

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5455

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 51101, 51103, 51112, and 51113 (MCL 324.51101,
324.51103, 324.51112, and 324.51113), as added by 1995 PA 57; and
to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 51101. As used in this part:

2 (a) "Ad valorem general property tax" means taxes levied under
3 the general property tax act, ~~Act No. 206 of the Public Acts of~~
4 ~~1893, being sections 211.1 to 211.157 of the Michigan Compiled Laws~~
5 **1893 PA 206, MCL 211.1 TO 211.157.**

6 (b) "Commercial forest" or "commercial forestland" means
7 forestland that is determined to be a commercial forest under

1 section 51103.

2 (c) "Declassify" or "declassification" means the removal of
3 the commercial forest designation pursuant to section 51116.

4 (d) "Forestland" means a tract of land that may include
5 nonproductive land that is intermixed with productive land that is
6 an integral part of a managed forest and that meets all the
7 following:

8 (i) Does not have material natural resources other than those
9 resources suitable for forest growth or the potential for forest
10 growth.

11 (ii) Is not used for agricultural, mineral extraction except as
12 provided in section 51113, grazing, industrial, developed
13 recreational, residential, resort, commercial, or developmental
14 purposes.

15 (iii) The owner agrees to develop, maintain, and actively manage
16 the land as a commercial forest through planting, natural
17 reproduction, or other silvicultural practices.

18 (e) "Forest management plan" means a written plan prepared and
19 signed by a registered forester or a natural resources professional
20 that prescribes measures to optimize production, utilization, and
21 regeneration of forest resources. The forest management plan shall
22 include schedules and timetables for the various silvicultural
23 practices used on commercial forestlands, including, but not
24 limited to, timber harvesting and regeneration.

25 (f) "Fund" means the commercial forest fund created ~~pursuant~~
26 ~~to~~ **UNDER** section 51112.

27 (g) "Natural resources professional" means a person who is

1 acknowledged by the department as having the education, knowledge,
2 experience, and skills to identify, schedule, and implement
3 appropriate forest management practices needed to achieve the
4 purposes of this part on land subject to or to be subject to this
5 part.

6 (h) "Owner" means a person who holds title to the surface
7 estate of forestland subject to this part. However, if land is
8 purchased on a land contract, the owner includes the person who
9 holds the land contract vendee's interest and does not include the
10 person who holds the land contract vendor's interest.

11 (i) "Personal use" means use for any noncommercial purpose.

12 (j) "Registered forester" means a person registered under
13 article 21 of the occupational code, ~~Act No. 299 of the Public~~
14 ~~Acts of 1980, being sections 339.2101 to 339.2108 of the Michigan~~
15 ~~Compiled Laws 1980 PA 299, MCL 339.2101 TO 339.2108.~~

16 (k) "Silvicultural practices" means the management and
17 manipulation of forest vegetation for the protection, growth, and
18 enhancement of forest products.

19 Sec. 51103. (1) The owner of **AT LEAST 40 CONTIGUOUS ACRES OR A**
20 **SURVEY UNIT CONSISTING OF 1/4 OF 1/4 OF A SECTION OF** forestland
21 located within this state may apply to the department to have that
22 forestland determined to be a commercial forest under this part.
23 **FOR PURPOSES OF THIS SUBSECTION, "CONTIGUOUS" MEANS LAND THAT**
24 **TOUCHES AT ANY POINT. EVEN IF PORTIONS OF COMMERCIAL FORESTLAND ARE**
25 **CONTIGUOUS ONLY AT A POINT, THE PRIVILEGE OF HUNTING AND FISHING**
26 **SHALL NOT BE DENIED FOR ANY PORTION OF THE LAND AS PROVIDED IN**
27 **SECTION 51113. THE EXISTENCE OF A PUBLIC OR PRIVATE ROAD, A**

1 RAILROAD, OR A UTILITY RIGHT-OF-WAY THAT SEPARATES ANY PART OF THE
2 LAND DOES NOT MAKE THE LAND NONCONTIGUOUS.

3 (2) To be eligible for determination as a commercial forest,
4 forestland shall be capable of all of the following:

5 (a) Producing not less than 20 cubic feet per acre per year of
6 forest growth upon maturity.

7 (b) Producing tree species that have economic or commercial
8 value.

9 (c) Producing a commercial stand of timber within a reasonable
10 period of time.

11 (3) An application **FOR CLASSIFICATION AS COMMERCIAL FOREST**
12 shall be submitted on a form prescribed by the department. **THE**
13 **APPLICATION SHALL BE POSTMARKED OR DELIVERED NOT LATER THAN APRIL 1**
14 **TO BE ELIGIBLE FOR APPROVAL AS COMMERCIAL FOREST FOR THE FOLLOWING**
15 **TAX YEAR.** In addition to any information that the department may
16 reasonably require by rule, the applicant shall provide all of the
17 following to the department:

18 (a) A nonrefundable application fee in the amount of \$1.00 per
19 acre or fraction of an acre, ~~not to exceed~~ **BUT NOT LESS THAN**
20 **\$200.00 AND NOT MORE THAN \$1,000.00.** The department shall remit the
21 application fee to the state treasurer for deposit into the fund.

22 (b) A legal description and the amount of acreage considered
23 for determination as a commercial forest.

24 (c) A statement certifying that a forest management plan
25 covering the forestland has been prepared and is in effect.

26 (d) A statement certifying that the owner of the forestland
27 owns the timber rights to the timber standing on the forestland.

1 (4) The department shall prepare and distribute to any person
2 desiring to ~~make application~~ **APPLY FOR CLASSIFICATION OF**
3 **FORESTLAND AS COMMERCIAL FOREST** under this part a brochure that
4 lists and explains, in simple, nontechnical terms, all of the
5 following:

6 (a) The application, hearing, determination, declassification,
7 and prosecution process.

8 (b) The requirements of the forest management plan.

9 **(5) NOT LATER THAN 3 MONTHS AFTER THE EFFECTIVE DATE OF THE**
10 **2006 AMENDATORY ACT THAT AMENDED THIS SECTION, THE DEPARTMENT SHALL**
11 **NOTIFY EACH COUNTY AND TOWNSHIP AND ALL OWNERS OF FORESTLAND THAT**
12 **IS CLASSIFIED AS COMMERCIAL FOREST UNDER THIS PART OF THE**
13 **AMENDMENTS TO THIS PART THAT WERE ENACTED IN 2006.**

14 (6) ~~—(5)—~~ If an applicant is unable to secure the services of
15 a registered forester or a natural resources professional to
16 prepare a forest management plan, the department upon request shall
17 prepare the forest management plan on behalf of the owner of the
18 forestland and charge the owner a forest management plan fee not to
19 exceed the actual cost of preparing the forest management plan.

20 ~~——(6) Before January 1, 1997, an owner of a commercial forest~~
21 ~~that was designated a commercial forest before January 1, 1994,~~
22 ~~shall prepare a forest management plan and file a statement with~~
23 ~~the department certifying that a forest management plan has been~~
24 ~~prepared and is in effect. If an owner of a commercial forest fails~~
25 ~~to comply with this subsection, the department shall declassify the~~
26 ~~owner's commercial forest pursuant to section 51116.~~

27 (7) After an owner certifies to the department that a forest

1 management plan has been prepared and is in effect, a violation of
2 that forest management plan is a violation of this part.

3 Sec. 51112. (1) The commercial forest fund is created within
4 the state treasury.

5 (2) The state treasurer shall deposit the money collected from
6 the following sources into the fund:

7 (a) The application fee and forest management plan fee
8 pursuant to section 51103.

9 (b) The withdrawal application fee pursuant to section 51108.

10 (c) The fee described in section 51116(1)(a).

11 (d) An amount equal to 10 cents for each acre of land enrolled
12 under this part as certified by the department, to be appropriated
13 each fiscal year from the general fund.

14 (e) Any restitution ordered by a court payable to this state
15 for a violation of this part.

16 (3) ~~The~~ **IN ADDITION TO THE REVENUES DESCRIBED IN SUBSECTION**
17 **(2), THE** state treasurer may receive money or other assets from any
18 source for deposit into the fund. The state treasurer shall direct
19 the investment of the fund. The state treasurer shall credit to the
20 fund interest and earnings from fund investments.

21 (4) Money in the fund appropriated from the general fund shall
22 remain in the fund at the close of the fiscal year and shall not
23 lapse to the general fund.

24 (5) The department shall expend the money from the fund, upon
25 appropriation, for enforcement, administration, and monitoring of
26 compliance with **PART 512 AND** this part and rules promulgated under
27 this part.

1 Sec. 51113. (1) Except as provided in this section, the owner
2 of a commercial forest shall not use that land in a manner that is
3 prejudicial to its development as a commercial forest, use the land
4 for agricultural, mineral extraction except as provided in this
5 section, grazing, industrial, developed recreational, residential,
6 resort, commercial, or developmental purposes, or deny the general
7 public the privilege of hunting and fishing on commercial
8 forestland unless the land is closed to hunting or fishing, or
9 both, by order of the department or by an act of the legislature.

10 (2) Exploration for minerals shall be permitted on land listed
11 under this part. Except as provided in subsections (3) and (4),
12 before the removal of any commercial mineral deposits, the owner
13 shall withdraw the portion of the commercial forestland directly
14 affected by the removal pursuant to section 51108. The withdrawal
15 of commercial forestland due to mineral removal as provided in this
16 section and section 51108 shall not cause the remaining portion of
17 the commercial forestland to be withdrawn due to insufficient
18 acreage of the remaining commercial forestland.

19 (3) Upon application to and approval by the department, sand
20 and gravel may be removed from the commercial forest without
21 affecting the land's status as a commercial forest. The department
22 shall approve an application to remove sand and gravel deposits
23 only if the removal site is not greater than 5 acres, excluding
24 access to the removal site, and the sand and gravel are to be
25 utilized by 1 or more of the following:

26 (a) The owner of a commercial forest for personal use if the
27 owner of the commercial forest is also the owner of the sand and

1 gravel deposits.

2 (b) The owner of the sand and gravel deposits for his or her
3 personal use or for sale to the owner of the commercial forest for
4 personal use, if the owner of the commercial forest is not also the
5 owner of the sand and gravel deposits.

6 (c) This state, a local unit of government, or a county road
7 commission, for governmental use.

8 (4) Upon application to and approval by the department,
9 deposits of oil and gas ~~owned by this state~~ may be removed from
10 the commercial forest without affecting the land's status as a
11 commercial forest.

12 Enacting section 1. Section 51107 of the natural resources and
13 environmental protection act, 1994 PA 451, MCL 324.51107, is
14 repealed.

15 Enacting section 2. This amendatory act does not take effect
16 unless all of the following bills of the 93rd Legislature are
17 enacted into law:

18 (a) Senate Bill No. 917.

19 (b) House Bill No. 5454.