
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 481 (as introduced 5-6-97)
Sponsor: Senator Joe Conroy
Committee: Local, Urban and State Affairs

Date Completed: 11-10-97

CONTENT

The bill would authorize the State Administrative Board, on behalf of the State, to convey to the City of Flint for \$1 property under the jurisdiction of the Department of Education and located in Flint, in Genesee County, to be used for public park and recreation purposes. The conveyance would not reserve mineral rights to the State, but would require that one-half of any revenue derived from the development of minerals found on the property be paid to the State.

The conveyance would have to provide both of the following:

- That the property would have to be used exclusively for public park and recreation purposes and upon termination of that use or use for any other purpose, the State could reenter and repossess the property, terminating the grantee's estate in it.
- That if the grantee disputed the State's exercise of its right of reentry and failed to deliver promptly the possession of the property to the State, the Attorney General, on behalf of the State, could bring an action to quiet title to, and regain possession of, the property.

The conveyance also would have to provide that if any fee, term, or condition were imposed on the public for recreational use of the conveyed property, all resident and nonresident members of the public would be subject to the same fees, terms, and conditions, except that the grantee could waive daily fees or waive fees for the use of specified areas or facilities.

The conveyance would have to be by quitclaim deed approved by the Attorney General. The conveyance could not reserve the mineral rights to the State. The conveyance, however, would have to provide that if the grantee derived any revenue from the development of any minerals found on, within, or under the conveyed property, the grantee would have to pay one-half of that revenue to the State, for deposit in the General Fund.

The revenue received under the bill would have to be deposited in the State Treasury and credited to the General Fund.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The property in question comprises approximately 16 acres properly part of the Michigan School for the Deaf and Blind. The property has been leased by the State to the City of Flint for recreation purposes since 1948 for an annual charge of \$1. The lease expires in December 1997.

To the degree that the property is already operated and maintained by the city as a park, conveyance of the property would have no substantive fiscal impact on the State or local unit of government. In the event that the development of minerals were obtained from the described land, the State would

receive half of any revenue from that development.

Fiscal Analyst: M. Hansen

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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.