



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 5674 (Substitute H-1 as passed by the House)
Sponsor: Representative Howard Walker
House Committee: Conservation, Forestry, and Outdoor Recreation
Senate Committee: Natural Resources and Environmental Affairs

Date Completed: 5-12-06

CONTENT

The bill would amend Part 767 (Mackinac Island State Park Commission) of the Natural Resources and Environmental Protection Act to authorize the Mackinac Island State Park Commission to accept gifts, grants, and donations, and to sell property under certain circumstances.

Part 767 authorizes the Commission to exercise specified powers. The bill would add the power to accept gifts, grants, and donations. The bill also would empower the Commission to sell real or personal property under its control if all of the following requirements were met:

- The property was sold for fair market value.
- The Commission determined that the property was not of current or potential value to the Commission's statutory purposes.
- The Commission determined that the sale of the property was in the State's best interest.
- The sale of the property was not otherwise prohibited by law.
- The property was zoned residential or commercial and was not contiguous to State park land, if the property were real property.

The determination of fair market value could take into account a commitment by the buyer to keep the property open or accessible to the public. Additionally, if the property were sold to a person who donated labor or materials for the improvement, repair, maintenance, or restoration of the property, the price could be reduced by an amount not greater than the portion of the fair market value attributable to the donation.

MCL 324.76702

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would provide the authorization necessary for the Commission to conduct sales of real and personal property and to accept revenue that could be available from gifts and bequests. According to the Department of History, Arts, and Libraries, the bill would address specific situations that have arisen for the Commission. First, it would allow for the sale of a parcel of land and a replica of a historic British naval vessel from which the combined revenue generated could be approximately \$30,000 to \$50,000. Second, it would address the issue of the Commission's legal authority to receive revenue from private sources. This change is proposed to address specifically a possible revenue stream from the ferry boat companies that currently provide the local unit of government on Mackinac Island

\$0.50 for every bicycle that they ferry over from the mainland. The Commission would like to negotiate a similar deal for the parks in order to assist in funding the maintenance of the trails and park land used by these bicyclists. The estimated revenue that could be generated is \$35,000.

Fiscal Analyst: Elizabeth Pratt
Maria Tyszkiewicz

S0506\5674sa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.