 320.313a, 320.313b, 320.313c, and
320.314 of the Michigan Compiled Laws; to add sections 1b, 5a,
and 13d; and to repeal certain parts of the act.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title and sections 1, 1a, 2, 3, 4, 5, 6, 6a,
2 7, 8, 9, 10, 11, 12, 12a, 13, 13a, 13b, 13c, and 14 of Act No. 94

1 of the Public Acts of 1925, sections 2, 5, 6, 7, 8, 9, 10, and 12
2 as amended and section 6a as added by Act No. 393 of the Public
3 Acts of 1980, being sections 320.301, 320.301a, 320.302, 320.303,
4 320.304, 320.305, 320.306, 320.306a, 320.307, 320.308, 320.309,
5 320.310, 320.311, 320.312, 320.312a, 320.313, 320.313a, 320.313b,
6 320.313c, and 320.314 of the Michigan Compiled Laws, are amended
7 and sections 1b, 5a, and 13d are added to read as follows:

8 TITLE

9 An act to provide for the establishment of commercial
10 forests; ~~and for the administration and taxation of them~~ TO
11 PRESCRIBE THE POWERS AND DUTIES OF CERTAIN STATE AGENCIES AND
12 OFFICIALS; TO PROVIDE FOR CERTAIN TAXES AND FEES; TO PRESCRIBE
13 PENALTIES; AND TO REPEAL CERTAIN ACTS AND PARTS OF ACTS.

14 Sec. 1. The department of natural resources ~~is authorized~~
15 ~~and charged with certain duties in connection with the establish-~~
16 ~~ment and maintenance of~~ SHALL ESTABLISH AND MAINTAIN commercial
17 forests and ~~shall have authority to make such rules not herein~~
18 ~~specifically provided for~~ MAY PROMULGATE RULES as ~~may be~~ nec-
19 essary to accomplish the intent and purpose of this act. All
20 expense ~~to be~~ incurred and ~~help to be~~ STAFF employed TO
21 IMPLEMENT THIS ACT shall be with the approval of the state admin-
22 istrative board.

23 Sec. 1-a. It is the intent and purpose of this act to
24 encourage reforestation and proper forest management on lands
25 ~~chiefly~~ valuable ~~therefor~~ FOR THOSE PURPOSES.

26 SEC. 1B. THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE
27 "COMMERCIAL FOREST ACT".

1 Sec. 2. As used in this act: ~~—, a "commercial forest"—~~

2 (A) "COMMERCIAL FOREST" OR "COMMERCIAL FORESTLAND" MEANS
3 FORESTLAND THAT IS DETERMINED TO BE A COMMERCIAL FOREST UNDER
4 SECTION 3.

5 (B) "DEPARTMENT" MEANS THE DEPARTMENT OF NATURAL RESOURCES.

6 (C) "DIRECTOR" MEANS THE DIRECTOR OF THE DEPARTMENT.

7 (D) "FORESTLAND" means a tract of land ~~—containing no—~~ THAT
8 DOES NOT CONTAIN material natural resources other than forest
9 growth, ~~—no portion of which—~~ is NOT used for agricultural, min-
10 eral extraction, grazing, industrial, developed recreational or
11 resort purposes, and upon which the owner proposes to develop,
12 maintain, and actively manage a forest through planting, natural
13 reproduction, or other forest MANAGEMENT practices. ~~—This land~~
14 ~~shall also be capable of producing a thrifty forest growth and,~~
15 ~~at the time of listing as a commercial forest, actually carry~~
16 ~~sufficient forest growth of suitable character and distributed to~~
17 ~~give assurance that a stand of merchantable timber will be devel-~~
18 ~~oped within a reasonable period of time. Forest land used for~~
19 ~~the primary purpose of growing and harvesting forest crops and~~
20 FORESTLAND MAY INCLUDE nonproductive land ~~—which occurs—~~ THAT IS
21 intermixed with productive ~~—land and which—~~ FORESTLAND THAT is an
22 integral part of a managed forest. ~~—shall be eligible for listing~~
23 ~~as a commercial forest pursuant to section 3.—~~

24 (E) "FOREST MANAGEMENT PLAN" MEANS A DETAILED PLAN OF THE
25 FOREST PRODUCTS THAT ARE TO BE PLANTED, HARVESTED, OR REMOVED
26 FROM THE COMMERCIAL FOREST. THE FOREST MANAGEMENT PLAN SHALL

1 ALSO INCLUDE A DETAILED TIMETABLE FOR PLANTING, HARVESTING, AND
2 REMOVING FOREST PRODUCTS.

3 (F) "FUND" MEANS THE COMMERCIAL FOREST MONITORY FUND CREATED
4 PURSUANT TO SECTION 5A.

5 (G) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, CORPORATION,
6 ASSOCIATION, GOVERNMENTAL ENTITY, OR OTHER LEGAL ENTITY.

7 (H) "RULE" MEANS A RULE PROMULGATED PURSUANT TO THE ADMINIS-
8 TRATIVE PROCEDURES ACT OF 1969, ACT NO. 306 OF THE PUBLIC ACTS OF
9 1969, BEING SECTIONS 24.201 TO 24.328 OF THE MICHIGAN COMPILED
10 LAWS.

11 Sec. 3. (1) The owner of ~~any land~~ FORESTLAND LOCATED
12 within this state ~~, which complies substantially with the~~
13 ~~requirements specified in section 2,~~ may make application to the
14 department ~~of natural resources~~ to have ~~such land~~ THAT
15 FORESTLAND determined ~~and listed~~ TO BE a commercial forest
16 UNDER THIS ACT. ~~, specifying in such application the legal~~
17 ~~description and acreage of such land and such additional informa-~~
18 ~~tion as may be called for by said department. The applicant~~
19 ~~shall furnish such information under oath and upon blanks pro-~~
20 ~~vided for the purpose.~~

21 (2) TO BE DETERMINED A COMMERCIAL FOREST UNDER THIS ACT,
22 FORESTLAND SHALL BE ALL OF THE FOLLOWING:

23 (A) CAPABLE OF PRODUCING A THRIFTY FOREST GROWTH.

24 (B) HAVE SUFFICIENT FOREST GROWTH OF SUITABLE CHARACTER AS
25 DETERMINED BY THE DEPARTMENT AND DISTRIBUTED TO GIVE ASSURANCE
26 THAT A STAND OF MERCHANTABLE TIMBER WILL BE DEVELOPED WITHIN A
27 REASONABLE PERIOD OF TIME.

1 (3) APPLICATION SHALL BE MADE UNDER OATH ON A FORM
2 PRESCRIBED BY THE DEPARTMENT. IN ADDITION TO ANY INFORMATION
3 THAT THE DEPARTMENT MAY REASONABLY REQUIRE BY RULE, THE APPLICANT
4 SHALL PROVIDE ALL OF THE FOLLOWING TO THE DEPARTMENT:

5 (A) A NONREFUNDABLE APPLICATION FEE IN THE AMOUNT OF \$1.00
6 PER ACRE.

7 (B) A LEGAL DESCRIPTION AND AMOUNT OF ACREAGE CONSIDERED FOR
8 DETERMINATION AS A COMMERCIAL FOREST.

9 (C) A DETAILED FOREST MANAGEMENT PLAN.

10 Sec. 4. (1) Upon receipt of ~~such~~ THE application
11 ~~establishing prima facie~~ AND APPLICATION FEE DESCRIBED IN
12 SECTION 3, the ~~right of any land to be classed as a commercial~~
13 ~~forest the~~ department ~~of natural resources~~ shall determine the
14 character of the land offered and fix a date for a public hearing
15 upon the eligibility of ~~such land~~ THE FORESTLAND for ~~listing~~
16 DETERMINATION as a commercial forest UNDER THIS ACT. The hearing
17 shall be held in the county where the land is located not later
18 than November 1 following receipt of the application. ~~and all~~
19 ALL applications offering lands in the same county may be heard
20 on the same day and at the same place. The department shall
21 ~~cause a~~ PUBLISH notice of ~~such~~ hearing and a list of the
22 LEGAL descriptions of ~~land to be~~ LANDS BEING considered for
23 ~~classification~~ DETERMINATION as commercial forests ~~to be~~
24 ~~published~~ in a newspaper ~~published and circulated~~ OF GENERAL
25 CIRCULATION in ~~said~~ THE county ~~, and~~ IN WHICH THE LAND IS
26 LOCATED. THE NOTICE OF HEARING SHALL BE PUBLISHED at least 20
27 days ~~shall elapse between the date of publication of said notice~~

1 ~~and~~ BEFORE the date of the hearing. At the ~~same~~ time ~~that~~
2 ~~the notice is sent to the newspaper for~~ OF publication, the
3 department shall ~~send~~ PROVIDE a copy of the notice OF HEARING
4 and a list of descriptions of land in each township to be consid-
5 ered for ~~classification~~ DETERMINATION AS A COMMERCIAL FOREST to
6 each township supervisor in whose township the lands are
7 located. Any ~~township supervisor or other~~ person ~~desiring~~
8 WHO WISHES to testify as to eligibility for ~~the listing~~
9 DETERMINATION as a commercial forest of any of the ~~descriptions~~
10 ~~offered,~~ DESCRIBED LANDS may appear and be heard at ~~such~~ THE
11 hearing. ~~Such~~ THE hearing ~~may~~ SHALL be conducted by the
12 director or ~~any~~ AN employee of the department designated BY THE
13 DIRECTOR for the purpose.

14 ~~In case the department shall determine that the descrip-~~
15 ~~tions listed, or any of them, comply with the requirements as to~~
16 ~~commercial forests specified in section 2 and that the owner has~~
17 ~~declared his intention to devote the land to the development and~~
18 ~~maintenance thereon of a commercial forest, and that there are no~~
19 ~~unpaid valid taxes against such land, the department shall forth-~~
20 ~~with report such determination to the applicant and also to the~~
21 ~~supervisor of the township and shall record with the register of~~
22 ~~deeds in the county in which said commercial forest is located,~~
23 ~~the application of the owner and the approval of the department~~
24 ~~endorsed thereon.~~

25 (2) AT THE HEARING, IF THE DEPARTMENT DETERMINES THAT THE
26 APPLICANT AND FORESTLAND MEET THE REQUIREMENTS OF THIS ACT AND
27 DETERMINES THAT ALL VALID TAXES ASSESSED AGAINST THAT FORESTLAND

1 HAVE BEEN PAID, THE DEPARTMENT SHALL APPROVE THE APPLICATION.
2 UPON APPROVAL OF THE APPLICATION, THE DEPARTMENT SHALL IMMEDI-
3 ATELY RECORD THE APPLICATION IN THE REGISTER OF DEEDS OFFICE IN
4 WHICH THE LAND IS LOCATED WITH THE DEPARTMENT APPROVAL ENDORSED
5 ON THE APPLICATION AND FORWARD A COPY OF THE APPROVED APPLICATION
6 TO THE APPLICANT AND TO THE TOWNSHIP SUPERVISOR IN WHICH THE LAND
7 IS LOCATED.

8 Sec. 5. (1) ~~Lands offered by the owner and approved as~~
9 ~~commercial forests and certified as commercial forests by the~~
10 ~~department of natural resources to the supervisor of the township~~
11 ~~in which they are located shall~~ COMMERCIAL FORESTS ARE not ~~be~~
12 subject to the ad valorem general property tax after the date the
13 township supervisor is notified BY THE DEPARTMENT THAT THE LAND
14 IS A COMMERCIAL FOREST, except taxes as previously levied.
15 ~~These lands shall be~~ COMMERCIAL FORESTS ARE subject to an
16 annual specific tax of 15 cents per acre and, after ~~the effec-~~
17 ~~tive date of this 1980 amendatory act~~ OCTOBER 1, 1981, an addi-
18 tional annual specific tax equal to 15 cents per acre as adjusted
19 pursuant to section 6a.

20 (2) IN ADDITION TO THE ANNUAL TAX PROVIDED IN SUBSECTION
21 (1), BEGINNING JANUARY 1, 1992, A SPECIFIC TAX IS IMPOSED AT THE
22 RATE OF 10 CENTS PER ACRE ON ALL COMMERCIAL FORESTS WHICH SHALL
23 BE DEPOSITED IN THE COMMERCIAL FOREST MONITORY FUND CREATED IN
24 SECTION 5A.

25 (3) The supervisor of the township shall remove from the
26 list of land descriptions assessed and taxed under the ad valorem
27 general property tax the land descriptions certified to him or

1 her by the department as being commercial forests and shall enter
2 ~~these~~ THOSE land descriptions on a roll separate from lands
3 assessed and taxed BY the ad valorem general property tax and
4 shall spread against these commercial ~~forest lands~~ FORESTS the
5 specific tax provided by this section. The township treasurer
6 shall collect the specific tax at the same time and in the same
7 manner as ad valorem general property taxes are collected and
8 this tax shall be subject to the same collection charges levied
9 for the collection of ad valorem property taxes. ~~Lands listed~~
10 ~~and taxed as commercial forests shall be~~ COMMERCIAL FORESTS ARE
11 subject to return and sale for nonpayment of taxes in the same
12 manner, at the same time, and under the same penalties as lands
13 returned and sold for nonpayment of taxes levied under the ad
14 valorem general property tax laws. A valuation shall not be
15 determined for descriptions listed as commercial forests and
16 these lands shall not be considered by the county board of com-
17 missioners or by the state board of equalization in connection
18 with county or state equalization for ad valorem property taxa-
19 tion purposes. ~~All~~ EXCEPT AS PROVIDED IN SUBSECTION (2) AND
20 SECTION 5A, ALL sums collected because of the annual tax as pro-
21 vided by this section shall be distributed by the township trea-
22 surer in the same proportions to the various funds as the ad
23 valorem general property tax is allocated in the township. ~~—~~
24 ~~except as provided by section 7a(2).~~

25 SEC. 5A. (1) THE COMMERCIAL FOREST MONITORY FUND IS HEREBY
26 CREATED WITHIN THE STATE TREASURY.

1 (2) THE STATE TREASURER SHALL DEPOSIT THE MONEY COLLECTED
2 PURSUANT TO SECTION 5(2) INTO THE FUND. THE STATE TREASURER MAY
3 RECEIVE MONEY OR OTHER ASSETS FROM ANY SOURCE FOR DEPOSIT INTO
4 THE FUND. THE STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE
5 FUND. THE STATE TREASURER SHALL CREDIT TO THE FUND INTEREST AND
6 EARNINGS FROM FUND INVESTMENTS.

7 (3) MONEY IN THE FUND APPROPRIATED FROM THE GENERAL FUND
8 SHALL REMAIN IN THE FUND AT THE CLOSE OF THE FISCAL YEAR AND
9 SHALL NOT LAPSE TO THE GENERAL FUND.

10 (4) THE DEPARTMENT SHALL EXPEND THE MONEY FROM THE FUND,
11 UPON APPROPRIATION, FOR THE ENFORCEMENT AND MONITORING OF THIS
12 ACT AND RULES PROMULGATED UNDER THIS ACT.

13 Sec. 6. On December 1 of each year, the department ~~of nat-~~
14 ~~ural resources~~ shall certify to the state treasurer the number
15 of acres ~~of land determined and listed as commercial forests~~
16 THAT ARE COMMERCIAL FORESTLANDS in each county and the state
17 treasurer shall transmit to the treasurer of each county in which
18 these ~~lands are situated~~ COMMERCIAL FORESTS ARE LOCATED a war-
19 rant on the state treasurer for an amount equal to 70 cents per
20 acre, as adjusted by section 6a, upon each acre of ~~land certi-~~
21 ~~fied and listed as~~ commercial forest in the county. The county
22 treasurer of each county shall distribute an amount equal to 25
23 cents per acre for each acre of ~~land certified and listed as~~
24 commercial forest in the county in the same proportions between
25 the various funds as the ad valorem general property tax is dis-
26 tributed by the township treasurers in each township. ~~Except as~~
27 ~~provided by section 7a(2), the~~ THE county treasurer of each

1 county shall distribute the remainder of the funds transmitted
2 pursuant to this section pursuant to the manner in which ad
3 valorem property taxes are distributed.

4 Sec. 6a. On all ~~lands entered under this act~~ COMMERCIAL
5 FORESTLAND, the annual specific tax and the state payment
6 DESCRIBED in section 6, per acre, shall be adjusted in 1990 and
7 every tenth year after 1990 to the nearest cent by the use of a
8 ratio computed by the revenue division of the department of
9 treasury. The ratio shall be computed by using the state equal-
10 ized value per acre of the timber cutover lands within the state
11 in 1980 as the denominator and using the state equalized value
12 per acre for timber cutover lands in 1990 and every tenth year
13 after 1990 as the numerator.

14 Sec. 7. ~~An owner of land listed as a commercial forest~~
15 ~~desiring to withdraw his or her land, in whole or in part, from~~
16 ~~the operation of this act shall make written application to the~~
17 ~~department of natural resources. Except as otherwise provided~~
18 ~~for land listed under this act for more than 20 years or land~~
19 ~~condemned or donated to a public body for public use, the appli-~~
20 ~~cation shall be granted only on payment to the department of a~~
21 ~~penalty equal to the product of the current average ad valorem~~
22 ~~property tax on timber cutover real property within the township~~
23 ~~in which the land is located, as determined by the township~~
24 ~~assessor, times the number of years, not to exceed 7, the land~~
25 ~~was subject to this act, together with a fee equivalent to 10% of~~
26 ~~the full stumpage value of the merchantable forest products upon~~
27 ~~the land, as determined by the department. Land withdrawn after~~

~~1 being listed under the act for more than 20 years shall be~~
~~2 subject only to payment of the 10% stumpage fee. Land condemned~~
~~3 or donated to a public body for public use shall not be subject~~
~~4 to the penalties listed in this section, but shall be subject to~~
~~5 payment of the 10% stumpage fee. These penalties and fees shall~~
~~6 be paid to the department before the application to withdraw is~~
~~7 granted.~~ (1) AN OWNER OF A COMMERCIAL FOREST MAY WITHDRAW HIS OR
8 HER LAND, IN WHOLE OR IN PART, FROM THE OPERATION OF THIS ACT
9 UPON APPLICATION TO THE DEPARTMENT AND PAYMENT OF THE WITHDRAWAL
10 APPLICATION FEE AND PENALTY AS PROVIDED IN THIS SECTION.

11 (2) UPON APPLICATION TO THE DEPARTMENT TO WITHDRAW COMMER-
12 CIAL FORESTLAND, THE APPLICANT SHALL FORWARD TO THE DEPARTMENT A
13 WITHDRAWAL APPLICATION FEE IN THE AMOUNT OF \$1.00 PER ACRE WITH A
14 MINIMUM WITHDRAWAL APPLICATION FEE OF \$200.00 PER APPLICATION.

15 (3) EXCEPT AS PROVIDED IN SUBSECTIONS (4) AND (5), AN APPLI-
16 CATION TO WITHDRAW COMMERCIAL FORESTLAND FROM THIS ACT SHALL BE
17 GRANTED UPON THE PAYMENT TO THE DEPARTMENT OF A PENALTY EQUAL TO
18 THE PRODUCT OF THE CURRENT AVERAGE AD VALOREM PROPERTY TAX ON
19 TIMBER CUTOVER REAL PROPERTY IN THE TOWNSHIP IN WHICH THE LAND IS
20 LOCATED, AS DETERMINED BY THE TOWNSHIP ASSESSOR, TIMES THE NUMBER
21 OF YEARS, NOT TO EXCEED 7, THE LAND WAS COMMERCIAL FORESTLAND
22 UNDER THIS ACT, TOGETHER WITH A STUMPAGE FEE EQUIVALENT TO 10% OF
23 THE FULL STUMPAGE VALUE OF THE MERCHANTABLE FOREST PRODUCTS
24 LOCATED IN THE COMMERCIAL FOREST AS DETERMINED BY THE
25 DEPARTMENT.

26 (4) AN APPLICATION TO WITHDRAW EITHER OF THE FOLLOWING SHALL
27 BE GRANTED UPON THE PAYMENT TO THE DEPARTMENT OF A PENALTY OF 10%

1 OF THE FULL STUMPAGE VALUE OF THE MERCHANTABLE FOREST PRODUCTS
2 LOCATED IN THE COMMERCIAL FOREST AS DETERMINED BY THE
3 DEPARTMENT:

4 (A) LAND THAT HAS BEEN COMMERCIAL FORESTLAND FOR MORE THAN
5 20 YEARS IMMEDIATELY PRECEDING THE DATE OF APPLICATION TO
6 WITHDRAW.

7 (B) LAND THAT IS CONDEMNED OR DONATED TO A PUBLIC BODY OF
8 THIS STATE FOR PUBLIC USE.

9 (5) COMMERCIAL FORESTLANDS THAT ARE EXCHANGED WITH PROPERTY
10 BELONGING TO A PUBLIC BODY ARE EXEMPT FROM THE PAYMENT OF A WITH-
11 DRAWAL APPLICATION FEE AND THE PAYMENT OF A PENALTY UNDER THIS
12 SECTION AS LONG AS THE PROPERTY RECEIVED IS DESIGNATED AS A COM-
13 Mercial FOREST.

14 (6) The department shall remit ~~withdrawal~~ THE penalties
15 ~~and fees~~ UNDER SUBSECTIONS (3) AND (4) to the treasurer of the
16 township in which withdrawn ~~lands~~ COMMERCIAL FORESTLANDS are
17 located. The money shall be distributed by the township trea-
18 surer in the same proportions to the various funds as the ad
19 valorem general property tax is allocated in the township. ~~7~~
20 ~~except as provided by section 7a(2).~~

21 (7) If an application to withdraw ~~land from classification~~
22 ~~as a commercial forest~~ FORESTLAND is granted, the department
23 shall immediately notify the applicant, the supervisor of the
24 township, and the register of deeds of the county in which the
25 lands are located of the action and shall file with those offi-
26 cials a list of the lands withdrawn. The lands shall immediately
27 be removed from the list of lands paying specific taxes and shall

1 then be assessed and taxed under the ad valorem general property
2 tax the same as though they were never listed under this act. If
3 application to withdraw is filed after January 1 in any year, the
4 specific tax and not the ad valorem general property tax shall be
5 paid for that year.

6 Sec. 8. (1) A PERSON SHALL NOT CUT OR REMOVE MERCHANTABLE
7 FOREST PRODUCTS FROM A COMMERCIAL FOREST WITHOUT A PERMIT ISSUED
8 BY THE DEPARTMENT. The owner of ~~land registered as~~ a commercial
9 forest ~~shall be~~ IS entitled to a permit to cut OR REMOVE
10 MERCHANTABLE forest products on that land without withdrawing it
11 ~~from classification~~ OR AFFECTING ITS STATUS as a commercial
12 forest and without payment of a fee or tax other than the annual
13 specific tax and the ~~stumpage~~ YIELD tax provided by section 9.

14 (2) An owner ~~desiring~~ OF A COMMERCIAL FOREST WHO WISHES to
15 cut ~~and~~ OR remove merchantable forest products from HIS OR HER
16 land ~~that has been listed as a commercial forest~~ shall ~~make~~
17 FILE AN application ~~to~~ WITH the department ~~of natural~~
18 ~~resources~~ for a permit to cut ~~, stating in his or her applica-~~
19 ~~tion the description~~ OR REMOVE MERCHANTABLE FOREST PRODUCTS.
20 THE APPLICATION FOR A PERMIT TO CUT OR REMOVE MERCHANTABLE FOREST
21 PRODUCTS SHALL STATE BOTH OF THE FOLLOWING:

22 (A) A DESCRIPTION or descriptions of land from which forest
23 products are to be cut ~~, and the~~ OR REMOVED.

24 (B) THE class, the approximate amount, and the approximate
25 unit stumpage value of each forest product proposed to be cut OR
26 REMOVED at the place of cutting OR REMOVAL.

1 (3) In situations where more than 1 harvesting operation is
2 planned within a township, the department may issue a single
3 master permit.

4 (4) The department shall ~~then~~ verify the unit stumpage
5 value of each of the classes of forest products proposed to be
6 cut and shall issue a permit indicating the unit stumpage values
7 to be used in computing the yield tax to be paid for the forest
8 products cut and removed under the terms of the permit.

9 (5) An owner to whom a permit is issued who is dissatisfied
10 with the determination of the department as to the stumpage
11 ~~rates~~ VALUES indicated in the permit may file ~~a protest~~ AN
12 OBJECTION with the department within 20 days after receipt of the
13 permit. ~~For the purpose of determining~~ TO DETERMINE the stump-
14 age values, the department shall conduct a hearing and may compel
15 the attendance of witnesses. At the hearing the owner shall be
16 given THE opportunity to be heard and to produce witnesses. The
17 department may then amend the permit as to stumpage values to be
18 used in computing the yield tax to be paid. ~~A person shall not~~
19 ~~cut or remove forest products from land listed as a commercial~~
20 ~~forest until a permit has been issued.~~

21 Sec. 9. (1) ~~On or before August 31 and February 28 suc-~~
22 ~~ceeding any time in which a permit issued by the department of~~
23 ~~natural resources was in effect, the owner shall certify and~~
24 ~~submit a report to the department, for the 6 month period ending~~
25 ~~June 30 and December 31, the actual~~ AFTER A PERMIT IS ISSUED,
26 THE OWNER SHALL REPORT, ON A FORM PRESCRIBED BY THE DEPARTMENT,
27 TO THE DEPARTMENT ON OR BEFORE AUGUST 31 FOR A 6-MONTH PERIOD

1 ENDING JUNE 30 AND REPORT ON FEBRUARY 28 FOR A 6-MONTH PERIOD
2 ENDING DECEMBER 31. THE REPORT SHALL INDICATE THE quantity of
3 each kind and class of forest products cut OR REMOVED, as deter-
4 mined by the scale or measurement made on the ground as cut,
5 skidded, or loaded. ~~—, and at—~~

6 (2) AT the same time THE OWNER IS REQUIRED TO REPORT TO THE
7 DEPARTMENT UNDER SUBSECTION (1), THE OWNER shall pay to the
8 department a yield tax of 10% of the total stumpage value of the
9 forest products ~~—se—~~ reported, as computed from the stumpage
10 rates indicated in the ~~—cutting—~~ permit. If any forest products
11 cut during any 6-month period are not scaled during that 6-MONTH
12 period, then those forest products shall be reported with the
13 forest products cut during the 6-MONTH period immediately
14 following. ~~—Except as provided by section 7a(2), the—~~

15 (3) THE department shall remit the ~~—stumpage or—~~ yield tax
16 to the treasurer of the township in which harvesting operations
17 were conducted. The township treasurer shall distribute the pay-
18 ment in the same proportions to the various funds as the ad
19 valorem general property tax is allocated to the township.

20 (4) A yield tax shall not be paid on any forest material cut
21 for domestic use of the owner of the lands, or on materials nec-
22 essarily used in harvesting the forest crop.

23 Sec. 10. (1) The owner of ~~—land listed as—~~ a commercial
24 forest shall not make use of that land in a manner ~~—which would~~
25 ~~be—~~ THAT IS prejudicial to its development as a commercial forest
26 and shall not use the land for industrial, recreational, or other
27 commercial purposes, ~~—nor—~~ OR enjoy exclusive privileges as to

1 hunting, TRAPPING, HIKING, CROSS-COUNTRY SKIING, and fishing upon
2 the land. ~~However, the~~ THE general public shall be accorded
3 the privilege of hunting, TRAPPING, HIKING, CROSS-COUNTRY SKIING,
4 and fishing on all ~~lands listed as~~ commercial ~~forest except~~
5 ~~if~~ FORESTLANDS UNLESS the lands are closed ~~to hunting or fish-~~
6 ~~ing, or both,~~ FOR THE DESIGNATED ACTIVITY by order of the
7 ~~natural resources~~ commission OF NATURAL RESOURCES or by an act
8 of the legislature.

9 (2) Exploration for minerals shall be permitted on land
10 listed under this act. If commercial mineral deposits are dis-
11 covered and extraction is to be undertaken, the lands affected
12 shall ~~be removed from the provisions of this act~~ NOT BE COMMER-
13 CIAL FORESTLANDS and penalties SHALL BE paid pursuant to section
14 ~~7~~ 7(3).

15 Sec. 11. All applications, statements, and information ~~if~~
16 required by the department ~~of natural resources~~ in the adminis-
17 tration of this act SHALL BE ON FORMS PRESCRIBED BY THE DEPART-
18 MENT AND shall be under oath.

19 Sec. 12. On application of the owner, the department ~~of~~
20 ~~natural resources shall have power to~~ MAY extend the period
21 specified in cutting permits. The department ~~shall also have~~
22 ~~the power to~~ MAY shorten or revoke permits to cut if fraud or
23 other proper cause is found to exist AS DETERMINED BY THE
24 DEPARTMENT.

25 Sec. 12a. (1) The transfer of title of any ~~land listed as~~
26 ~~a~~ commercial ~~forest~~ FORESTLAND shall not affect the status of
27 ~~such~~ THE land as a commercial forest. ~~The withdrawal~~

~~1 procedure hereinbefore provided shall be made to apply to the new~~
~~2 owner in like manner as to the original owner.~~

3 (2) A DOCUMENT THAT TRANSFERS ANY INTEREST IN COMMERCIAL
4 FORESTLANDS SHALL STATE ON THE FACE OF THE DOCUMENT THAT "THIS
5 PROPERTY IS SUBJECT TO THE COMMERCIAL FOREST ACT".

6 Sec. 13. ~~In the event of the use of any portion or all of~~
~~7 the land included in any commercial forest for purposes contrary~~
~~8 to the provisions of section 2~~ IF AN OWNER OF A COMMERCIAL FOR-
9 ESTLAND MAKES USE OF HIS OR HER COMMERCIAL FOREST IN A MANNER
10 THAT IS INCONSISTENT WITH THIS ACT, the department may upon
11 notice to the owner and hearing ~~, thereon, declassify such por-~~
~~12 tion or all of said lands so used and require the payment of fees~~
~~13 as in the case of voluntary withdrawal.~~ DECLASSIFY ALL OR A POR-
14 TION OF THE MISUSED COMMERCIAL FORESTS. UPON DECLASSIFICATION
15 THE OWNER SHALL IMMEDIATELY PAY THE WITHDRAWAL APPLICATION FEE
16 PURSUANT TO SECTION 7(2) AND STUMPAGE FEE PURSUANT TO SECTION
17 7(3). If, AT THE HEARING, the department ~~as the outcome of the~~
~~18 hearing shall find~~ DETERMINES that any portion or all of ~~such~~
~~19 lands are being used contrary to the requirements set forth in~~
~~20 section 2~~ THE COMMERCIAL FORESTS ARE BEING USED IN A MANNER
21 INCONSISTENT WITH THIS ACT, then the department shall DECERTIFY
22 THE COMMERCIAL FOREST AND serve a notice of declassification of
23 ~~such~~ THE lands upon the owner, and ~~upon~~ the supervisor of the
24 township and record a copy ~~thereof~~ OF THE DECLASSIFICATION in
25 the office of the register of deeds of the county in which ~~such~~
26 THE lands are ~~situate, and from~~ LOCATED. FROM the date of
27 recording ~~such notice, said~~ OF THE DECLASSIFICATION, THE lands

1 ~~shall cease to be classified as~~ ARE NO LONGER commercial
 2 ~~forests~~ FORESTLANDS and ~~shall thereafter, be~~ ARE subject to
 3 the ad valorem property tax. ~~Provided, That~~ HOWEVER, if
 4 notice of declassification is served after January 1 in any year,
 5 the specific tax and not the ad valorem general property tax
 6 shall be paid for that year. Within 90 days after the service of
 7 ~~such~~ THE declassification notice ON the owner, THE OWNER shall
 8 ~~make payment~~ PAY to the department ~~exactly as if said lands~~
 9 ~~had been voluntarily withdrawn by the owner under the terms of~~
 10 ~~this act~~ THE WITHDRAWAL APPLICATION FEE DESCRIBED IN SECTION
 11 7(2) AND THE STUMPAGE FEE DESCRIBED IN SECTION 7(3).

12 Sec. 13a. ~~Changes in~~ IF THE LEGISLATURE CHANGES the
 13 terms, fees, taxes, or other provisions of this act, ~~as from~~
 14 ~~time to time enacted into law shall apply~~ THE CHANGE APPLIES to
 15 all lands ~~which~~ THAT are ~~listed~~ COMMERCIAL FORESTLANDS at the
 16 time ~~such enactments become~~ THE LEGISLATION BECOMES effective.
 17 ~~Any~~ AN owner may, without penalty ~~of~~ OR payment of withdrawal
 18 or stumpage fees, withdraw ~~said lands~~ HIS OR HER COMMERCIAL
 19 FORESTLANDS from the operation of this act ~~in event of any~~
 20 ~~change by law in the terms, fees, taxes or other provisions of~~
 21 ~~this act, which~~ IF AN AMENDMENT TO THIS ACT would materially
 22 increase the burden of the owner AS REASONABLY DETERMINED BY THE
 23 OWNER. The owner ~~shall~~ DOES not have the right to withdraw
 24 ~~lands~~ COMMERCIAL FORESTLAND without penalty unless ~~he makes~~
 25 ~~application~~ THE OWNER APPLIES to do so within 1 year after the
 26 ~~enactments become effective~~ EFFECTIVE DATE OF THE AMENDMENT
 27 THAT MATERIALLY INCREASES THE BURDEN ON THE OWNER. When ~~any~~ AN

1 owner elects to withdraw ~~the lands he~~ HIS OR HER COMMERCIAL
2 FORESTLANDS, THE OWNER shall withdraw all ~~such lands as may be~~
3 OF HIS OR HER COMMERCIAL FORESTLANDS THAT ARE listed by him OR
4 HER at that time. If ~~any~~ AN application to withdraw ~~lands~~
5 ~~from classification as a~~ commercial ~~forest~~ FORESTLAND FROM THE
6 OPERATION OF THIS ACT is initiated by ~~any~~ AN owner or by the
7 department ~~of natural resources~~ prior to the time that ~~such~~
8 ~~changes in~~ AN AMENDMENT TO THIS ACT THAT IMPACTS THE terms,
9 fees, taxes, or other provisions of this act ~~become~~ BECOMES
10 effective, the withdrawal and stumpage fees in effect prior to
11 the enactment of the ~~changes~~ AMENDMENT shall be paid in the
12 same manner and at the same rates as though ~~no such changes~~ AN
13 AMENDMENT had NOT been enacted.

14 Sec. 13b. ~~Any~~ AN owner of ~~lands~~ FORESTLANDS who has
15 applied for ~~the listing thereof~~ A DESIGNATION AS A COMMERCIAL
16 FOREST or whose lands ~~have been listed under the provisions of~~
17 ARE COMMERCIAL FORESTLANDS UNDER this act or any taxpayer
18 affected by ~~any~~ AN action or determination of the department
19 taken or made under ~~the provisions thereof~~ THIS ACT and who is
20 dissatisfied with any order or determination of the department
21 may commence AN action in the circuit court of the county in
22 which the lands affected, or any part ~~thereof~~ OF THE LANDS, are
23 situated, against the department and other interested parties ~~as~~
24 ~~defendants~~ to review, ~~and~~ vacate, or set aside ~~such~~ THE
25 determination. ~~in whole or in part.~~ ~~Such~~ THE action shall be
26 commenced within 60 days after ~~such~~ THE order or
27 determination. A determination adverse to the owner ~~shall be~~

1 ~~deemed to have been~~ IS made if the department fails to act
2 ~~thereon~~ within the time specified in this act. ~~Such~~ THE
3 action shall be commenced by the filing of a petition ~~which~~
4 THAT shall ~~state~~ briefly STATE the nature of the proceeding
5 before the department and shall set forth the determination com-
6 plained of and the grounds on which it is claimed that ~~said~~ THE
7 determination is erroneous. A copy of ~~said~~ THE petition shall
8 be served upon the director. ~~or secretary of the department.~~
9 The department shall file an answer and serve a copy ~~thereof~~ OF
10 THE NOTICE upon the petitioner within ~~15~~ 21 days after service
11 of ~~such~~ THE petition upon the department. ~~Any~~ A person whose
12 rights may be directly affected by ~~said~~ THE determination may
13 appear and ~~become a part and the court may~~ upon proper notice
14 order ~~any such person to~~ be joined as a party. ~~Said~~ THE
15 petition may be brought on for hearing as in a suit in equity
16 upon 10 days' notice to the opposite party after issue has been
17 joined. Upon the hearing of ~~said~~ THE petition the court shall
18 take evidence upon all questions relating to the matter in issue
19 and shall make such order and determination as should have been
20 made by the department and ~~such~~ THE order of the court when
21 made and entered shall operate ~~in all respects~~ as is ~~herein~~
22 provided for with reference to the determinations of the
23 department.

24 Sec. 13-c. ~~It shall be lawful at any and all times for~~
25 any A duly authorized ~~representatives~~ REPRESENTATIVE of the
26 department ~~to~~ MAY AT ANY TIME go upon ~~any and all lands~~
27 ~~classified hereunder; and such representatives, for the purpose~~

1 ~~of ascertaining the correctness~~ COMMERCIAL FORESTLANDS TO
 2 ASCERTAIN THE VALIDITY of any return or report made pursuant to
 3 this act by ~~any~~ AN owner or agent ~~, shall have~~ OF THE OWNER.
 4 THE DULY AUTHORIZED REPRESENTATIVE OF THE DEPARTMENT HAS the
 5 power to examine or cause to be examined any books, papers,
 6 records, or memorandum bearing upon the amounts of timber prod-
 7 ucts cut from ~~said lands~~ THE COMMERCIAL FORESTLAND.

8 SEC. 13D. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), A
 9 PERSON WHO VIOLATES SECTION 8 IS RESPONSIBLE FOR A CIVIL VIOLA-
 10 TION AND SHALL BE FINED \$100.00 FOR EACH VIOLATION.

11 (2) IF A PERSON VIOLATES SECTION 8 AFTER THEY HAVE BEEN
 12 NOTIFIED BY THE DEPARTMENT OF THEIR VIOLATION, THAT PERSON IS
 13 RESPONSIBLE FOR AN ADDITIONAL CIVIL VIOLATION OF \$500.00 PER DAY
 14 THAT THE VIOLATION CONTINUES.

15 (3) A DEFAULT IN THE PAYMENT OF A CIVIL FINE OR COSTS
 16 ORDERED UNDER THIS ACT OR AN INSTALLMENT OF THE FINE OR COSTS MAY
 17 BE REMEDIED BY ANY MEANS AUTHORIZED UNDER THE REVISED JUDICATURE
 18 ACT OF 1961, ACT NO. 236 OF THE PUBLIC ACTS OF 1961, BEING SEC-
 19 TIONS 600.101 TO 600.9947 OF THE MICHIGAN COMPILED LAWS.

20 (4) A CIVIL FINE COLLECTED PURSUANT TO THIS SECTION SHALL BE
 21 DEPOSITED IN THE COMMERCIAL FOREST MONITORY FUND DESCRIBED IN
 22 SECTION 5A.

23 Sec. 14. ~~Any person violating any of the provisions of~~
 24 ~~this act shall be deemed guilty of a felony and upon conviction~~
 25 ~~shall be liable to a fine of not more than 2,000 dollars or to~~
 26 ~~imprisonment in the state prison for not more than 3 years or to~~
 27 ~~both such fine and imprisonment in the discretion of the court.~~

1 (1) EXCEPT AS PROVIDED IN SECTION 13D(1) AND SUBSECTION (2), A
2 PERSON WHO VIOLATES THIS ACT IS GUILTY OF A FELONY, PUNISHABLE BY
3 IMPRISONMENT FOR NOT MORE THAN 3 YEARS, OR A FINE OF NOT MORE
4 THAN \$10,000.00, OR BOTH.

5 (2) A PERSON WHO DOES ANY OF THE FOLLOWING IS GUILTY OF A
6 MISDEMEANOR, PUNISHABLE BY IMPRISONMENT OF NOT MORE THAN 90 DAYS,
7 OR A FINE OF NOT MORE THAN \$500.00, OR BOTH:

8 (A) HARVESTS FOREST PRODUCTS IN VIOLATION OF HIS OR HER
9 DETAILED FOREST MANAGEMENT PLAN.

10 (B) COMMITS A VIOLATION OF THIS ACT INVOLVING PROPERTY
11 HAVING A VALUE OF \$2,000.00 OR LESS.

12 (3) UPON CONVICTION FOR A VIOLATION OF THIS ACT, THE COURT
13 MAY TERMINATE THE COMMERCIAL FOREST DESIGNATION AND REQUIRE THE
14 PAYMENT OF FEES PURSUANT TO SECTION 7.

15 Section 2. Section 7a of Act No. 94 of the Public Acts of
16 1925, being section 320.307a of the Michigan Compiled Laws, is
17 repealed.