

SENATE BILL NO. 800

March 14, 2024, Introduced by Senators LAUWERS and DALEY and referred to the Committee on Appropriations.

A bill to authorize the state administrative board to convey state-owned property in Tuscola County; to prescribe conditions for the conveyance; to provide for the powers and duties of certain state governmental officers and entities; and to provide for disposition of revenue derived from the conveyance.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. As used in this act:
- 2 (a) "Net revenue" means the proceeds from the sale of the
- 3 property less reimbursement for any costs to the department of
- 4 technology, management, and budget associated with the sale,

1 including, but not limited to, administrative costs, including
 2 employee wages, salaries, and benefits; costs of reports and
 3 studies and other materials necessary to the preparation of sale;
 4 environmental remediation; legal fees; and any litigation costs
 5 related to the conveyance.

6 (b) "Public use" means, subject to subdivision (c), actual use
 7 of the property by the Tuscola Area Airport Authority for any of
 8 the following:

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

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

20 Sec. 2. (1) The state administrative board, on behalf of this
 21 state, may convey by quitclaim deed to the Tuscola Area Airport
 22 Authority all or portions of real property described in subsection
 23 (2) that is owned by this state and under the jurisdiction of the
 24 department of health and human services.

25 (2) The real property that may be conveyed under this act is
 26 described as follows:

27 A parcel of land situated in Sections 18 and 19, Town 12
 28 North, Range 9 East, Township of Indianfields, County of Tuscola,
 29 State of Michigan, and described as follows, to-wit:

1 Beginning at the Southeast Corner of Section 12, Town 12
2 North, Range 8 East; said point being on the centerline of Michigan
3 State Highway M-81; thence, along said centerline of highway for
4 the following two (2) courses, along a 250.06 foot curve to the
5 left, having a radius of 34379.29 feet and a chord bearing and
6 distance of South 89°35'59" East 250.06 feet; thence South
7 89°35'59" East 566.52 feet; thence North 01°58'02" West 33.03 feet
8 to a point on the northerly easement line of Michigan State Highway
9 M-81; thence South 89°35'59" East 1323.35 feet to the intersection
10 of said northerly easement line and the North-South one-quarter
11 line of Section 18, T12N-R9E; thence South 01°55'28" East, along
12 said North and South one-quarter line, 33.03 feet to the centerline
13 of said highway; thence, along said centerline the following two
14 (2) courses: thence South 89°35'59" East 141.21 feet; thence on a
15 480.79 foot curve to the left having a radius of 2858.85 feet, with
16 a chord bearing and distance of North 85°34'57" East 480.23 feet to
17 the centerline of Center Street; thence, along the centerline of
18 said Center Street the following two (2) courses, South 55°25'18"
19 East 96.30 feet; thence on a 45.80 foot curve to the left having a
20 radius of 580.47 feet, with a chord bearing and distance of South
21 60°18'22" East 45.79 feet to the north line of the Michigan Central
22 Railroad Company; thence along the north line of said railroad,
23 South 70°52'47" West 3023.54 feet to the West line of said section
24 19; thence North 01°12'54" West, along said west line, 1046.88 feet
25 to the Point of Beginning. Parcel contains 36.92 acres of land,
26 more or less.

27 SUBJECT TO the 66' wide right of way of Center Street over the
28 easterly 33' thereof.

29 ALSO SUBJECT TO a variable easement for M-81 highway as shown

1 on survey.

2 ALSO SUBJECT TO the right-of-way of Handy Road over the
3 westerly 33 feet thereof.

4 ALSO SUBJECT TO all agreements, covenants, easements, right-
5 of-ways, reservations and restrictions of record, if any.

6 Containing 36.92 acres, more or less.

7 (3) The description of the property in subsection (2) is
8 approximate and, for purposes of a conveyance under this act, may
9 be adjusted as the state administrative board or the department of
10 attorney general considers necessary because of a survey or another
11 legal description.

12 (4) Real property conveyed under this act includes all
13 surplus, salvage, and scrap property or equipment remaining on the
14 property on the date of the conveyance.

15 Sec. 3. (1) For a period of not more than 2 years beginning on
16 the effective date of this act, the director of the department of
17 technology, management, and budget shall offer the property
18 described in section 2 to the Tuscola Area Airport Authority for
19 \$1.00. The Tuscola Area Airport Authority may acquire the property
20 subject to the conditions prescribed in subsection (2).

21 (2) A conveyance to the Tuscola Area Airport Authority
22 authorized by this act must include a condition that the property
23 must be used exclusively for public use, and that if a fee, term,
24 or condition is imposed on members of the public for use of the
25 property, or if such a fee, term, or condition is waived, all
26 members of the public must be subject to the same fees, terms,
27 conditions, and waivers.

28 Sec. 4. (1) The department of the attorney general shall
29 prepare and approve as to legal form a deed authorized by this act.

1 (2) This state shall not reserve oil, gas, or mineral rights
2 to property conveyed under this act. However, the conveyance
3 authorized under this act must provide that, if the grantee or any
4 successor develops any oil, gas, or minerals found on, within, or
5 under the conveyed property, the grantee or any successor must pay
6 this state 1/2 of the gross revenue generated from the development
7 of the oil, gas, or minerals. A payment under this subsection must
8 be deposited in the general fund.

9 (3) A conveyance under this act must reserve to this state all
10 aboriginal antiquities, including mounds, earthworks, forts, burial
11 and village sites, mines, or other relics lying on, within, or
12 under the property, with power to this state and all others acting
13 under its authority to enter the property for any purpose related
14 to exploring, excavating, and taking away the aboriginal
15 antiquities.

16 (4) If property conveyed under this act was used by this state
17 as a historical monument, memorial, burial ground, park, or
18 protected wildlife habitat area, the grantee or any successor shall
19 maintain and protect the property for that purpose in perpetuity in
20 accordance with applicable law.

21 (5) If property conveyed under this act is used in a manner
22 that violates a condition imposed under section 3 or subsection
23 (2), (3), or (4), this state may reenter and take the property,
24 terminating the grantee's or any successor's estate in the
25 property. An action to regain possession of the property may be
26 brought and maintained by the attorney general on behalf of this
27 state.

28 (6) If this state reenters and repossesses property under
29 subsection (5), this state is not liable to reimburse any person

1 for any improvements made on the property.

2 Sec. 5. (1) The department of technology, management, and
3 budget shall manage the conveyance of property to the Tuscola Area
4 Airport Authority under this act.

5 (2) The department of health and human services is responsible
6 for all due diligence duties and expenses required for prudently
7 and properly maintaining the property until the time of conveyance.

8 (3) The Tuscola Area Airport Authority shall reimburse this
9 state for demonstrable requested costs incurred to prepare the
10 property for conveyance.

11 (4) The department of technology, management, and budget may
12 require the Tuscola Area Airport Authority to record the instrument
13 of conveyance under this act with the appropriate register of deeds
14 and provide the department of technology, management, and budget
15 with a copy of the recorded instrument.

16 (5) The net revenue received from the sale of property under
17 this act must be deposited in the state treasury. The state
18 treasurer shall credit the money deposited to the general fund.