

Lansing, Michigan 48909 Phone: 517/373-6466

CONVERTED PUBLIC PARKS ACT

House Bill 6567 Sponsor: Rep. Jerry O. Kooiman Committee: Local Government and Urban Policy

Complete to 12-6-02

A SUMMARY OF HOUSE BILL 6567 AS INTRODUCED 12-3-02

House Bill 6567 would create a new act called the Converted Public Parks Act, which would allow county commissioners to acquire property for use as a public park, and to enable the issuance of bonds in order to do so. Under the bill "converted public park" is defined to mean a park that is constructed on an area of land or water, or both, that includes either an abandoned oil and gas field or a landfill, or both. The bill defines "abandoned oil and gas field" to mean an underground reservoir containing oil or gas, or both, that has not been plugged promptly after having been drilled as a dry hole or that has not been used for its intended purpose during 12 consecutive months. Field and pool have the same meaning if only one underground reservoir is involved, however field, unlike pool, may relate to two or more pools. Further, the bill defines "landfill" to mean a disposal facility or part of a facility where hazardous waste is placed in or on land and which is not a pile, a land treatment facility, a surface impoundment, an injection well, a salt dome formation, a salt bed formation, or an underground mine or cave.

<u>Financing acquisition and construction</u>. Under the bill, a county board of commissioners could purchase an abandoned oil and gas field, including the surface rights and the oil and gas rights, for the construction of a converted public park. Before constructing the park, the site would have to be restored. Under the bill the county commissioners could finance the land acquisition and construction of the park if the majority of the county's electors voted to approve their doing so. In particular, the board of commissioners could borrow money, pledge the county's full faith and credit for repayment, and issue bonds or notes to pay all or part of the costs related to the park conversion.

The bill specifies that the revenue bonds used to convert the park would be issued following the procedures in the Revenue Bond Act. Any bonds or notes would be issued in the name of the county and be executed by the chairperson of the county board of commissioners and the county clerk. The bonds and notes would be negotiable instruments and would mature in not more than 40 years. They and the interest on them would be exempt from taxation by the state, or by any taxing authority within the state. Further, the issuance of bonds or notes would be subject to the provisions of the Revised Municipal Finance Act. The amount of borrowing by the county when taken together with other county indebtedness could not exceed 10 percent of the assessed valuation of the county, as last equalized by the state.

Operating rules, park rangers, fees. The bill specifies that a county could adopt rules and regulations for the use and maintenance of the converted public park, as long as they were not contrary to or inconsistent with the laws of the state. The rules could not take effect until a) nine days had elapsed from the date of approval by the county commissioners; b) the rules had been

published once a week for two consecutive weeks in a general circulation newspaper; and, c) a copy of the rules had been posted near each gate or entrance into the converted public park.

The county could appoint park rangers who could be deputized by a sheriff. Whether deputized or not, the park rangers could enforce the rules and regulations adopted by the county commission, and they would have the powers, privileges, and immunities conferred upon peace officers by the laws of the state. However, park ranger could exercise their authority and powers only within the boundaries of the converted public park.

Under the bill, the county could charge and collect reasonable fees for the use of the converted public park, and those fees would be used to maintain and improve the park.

<u>Liability exemption</u>. The bill specifies that a county would be exempt from liability for any injury (or threat of injury) arising from any past, present, or future contamination related to the abandoned oil and gas field or landfill that was located on the property, unless the county was responsible for an activity that caused the release (or threat of release) that was the source of contamination.

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[■]This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.