

Legislative Analysis



FOREST CONSERVATION EASEMENT

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Senate Bill 917

Sponsor: Sen. Shirley Johnson

House Committee: Conservation, Forestry, and Outdoor Recreation

Senate Committee: Agriculture, Forestry and Tourism

Complete to 6-14-06

A SUMMARY OF SENATE BILL 917 (S-2) AS PASSED BY THE SENATE 5-23-06

The bill would add Part 512—entitled Sustainable Forestry Conservation Easement Tax Incentives—to the Natural Resources and Environmental Protection Act (MCL 324.51201), to do the following:

- ** Establish an annual specific tax for commercial forestland subject to a sustainable forest conservation easement, which would be 15 cents per acre less than the specific tax under Part 511—Commercial Forests.
- ** Require an applicant for the reduced tax rate to pay a nonrefundable application fee of \$2 per acre, subject to a minimum of \$200 and a maximum of \$1,000.
- ** Require the owner to pay a penalty if forestland subject to an easement were used in violation of Part 512 or the easement.
- ** Provide that the specific tax and the penalty would be payable to the township treasurer.
- ** Allow the owner of commercial forestland subject to an easement to remove forest products in compliance with Part 511 and the easement.

FISCAL IMPACT:

Senate Bill 917 would increase fee revenue to the Commercial Forest Fund by an unknown amount, depending on the number of parcels and the parcel sizes of commercial Forest land subject to the easement. To the extent that acreage becomes eligible for the reduced specific tax, local revenue would decline by an unknown, but likely small, amount.

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