

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5254 (Substitute S-1 as reported)

Sponsor: Representative Tom Alley

House Committee: Conservation, Environment and Recreation

Senate Committee: Natural Resources and Environmental Affairs

CONTENT

The bill would amend the Natural Resources and Environmental Protection Act to authorize the Department of Natural Resources (DNR) to grant concessions on DNR-owned or -controlled land at least every seven years based on extension, renegotiation, or competitive bidding. If the DNR determined that a concession required a capital investment in which reasonable financing or amortization necessitated a longer term, the DNR could grant a concession for up to a 15-year term.

Money received from a lease or concession of tax-reverted lands would have to be credited to the fund providing financial support for the management of the leased land. Money received from a lease of all other land would have to be credited to the fund from which the land was purchased, except for money received from program-related leases, in which case the money would have to be credited to the fund providing financial support for the management of the leased land. For land managed by the Forest Management Division of the DNR, this would be either the Forest Development Fund or the Forest Recreation Fund (proposed in Senate Bill 728). For land managed by the Wildlife Fisheries Division, this would be the Game and Fish Protection Fund

The bill would delete provisions that permit the Department to lease lands it owns or controls that have been designated for recreational purposes, but only to responsible legal units, within the State, of national or State-recognized groups devoted principally to development of character and citizenship training and physical fitness of youth, that are financially supported by voluntary public subscriptions or contributions, and whose property is exempt from taxation under State law. The bill also would delete a provision that permits the DNR to lease land in the Porcupine Mountain State Park to third parties for purposes as it considers desirable.

The bill is tie-barred to House Bill 5278, which would revise provisions concerning State forest fees and create the "Forest Land User Fund", and Senate Bill 728, which would establish the "Forest Recreation Fund", require the DNR to develop an integrated recreation system, and allow the DNR to establish fees for camping in State forest campgrounds.

MCL 324.503

Legislative Analyst: N. Nagata

FISCAL IMPACT

The bill could generate an indeterminate increase in revenues to State government, depending upon the number and type of concessions granted.

Date Completed: 11-16-98

Fiscal Analyst: G. Cutler

[floor\hb5254 \(S-1\)](#)

Analysis available @ <http://www.michiganlegislature.org>

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.