

**SUBSTITUTE FOR**

**SENATE BILL NO. 969**

(As amended, March 14, 2006)

A bill to authorize the state administrative board to convey certain interests in property in Ingham county; to authorize the state administrative board to convey, exchange, or purchase certain parcels of property in Jackson county; to prescribe certain conditions for the conveyances, purchases, and exchanges; to provide for disposition of the revenue derived from the conveyances; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. (1) The state administrative board, on behalf of the  
2 state, may convey to the board of trustees of Lansing community  
3 college, for consideration of \$1.00, the right of reverter and the  
4 right of reentry <<contained>> in the April 16, 1963 quitclaim deed to  
the

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1 Lansing school district recorded in Liber 849 page 897, Ingham  
2 county records, and in the January 21, 1966 quitclaim deed from the  
3 board of education for the Lansing school district to the board of  
4 trustees of Lansing community college recorded in Liber 1199, pages  
5 1047-1048, on real property located in Ingham county, Michigan, and  
6 more particularly described as:

7 Block No. 81, original plat, City of Lansing, County of Ingham, and  
8 State of Michigan.

9 (2) The description of the parcel in subsection (1) is  
10 approximate and for purposes of the conveyance is subject to  
11 adjustment as the state administrative board or attorney general  
12 considers necessary by survey or other legal description.

13 (3) The conveyance authorized by this section shall be by  
14 quitclaim deed [or other instrument] approved by the attorney general.

15 Sec. 2. (1) The state administrative board, on behalf of the  
16 state, may convey, exchange, or purchase certain state owned  
17 property under the jurisdiction of the department of corrections  
18 and privately owned property located in Blackman township, Jackson  
19 county, Michigan, and described as those lands separated from the  
20 main campus of southern Michigan prison or from the private owner's  
21 main parcel of land by the man-made course change from the old  
22 Grand river and old Portage river to the new Grand river drain and  
23 the Portage river drain respectively, for consideration as  
24 determined under subsection (3).

25 (2) The property to be conveyed, exchanged, or purchased under  
26 this section shall be properties that contribute to cleaning up the  
27 property lines along the Grand river drain and the Portage river

1 drain, located in Blackman township, Jackson county, and lying  
2 adjacent to the southern Michigan prison campus and shall be more  
3 particularly described based on the 2001-2002 survey by the polaris  
4 surveying company.

5 (3) If the parties mutually determine based on tax records or  
6 a market study of recent sales that 2 properties are approximately  
7 of equal value, an exchange under this section may proceed subject  
8 to approval by the state administrative board. If the parties  
9 either do not agree, or agree that the properties are not of equal  
10 value, or the transaction is solely a conveyance or purchase, then  
11 the parties shall select a qualified appraiser who shall determine  
12 the value of the properties, with the determination being binding  
13 on the parties. If the values for the exchange parcels, as  
14 determined by a qualified appraiser, are within 10% of each other,  
15 the exchange shall proceed without any further consideration. If  
16 the values of the properties are 11% or more apart, the parties may  
17 agree that further consideration be given to the owner of the  
18 higher valued property or that more or less land may be exchanged.  
19 The parties to the exchange shall pay for any survey, environmental  
20 studies, and actions required to clear title, and title commitment  
21 fees, if any, for the parcel they are receiving in exchange or by  
22 purchase.

23 (4) A conveyance authorized by this section shall be by  
24 quitclaim deed approved by the attorney general. The state shall  
25 not reserve oil, gas, or mineral rights to the property conveyed  
26 under this section. However, the conveyance authorized under this  
27 section shall provide that, if the purchaser or any grantee

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1 develops any oil, gas, or minerals found on, within, or under the  
2 conveyed property, the purchaser or any grantee shall pay the state  
3 1/2 of the gross revenue generated from the development of the oil,  
4 gas, or minerals. This payment shall be deposited in the general  
5 fund.

6 (5) The authority to convey property under this section  
7 expires 10 years after the date on which this act takes effect.

[Sec. 3. The revenue received under this act shall be deposited in  
the state treasury and credited to the general fund.]

8 Enacting section 1. Section 12 of 2002 PA 671 is repealed.