

HOUSE BILL NO. 4724

July 01, 2025, Introduced by Reps. Posthumus, Morgan, Fitzgerald, Johnsen, Rigas, Meerman, Skaggs, Grant, Wooden, Glanville and Outman and referred to Committee on Appropriations.

A bill to authorize the state administrative board to convey state-owned real property in Kent County; to prescribe conditions for the conveyance; to provide for powers and duties of state departments regarding the property; and to provide for disposition of the revenue from the conveyance.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) The state administrative board, on behalf of this
2 state, may convey by quitclaim deed or affidavit of jurisdictional
3 transfer all or portions of state-owned property now under the
4 jurisdiction of the department of state police, located at 345

1 Northland Drive, NE, city of Rockford, county of Kent, Michigan,
2 which is further described as follows:

3 Lots 73, 74, 87, and 88 of the Wolverine Addition to the city
4 of Rockford according to the recorded plat thereof, consisting of
5 approximately 0.586 acre in area, more or less, and subject to any
6 easements, rights-of-way, or other restrictions of record.

7 (2) The property description in subsection (1) is approximate
8 and subject to possible adjustment by a professional survey
9 conducted or otherwise approved by the department of technology,
10 management, and budget.

11 (3) The property to be conveyed or transferred under this act
12 includes all improvements on the property and all surplus, salvage,
13 and scrap property or equipment remaining on the property on the
14 date of the conveyance.

15 (4) The department of state police is responsible for all due
16 diligence duties and expenses required for prudently and properly
17 maintaining the property until the time of the conveyance or
18 jurisdictional transfer under this act.

19 (5) The department of attorney general shall approve as to
20 legal form a deed or affidavit of jurisdictional transfer
21 authorized by this act.

22 (6) The fair market value of property conveyed under this act
23 must be determined as needed to facilitate a fair market value
24 conveyance by an independent fee appraisal prepared for the
25 department of technology, management, and budget or by an appraiser
26 employed by this state.

27 (7) The department of technology, management, and budget may
28 take the necessary steps to convey the property described in
29 subsection (1) using any of the following measures:

1 (a) A publicly disclosed competitive method of sale, selected
2 to realize the fair market value to this state, as determined by
3 the department of technology, management, and budget.

4 (b) Offering the property for sale for fair market value to a
5 local unit or units of government.

6 (c) Transferring the property, with or without consideration,
7 through jurisdictional transfer to another executive branch agency
8 or this state. A property transfer under this subdivision must be
9 by an affidavit of jurisdictional transfer in recordable form, not
10 by quitclaim deed.

11 (d) Trading some or all the property for other real property
12 if the other real property is deemed by the department of
13 technology, management, and budget to be of reasonably equal value
14 to this state.

15 (e) Offering the property for sale for less than fair market
16 value to the local units of government in which the property is
17 located, subject to all of the following:

18 (i) The department of technology, management, and budget may
19 provide notice to each local unit of government of the surplus real
20 property's availability. The first local unit of government to make
21 an offer to purchase the property via registered mail must be given
22 the first opportunity to purchase the property. If an offer is
23 accepted by the department of technology, management, and budget,
24 the local unit of government shall enter into a purchase agreement
25 not later than 60 days after making the offer and complete the
26 conveyance not later than 180 days after the date of the offer. The
27 department of technology, management, and budget may extend the
28 period to complete the conveyance as needed. If there are competing
29 offers from local units of government, the department of

1 technology, management, and budget shall make a determination as to
2 what is in the best interests of this state in determining to whom
3 to convey the property.

4 (ii) The property must be used exclusively for public use for
5 30 years after the conveyance. If any fee, term, or condition for
6 the use of the property is imposed on members of the public, or if
7 any of those fees, terms, or conditions are waived for use of the
8 property, all members of the public must be subject to the same
9 fees, terms, conditions, and waivers. The public use restriction
10 must be included in the deed.

11 (iii) If the local unit of government intends to further convey
12 the property within 30 years after the conveyance, the unit must
13 first offer the property for sale, in writing, to this state, which
14 may purchase the property at the original sale price. This state
15 has 120 days to consider reacquiring the property. If this state
16 agrees to reacquire the property, this state is not liable to any
17 person for improvements to or liens placed on the property. If this
18 state declines to reacquire the property, the public use
19 restrictions described in subparagraph (ii) remain in effect.

20 (iv) If the property is conveyed for less than fair market
21 value under this subdivision and if the local unit of government
22 retains the property for 30 years after the date of the conveyance
23 this state, the public use restriction automatically terminates
24 subject to the restrictions in subsection (12).

25 (v) If the local unit of government or its successor disputes
26 this state's exercise of its right of reentry and fails to promptly
27 deliver possession of the property to this state, the attorney
28 general, on behalf of this state, may bring an action to quiet
29 title to, and regain possession of, the property.

1 (vi) If this state reenters and repossesses the property under
2 subparagraph (v), this state is not liable to reimburse any person
3 for any improvements made on the property nor to compensate any
4 person for any part of an unfulfilled contract or license issued
5 for the provision of goods or services on or for the property.

6 (vii) The department of technology, management, and budget may
7 require the local unit of government to reimburse this state at
8 closing for this state's demonstrably incurred costs as were
9 necessary to prepare the property for conveyance.

10 (8) The net revenue received from the sale of property under
11 this section must be deposited in the state treasury and credited
12 to the general fund.

13 (9) The department of technology, management, and budget may
14 require a grantee of property conveyed or transferred under this
15 act to record the instrument of conveyance or affidavit of
16 jurisdictional transfer with the Kent County register of deeds and
17 provide the department with a recorded copy of the recorded
18 instrument as a condition of closing.

19 (10) This state shall not reserve oil, gas, or mineral rights
20 to property conveyed under this act. However, the conveyance
21 instrument authorized under this act must provide that, if the
22 purchaser or any grantee develops any oil, gas, or minerals found
23 on, within, or under the conveyed property, the purchaser or any
24 grantee must pay this state 1/2 of the gross revenue generated from
25 the development of the oil, gas, or minerals. This payment must be
26 deposited in the general fund.

27 (11) This state reserves all aboriginal antiquities, including
28 mounds, earthworks, forts, burial and village sites, mines, or
29 other relics lying on, within, or under the property with power to

1 this state and all others acting under its authority to enter the
2 property for any purpose related to exploring, excavating, and
3 taking away the aboriginal antiquities.

4 (12) If property conveyed under this act was officially
5 designated or used by this state as a historical monument,
6 memorial, park, or protected wildlife habitat area, it must be
7 maintained and protected for that purpose in perpetuity in
8 accordance with applicable law.

9 (13) If property conveyed under this act is used for any
10 purpose that is inconsistent with a restriction under subsection
11 (7)(e)(ii), (10), (11), or (12), the state may reenter and repossess
12 the property, terminating the grantee's or successor's estate in
13 the property.

14 (14) As used this section:

15 (a) "Fair market value" means the highest estimated price the
16 property will bring if offered for sale on the open market,
17 allowing a reasonable time to find a purchaser who would buy with
18 knowledge of the property's possible uses.

19 (b) "Local unit of government" means the township, village,
20 city, county, school district, intermediate school district, or
21 community college district in which the property is located.

22 (c) "Net revenue" means the proceeds from the sale of the
23 property less reimbursement for any costs to the department of
24 technology, management, and budget associated with the sale of
25 property, including, but not limited to, administrative costs,
26 including employee wages, salaries, and benefits; costs of reports
27 and studies and other materials necessary to the preparation of
28 sale; costs of environmental remediation; legal fees; and the cost
29 of any litigation related to the conveyance of the property.

(d) "Public use" means, subject to subdivision (e), actual use of the property by members of the public or actual use by the unit of local government for any of the following:

- (i) General government administration.
- (ii) Publicly owned and operated correctional facilities.
- (iii) Law enforcement purposes.
- (iv) Emergency management response purposes.
- (v) Public educational use.
- (vi) Public transportation.
- (vii) Public parks and recreational areas.
- (viii) Public health uses.
- (ix) Wildlife conservation or restoration.

(e) Public use does not include use by a for-profit enterprise or any use that is closed to the public.