
Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1280 (as reported without amendment)
Sponsor: Senator George A. McManus, Jr.
Committee: Farming, Agribusiness and Food Systems

CONTENT

The bill would amend Part 361 (Farmland and Open Space Preservation) of the Natural Resources and Environmental Protection Act to specify that the term of a development rights easement under Section 36111b would be in perpetuity. (Section 36111b pertains to the acquisition of development rights on farmland.)

Part 361 provides that a development rights agreement or easement must be for an initial term of at least 10 years, and may not be for a term of more than 90 years. Under the bill, these requirements would apply to a development rights agreement under Section 36104 (farmland) or a development rights easement under Section 36105 or 36016 (open space).

Currently, the proceeds from lien payments made under Part 361 must be used to administer that part for fiscal years 1991-92 through 1999-2000, and to purchase development rights of unique or critical land area and farmland. The bill would delete reference to fiscal years 1991-92 through 1999-2000. (Under the Act, if a development rights agreement is relinquished, the State must record a lien against the property formerly subject to the agreement for the total amount of the allocated tax credit of the last seven years received by the property owner.)

MCL 324.36103 & 324.36111

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 5-23-00

Fiscal Analyst: C. Thiel
P. Graham