



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

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House Bill 5211 (as reported with amendments)
Sponsor: Representative Allen L. Lowe
House Committee: Regulatory Affairs
Senate Committee: Local, Urban and State Affairs

CONTENT

The bill would authorize the State Administrative Board to convey to Clearwater Township, in Kalkaska County, for \$1, certain State-owned property located in Clearwater Township. The conveyance would have to require that the property be used exclusively for public purposes, and to provide that, upon termination of that use, or upon failure to begin development of the site and building construction within five years after the deed date, title would revert immediately to the State, which would assume no liability for improvements made at the township's expense. The conveyance also would have to provide that if the property were used for a public park or for other public recreation purposes, the area conveyed would have to be open to all residents of the State on the same terms, fees, and conditions.

The conveyance would have to be by quitclaim deed approved by the Attorney General, and reserve to the State all rights to timber and to coal, oil, gas, and other minerals found on or under the property.

Legislative Analyst: S. Margules

FISCAL IMPACT

To the degree that the property is currently used for a public purpose and would be conveyed for a public purpose, the public purpose protected by a reverter clause, there would be no impact on the State except in terms of potential revenue associated with outright sale of the property or recompense for any original cost of the property. The Department of Natural Resources indicates that both timber and gravel are present on the site. Removal of these resources for other than a public purpose would be precluded under the proposed legislation.

It is apparently the intent of the township to lease the land to a nonprofit organization to establish memorials to veterans, and prisoners of war and law enforcement officers killed in the line of duty. Any lease payments, netted for any costs to the township, would represent a revenue to the township.

Date Completed: 2-15-96

Fiscal Analyst: R. Abent