



SENATE BILL No. 1035

May 16, 1996, Introduced by Senators MC MANUS, GEAKE, STEIL, GAST, SHUGARS, SCHWARZ and EMMONS and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to amend Act No. 451 of the Public Acts of 1994, entitled "Natural resources and environmental protection act," as amended, being sections 324.101 to 324.90106 of the Michigan Compiled Laws, by adding sections 61010 and 61011.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 451 of the Public Acts of 1994, as
2 amended, being sections 324.101 to 324.90106 of the Michigan
3 Compiled Laws, is amended by adding sections 61010 and 61011 to
4 read as follows:

5 SEC. 61010. THE DEPARTMENT OF ENVIRONMENTAL QUALITY SHALL
6 NOTIFY THE OWNERS OF SURFACE PROPERTY RIGHTS FOR WHICH THE STATE
7 OWNS THE SEVERED MINERAL INTERESTS BENEATH THE PROPERTY THAT THE
8 STATE IS OFFERING TO SELL ALL OR A DESIGNATED PORTION OF THOSE
9 INTERESTS TO THE SURFACE OWNER AT FAIR MARKET VALUE. THE NOTICE

1 SHALL INCLUDE THE PRICE WHICH THE DEPARTMENT HAS DETERMINED
2 REFLECTS THE FAIR MARKET VALUE OF THE OFFERING AND SHALL STATE
3 THE PERIOD OF TIME DURING WHICH THE OFFER TO SELL IS AVAILABLE TO
4 THE SURFACE OWNER. THE DESIGNATED PERIOD DURING WHICH THE OFFER
5 TO SELL IS AVAILABLE MAY BE EXTENDED BY MUTUAL AGREEMENT OF THE
6 DEPARTMENT AND THE SURFACE OWNER.

7 SEC. 61011. NOTWITHSTANDING ANY OTHER SECTION OF THIS ACT,
8 BEGINNING ON THE EFFECTIVE DATE OF THIS SECTION, UPON THE SALE OR
9 TRANSFER OF LAND OWNED BY THE STATE, THE STATE SHALL RETAIN NOT
10 MORE THAN 50% OF THE SUBSURFACE OIL, GAS, OR OTHER MINERAL RIGHTS
11 REGARDING THAT PROPERTY.