

Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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House Bill 4696 (as passed by the House)  
Sponsor: Representative Mike Kowall  
House Committee: Conservation and Outdoor Recreation  
Senate Committee: Local, Urban and State Affairs

Date Completed: 9-28-99

### **CONTENT**

The bill would amend Public Act 7 of 1965, which authorizes the Department of Conservation (currently named the Department of Natural Resources) to sell certain State-owned property in Waterford Township to the Drayton Plains Nature Center for conservation education and related purposes. The bill would delete the Act's provision that when the property is no longer used for these purposes, it must revert to the State. The bill also would require the conveyance to be amended to eliminate the restriction and possibility of reverter created in the conveyance.

In addition, the conveyance would have to be amended to provide that if the grantee offered for sale all or any part of the property, the Department of Natural Resources would have the first right to purchase that property for fair market value as determined by an appraisal based on the property's highest and best use, as prepared by the State Tax Commissioner or an independent fee appraiser.

Legislative Analyst: N. Nagata

### **FISCAL IMPACT**

The bill would result in potential lost assets for the State.

Under current law, the property must be returned to the State if the nature center ever wants to sell it for use other than educational and related purposes. The land has a reported estimated value of \$500,000. The bill, by deleting the reverter clause, would preclude the State from recovering the land if it were ever to be sold, unless the State paid the fair market value.

Fiscal Analyst: M. Hansen

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