

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

House Bill 5140 (as passed by the House)
Sponsor: Representative Douglas Bovin
House Committee: Regulatory Reform
Senate Committee: Local, Urban and State Affairs

Date Completed: 12-4-01

CONTENT

The bill would authorize the Department of Natural Resources (DNR), on behalf of the State, to convey for \$1 to Dickinson County, property under the DNR's jurisdiction and located in Waucedah Township, as described in the bill, to be used for recreational purposes.

The conveyance would have to require the property to be used exclusively for recreational purposes, and provide that if any fee, term, or condition for the use of the property were imposed on or waived for the members of the public, resident and nonresident members of the public would be subject to the same fees, terms, conditions, and waivers.

The conveyance also would have to provide that 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. In addition, the conveyance would have to provide that if the grantee disputed the State's right of reentry and did not promptly deliver 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 would have to be by quitclaim deed approved by the Attorney General and would reserve all of the following rights to the State:

- The right to ingress and egress over and across the property along any watercourses or stream, as provided for in Part 5 of the Natural Resources and Environmental Protection Act (NREPA).
- The rights to all aboriginal antiquities, including mounds, earthworks, forts, burial and village sites, mines, or other relics.
- The right to explore and excavate for any aboriginal antiquities or relics as described above, by and through State employees or State-authorized agents as provided for in Part 761 of the NREPA.

Further, the conveyance would be subject to mining rights and mineral exceptions and reservations contained in or referred to in former conveyances of the property.

Revenue received under the bill would have to be deposited in the State Treasury and credited to the Game and Fish Protection Fund created in Part 435 of the NREPA.

Legislative Analyst: N. Nagata

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the State. While there would be some potential benefit from reduced exposure to liability, which currently exists because the State leases the land to Dickinson County for use as a park, the State would be giving away an asset of some value. The actual value of the property cannot be determined without an appraisal. The price of the existing lease is \$1 paid annually by Dickinson County to the State. Finally, the bill could result in savings to the State of approximately \$1,200 per year since the State is making payments in lieu of taxes for the parcel in question.

Fiscal Analyst: M. Hansen