



Senate Fiscal Agency
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**BILL ANALYSIS**

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Senate Bill 457 (as reported without amendment)
Sponsor: Senator Alan L. Cropsey
Committee: Appropriations

CONTENT

The bill would authorize the State Administrative Board to convey three parcels of property (Parcel A, 1.65 acres; Parcel B, 55.88 acres; and Parcel C, 149.72 acres) in Ionia County to the County of Ionia. The property currently is under the jurisdiction of the Department of Corrections. All three parcels would be conveyed to the county for a total of \$1.

The property would have to be used exclusively for the purpose of a public park. Any fees, terms, or conditions for the use of the property would have to be applied to both residents and nonresident members of the public. The State could reenter and repossess the property in the event of an activity inconsistent with these provisions. The Attorney General could bring action to quiet title to and regain possession of the property if the grantee disputed the State's exercise of its right of reentry. If the State were to reenter and repossess the property, the State would not be liable to reimburse any party for any improvements made on the property. The property would include all surplus, salvage, and scrap property or equipment.

The conveyance would have to be by quitclaim deed approved by the Attorney General and could not reserve the gas, oil, or mineral rights found on, within, or under the conveyed property. If, however, the purchaser or grantee developed any oil, gas, or minerals found on, within, or under the conveyed property, the purchaser or grantee would have to pay the State one half of the gross revenue generated from the development of the oil, gas, or minerals. The State also would reserve all aboriginal antiquities including earthworks, forts, burial and village sites, mines, or other relics lying on, within, or under the property, with the power to enter the property for any purpose related to exploring, excavating, and taking away the aboriginal antiquities.

The revenue received from the conveyance, and from the development of oil, gas, or minerals, would be deposited in the State's General Fund.

FISCAL IMPACT

The fiscal impact of the bill is likely minimal. To the extent that the parcels have a fair market value greater than \$1, the State would be forgoing the opportunity to realize their actual value through disposition on the open market. An appraisal of the parcels does not exist at this time.

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