SUBSTITUTE FOR

HOUSE BILL NO. 4083

A bill to amend 1994 PA 451, entitled

"Natural resources and environmental protection act,"

by amending section 36103 (MCL 324.36103), as amended by 1996

PA 233.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   Sec. 36103. (1) The execution and acceptance of a

2 development rights agreement or easement by the state or local

3 governing body and the owner dedicates to the public the

4 development rights in the land for the term specified in the

5 instrument. A development rights agreement or easement shall be

6 for an initial term of not less than 10 years. A development

7 rights agreement or easement entered into after ~~the effective~~

8 ~~date of the amendatory act that added this sentence~~ **June 5, 1996**

9 shall not be for a term of more than 90 years.

10   (2) The state or local governing body shall not sell,

1 transfer, convey, relinquish, vacate, or otherwise dispose of a

2 development rights agreement or easement except with the

3 agreement of the owner as provided in sections 36111, **36111a,**

4 36112, and 36113.

5   (3) An agreement or easement does not supersede any prior

6 lien, lease, or interest that is properly recorded with the

7 county register of deeds.

8   (4) A lien created under this part in favor of the state or a

9 local governing body is subordinate to a lien of a mortgage that

10 is recorded in the office of the register of deeds before the

11 recording of the lien of the state or local governing body.

12   **(5) The state shall subordinate its interest in a recorded**

13 **agreement under section 36104 or an easement under section 36105**

14 **or 36106 to a subsequently recorded mortgage lien, lease, or**

15 **interest if both of the following conditions are met:**

16   **(a) The parcel meets the requirements set forth under section**

17 **36111(2) for parcels containing existing structures.**

18   **(b) The landowner requesting the subordination is an**

19 **individual essential to the operation of the farm as defined in**

20 **section 36110(5).**