

Legislative Analysis



PROPERTY CONVEYANCE – EATON COUNTY

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

House Bill 5913 as introduced
Sponsor: Rep. Angela Witwer
Committee: Appropriations
Complete to 9-24-24

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5913 would authorize the State Administrative Board, on behalf of the state, to convey by quitclaim deed, state-owned property located in Eaton County currently under the jurisdiction of the Department of Technology, Management, and Budget (DTMB) to the Michigan Police Equipment Company (MPEC).

The property consists of a 0.29-acre parcel in Windsor Township with an encroachment by an MPEC building. The parcel has been declared surplus by DTMB and the department intends to convey the property to the MPEC for fair market value as determined by an independent fee appraisal, plus an amount that covers the state's reasonable and demonstrable costs to convey the property.

The net revenue received from the sale of the property would have to be deposited in the general fund. Net revenue would mean the proceeds of the sale less reimbursement for any costs to DTMB associated with the sale.

DTMB could not convey the property unless approved by the State Administrative Board. The attorney general would have to approve the legal form of all deeds. The property would include all surplus, salvage, and personal property or equipment remaining on the property on the date of conveyance.

The state would not reserve the oil, gas, or mineral rights to the property conveyed. However, if the MPEC developed any oil, gas, or minerals, the state would receive one-half of the gross revenue generated, which would be deposited in the general fund.

All rights in aboriginal antiquities, including mounds, earthworks, forts, burial and village sites, mines, and other relics, on, within, or under the property, would be reserved by the state. If property conveyed were used by this state as a historical monument, memorial, burial ground, park, or protected habitat area, it would have to be maintained and protected for that purpose in perpetuity.

FISCAL IMPACT:

There is no current appraisal or estimated value for the property subject to conveyance under the bill. Any revenue to the state would depend on the real estate market at the time of sale.

The state would realize savings related to maintenance, upkeep, and security upon the conveyance of the property. While no cost estimate is available, the savings are expected to be negligible.

Net revenue from the sale of any property would be deposited in the general fund, along with all revenue from the development of any mineral rights.

Fiscal Analyst: Perry Zielak

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