

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5313

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 52706 (MCL 324.52706), as amended by 2002 PA
356.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 52706. (1) The department, the department of treasury,
2 or other state officer having charge of state land, may sell
3 homestead, tax, swamp, or primary school land to ~~municipalities~~
4 **a public agency** for forestry purposes, at a price ~~fixed~~ **set** by
5 the department, department of treasury, or other state officer.
6 However, ~~land shall not be sold in excess of~~ **the amount of land**
7 **sold shall not exceed** the amount that may be necessary for the
8 ~~municipality~~ **public agency**, and any land that is sold shall be
9 suitable for and used solely for a forestry purpose **unless**
10 **conveyed as provided in this section.** ~~When the land described~~

1 ~~in this section~~ Prime land sold to a public agency under this
2 section shall be used only for a forestry purpose. When the
3 prime land is no longer used for a forestry purpose, the land
4 shall revert to ~~the~~ this state.

5 (2) Except as provided in subsection (3), the department
6 shall not retain a reversionary interest in municipal forestland
7 conveyed to a public agency under this section before the
8 effective date of the amendatory act that added this subsection.
9 The department shall relinquish any such reversionary interest
10 within 3 years after the effective date of the amendatory act
11 that added this subsection or within 90 days after the department
12 receives a written request for relinquishment from the public
13 agency that owns the municipal forestland subject to the
14 reversionary interest, whichever is earlier. A public agency to
15 which a reversionary interest was relinquished under this
16 subsection shall not convey the municipal forestland formerly
17 subject to the reversionary interest for less than fair market
18 value. If a public agency to which a reversionary interest was
19 relinquished under this subsection conveys the municipal
20 forestland formerly subject to the reversionary interest, the
21 public agency shall distribute the proceeds of the conveyance as
22 follows:

23 (a) Except as provided in subdivision (b), 50% of the
24 proceeds shall be retained by that public agency and the
25 remaining 50% of the proceeds shall be submitted to the
26 department of treasury for deposit as follows:

27 (i) The first \$18,000,000.00 in total proceeds from all such

1 conveyances shall be deposited in the general fund.

2 (ii) Any proceeds in excess of \$18,000,000.00 shall be
3 deposited in the fire protection fund created in section 732a of
4 the Michigan vehicle code, 1949 PA 300, MCL 257.732a.

5 (b) If the municipal forestland is conveyed to another
6 public agency, all of the proceeds shall be retained by the
7 public agency conveying the municipal forestland.

8 (3) Subsection (2) does not apply to prime land.

9 (4) A public agency to which a reversionary interest is
10 relinquished under subsection (2) shall not convey the municipal
11 forestland formerly subject to the reversionary interest to a
12 third person unless the public agency has conducted a public
13 hearing on the proposed conveyance. Notice of the public hearing
14 shall be published at least twice in a newspaper of general
15 circulation in the county or counties where the municipal
16 forestland is located, not more than 28 or less than 7 days
17 before the hearing. The notice shall describe where the
18 municipal forestland is located, specify the approximate size of
19 the municipal forestland, describe its current use, and identify
20 the person to whom the municipal forestland is proposed to be
21 sold, if known.

22 (5) The requirements of subsection (4) do not relieve the
23 public agency of any notice, hearing, or other requirements
24 imposed by any other law.

25 (6) If municipal forestland formerly subject to a
26 reversionary interest that was relinquished under subsection (2)
27 is conveyed by the public agency to which the reversionary

1 interest was relinquished under subsection (2), the public agency
2 shall notify the department within 60 days of the conveyance.
3 Notice of the conveyance shall be in a form prescribed by the
4 department.

5 (7) If municipal forestland was conveyed to a public agency
6 under this section and the municipal forestland is subsequently
7 conveyed by the public agency to the department, then, for
8 purposes of subparts 13 and 14 of part 21, the municipal
9 forestland shall not be considered to have been reacquired by the
10 department on or after January 1, 1933 for natural resource
11 purposes unless the municipal forestland was originally acquired
12 by the department on or after January 1, 1933 for natural
13 resource purposes.

14 (8) As used in this section:

15 (a) "Municipal forestland" means homestead, tax, swamp, or
16 primary school land sold to a public agency under this section
17 solely for a forestry purpose.

18 (b) "Prime land" means land that meets 1 or more of the
19 following requirements:

20 (i) Is within a boundary of a program administered by the
21 department.

22 (ii) Is contiguous to or within 500 feet of a public body of
23 water.

24 (iii) Is not less than 80 acres in size and has, or had at
25 any time during the preceding 10 years, a basal area of not less
26 than 90 square feet per acre.

27 (c) "Public agency" means a school district, public

1 educational institution, governmental unit of this state or
2 agency of this state, or a municipality.