



# HOUSE BILL No. 5720

March 28, 1996, Introduced by Reps. Bodem, Bobier, Schroer, Tesanovich, Munsell, Bullard and Law and referred to the Committee on Conservation, Environment and Great Lakes.

A bill to amend section 2132 of Act No. 451 of the Public Acts of 1994, entitled "Natural resources and environmental protection act," as added by Act No. 60 of the Public Acts of 1995, being section 324.2132 of the Michigan Compiled Laws; and to add section 2132a.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 Section 1. Section 2132 of Act No. 451 of the Public Acts  
2 of 1994, as added by Act No. 60 of the Public Acts of 1995, being  
3 section 324.2132 of the Michigan Compiled Laws, is amended and  
4 section 2132a is added to read as follows:

5 Sec. 2132. (1) The department may sell surplus land at a  
6 price of not less than its fair market value as determined by an  
7 appraisal.

1 (2) The sale of surplus land shall be conducted by the  
2 department through 1 of the following methods:

3 (a) A sealed or oral bid public auction sale.

4 (b) A negotiated sale.

5 (3) The sale of surplus land through a sealed or oral bid  
6 public auction sale shall be to the highest bidder. A bid shall  
7 not be accepted for less than the fair market value of the sur-  
8 plus land as determined by an appraisal.

9 (4) A notice of the sale of surplus land shall be given as  
10 provided in section 2133.

11 (5) The proceeds from the sale of surplus land shall be  
12 deposited into the fund.

13 (6) Surplus land that is sold under this subpart shall be  
14 conveyed by quitclaim deed approved by the attorney general. ~~and~~  
15 ~~shall reserve to the state all rights to coal, oil, gas, and~~  
16 ~~other minerals, excluding sand and gravel, found on, within, and~~  
17 ~~under the land.~~

18 SEC. 2132A. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION,  
19 IF THE STATE OBTAINS PROPERTY BY OPERATION OF SEIZURE, RECEIVER-  
20 SHIP, OR FORFEITURE OR OTHERWISE INVOLUNTARILY ACQUIRES TITLE OR  
21 CONTROL OF PROPERTY BY VIRTUE OF ITS GOVERNMENTAL FUNCTION, THE  
22 STATE SHALL RETAIN SUBSURFACE MINERAL OR OIL AND GAS RIGHTS IN  
23 THAT PROPERTY UPON SUBSEQUENT SALE OR TRANSFER OF THE PROPERTY  
24 ONLY IF THE DEPARTMENT DETERMINES THAT RETAINING THE SUBSURFACE  
25 RIGHTS IS NECESSARY FOR THE PROTECTION OF THE AIR, WATER, AND  
26 OTHER NATURAL RESOURCES AND THE PUBLIC TRUST IN THESE RESOURCES  
27 FROM POLLUTION, IMPAIRMENT, OR DESTRUCTION.