

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

324.2132 Sale of surplus land; price; methods; sale to highest bidder; condition to acceptance of bid; application for negotiated sale; application fee; notice; disposition of proceeds; quitclaim deed; consideration of application; local preference.

Sec. 2132. (1) Subject to subsection (2), the department may sell surplus land at a price established using the method that the department determines to be most appropriate, such as any of the following:

- (a) Appraisal, subject to section 2132a.
- (b) Appraisal consulting.
- (c) A schedule adopted by the department for pricing property with uniform characteristics and low utility.
- (d) The true cash value of nearby land as determined by the local assessor.

(2) If the department offers tax reverted land for sale and the land is not sold within 9 months, the department may sell the land to a qualified buyer who submits an offer that represents a reasonable price for the property as determined by the department.

(3) The sale of surplus land shall be conducted by the department through 1 of the following methods:

- (a) A public auction sale.
- (b) A negotiated sale.

(4) Subject to subsection (1), the sale of surplus land through a public auction sale shall be to the highest bidder.

(5) Effective 60 days after the department receives an application to purchase surplus land through a negotiated sale, the application shall be considered to be complete unless the department proceeds as provided under subsection (6).

(6) If, before the expiration of the 60-day period under subsection (5), the department notifies the applicant, in writing, that the application is not complete, specifying the information necessary to make the application complete, or that the fee required under subsection (8) has not been paid, specifying the amount due, the running of the 60-day period under subsection (5) is tolled until the applicant submits to the department the specified information or fee amount due, at which time the application shall be considered to be complete. Notice under this subsection shall include a statement of the requirements of subsection (12).

(7) Within 210 days after the application is considered to be complete, or a later date agreed to by the applicant and the department, the department shall approve or deny the application and notify the applicant in writing. If the department denies the application, the notice shall set forth the specific reasons for the denial.

(8) The department shall charge a fee for an application for the purchase of surplus land. The fee shall be \$300.00 plus, if the surplus land is more than 300 acres in size, the actual reasonable cost of processing the application.

(9) A notice of the proposed sale of surplus land shall be given as provided in section 2165.

(10) The proceeds from the sale of surplus land shall be deposited into the fund.

(11) Surplus land that is sold under this subpart shall be conveyed by quitclaim deed approved by the attorney general.

(12) Each application, as may be later amended or supplemented, submitted by a private person under subsection (3)(b) for the purchase of land shall be considered and acted upon by the department to final decision before any other application submitted at a later date by a different private person for the purchase or exchange of the same land. However, if an application is not completed or the fee under subsection (8) is not paid within 60 days after the department notifies the applicant under subsection (6) that the application is incomplete or that the fee has not been paid, the department shall consider and act upon to final decision an application submitted at a later date that is completed and for which the fee has been paid before that previously submitted application.

(13) In a land transaction, the department may give preference to a local unit of government but shall not give preference to any other person.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1998, Act 117, Imd. Eff. June 9, 1998;—Am. 2012, Act 240, Imd. Eff. July 2, 2012;—Am. 2012, Act 622, Imd. Eff. Jan. 9, 2013;—Am. 2018, Act 238, Eff. Sept. 25, 2018;—Am. 2022, Act 2, Eff. Mar. 29, 2023.

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