



**House
Legislative
Analysis
Section**

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COLDWATER CENTER TRANSFER

House Bill 4159 (Substitute H-2) First Analysis (7-1-93)

**Sponsor: Rep. Michael E. Nye
Committee: State Affairs**

THE APPARENT PROBLEM:

According to information from the Department of Management and Budget, closure of the Coldwater Regional Mental Health Center was completed in December of 1992. Interest has been expressed in that property by a number of state and local public agencies. The intermediate school district has said it would like to use part of the property to continue vocational agricultural programs and for other purposes; the county would like to use residential homes for a runaway shelter program; the township contemplates building a fire barn and emergency vehicle shelter on the northwest corner of the campus or perhaps an industrial park; and the Department of Corrections would like to use renovated residential buildings for a camp program and a school for court-ordered educational programs, both for minimum-security (Level I) female prisoners. Legislation to allow the conveyance or transfer of the property to the interested parties has been introduced.

THE CONTENT OF THE BILL:

The bill would authorize the state administrative board to convey or transfer property making up the site of the former Coldwater Regional Mental Health Center in Branch County in the following ways.

- To the Branch Intermediate School District for public school purposes, a conveyance of property as described in the bill for consideration of \$1. (The property is about 20 acres according to the DMB.)
- To Branch County to be used for a runaway shelter program or other public purposes, a conveyance of property (about 3.4 acres) for consideration of \$1.
- To Coldwater Township to be used for public purposes, a conveyance of property (about 17.53 acres) for consideration of \$1.

-- To the Department of Corrections, a transfer of the remainder of the property from the Department of Mental Health.

The conveyances would be by quitclaim deed approved by the attorney general and would reserve to the state all rights to coal, oil, gas, and other mineral rights, excluding sand, gravel, clay, or other nonmetallic minerals found on, within, or under the conveyed lands. Each conveyance specifies that upon termination of the specified use of the property, or upon use for any other purpose, title to the property could revert immediately to the state, with the state assuming no liability for any subsequent improvements made to the property.

FISCAL IMPLICATIONS:

The Department of Corrections, in a letter to the bill's sponsor dated 6-14-93, reports that the transfer of prisoners and staff to the new camp would generate an annual savings of over \$250,000. Currently, female prisoners eligible for Level I security are housed, the department says, at higher security levels due to the limited number of prison camp beds for females.

ARGUMENTS:

For:

The bill would permit the use of the site of the former Coldwater Regional Mental Health Center by the Department of Corrections and various local units of government. The Department of Management and Budget has pointed out that the site was on the Department of Natural Resources' contaminated site list and is undergoing environmental cleanup. The stigma attached to this makes the property difficult to market, says the DMB, and makes the contemplated public uses a good alternative.

POSITIONS:

Written statements of support for the transfer and conveyances have been submitted by the Departments of Management and Budget, Corrections, and Mental Health, as well as by the Branch Intermediate School District and Coldwater Township. (6-30-93)