

Legislative Analysis



SLEEPING BEAR DUNES NATIONAL LAKESHORE PILT PAYMENTS

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 1061

Sponsor: Senator Jelinek and Switalski

Committee: Appropriations

Complete to 3-11-2010

A SUMMARY OF SENATE BILL 1061 AS PASSED THE SENATE 1-27-2010

Under the provisions of the Sleeping Bear Dunes National Lakeshore Park Act, PA 359 of 1974 (MCL 3.908), the Department of Natural Resources was authorized to convey certain lands to the Federal government for the formation of the national park. The Act further stipulates that the state treasurer make payments in lieu of taxes to each local taxing unit for the amount of revenue that the local unit would have received if the land had not been transferred. The payments are to be made for ten years following the date of purchase by the Federal government. In the following ten years, the payments are gradually phased out through a 1/10th reduction per year in the payment amount.

Senate Bill 1061 would amend PA 359 of 1974 to allow the proration of payments to local units of government if the amount appropriated for the reimbursement program is less than the amount required.

FISCAL IMPACT:

The bill would amend the Act that authorizes the local government reimbursement program and allow the proration of payments to local units if the state appropriations were less than the amount necessary for the payment in lieu of taxes (PILT) payment required under the Act.

While most of the property that was conveyed to the Federal government for the national park is no longer eligible for PILT reimbursement, some land within the park boundaries has remained in private ownership. As these lands are added to federal ownership, they become eligible for the PILT program to local governments. In FY 2008-09, the state paid \$3,700 in PILT reimbursement payments for this program. These payments were split between Leelanau County and Benzie County.

In the FY 2009-10 Treasury budget, funded in P.A. 128 of 2009, the PILT reimbursement program received no appropriations. Under the provisions of this bill, local units could receive prorated PILT payments in the future if appropriations are made for the program.

Fiscal Analyst: Viola Bay Wild
Ben Gielczyk

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.