

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

SFA

BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 5887 (Substitute H-1 as reported with amendment)
Sponsor: Representative Kim Rhead
House Committee: Regulatory Affairs
Senate Committee: Economic Development, International Trade and Regulatory Affairs

CONTENT

The bill would amend Public Act 528 of 1982, which provides for the conveyance of property from Sanilac State Park to Sanilac County, to require the Department of Natural Resources (DNR), with the agreement of Sanilac County, to provide that Sanilac County could lease or sell approximately seven acres of the conveyed property to the Huron Sanilac Service Authority to build a water treatment facility on that site.

Currently, the Act provides that the conveyed land must be used exclusively for county park purposes or revert to State ownership. The bill specifies that other than as provided in the bill, the restriction and possibility of the conveyed land reverting to State ownership would remain valid.

In addition, the bill provides that the DNR could convey property under its jurisdiction, located in Drummond Island Township, Chippewa County, to the Township of Drummond Island. The conveyance would require that the property continue to be used as a public shooting range. The conveyance would have to provide that the State could reenter and repossess the property upon termination of that use or use for any other purpose; and that if the grantee disputed the State's exercise of its right of reentry and failed to deliver possession of the property promptly to the State, the Attorney General, on behalf of the State, could bring action to quiet title to, and regain possession of, the property.

Legislative Analyst: N. Nagata

FISCAL IMPACT

Under the bill, Sanilac County could receive revenue from either leasing or selling a portion of the park to the Huron Sanilac Service Authority. This action under existing statute would require the land to revert to the State, which could then choose to sell or lease the land. Consequently, under the bill, the State could be forgoing the opportunity cost of such a transaction.

The County of Sanilac could generate revenue from the sale or lease of land to the Huron Sanilac Service Authority.

Given that Drummond Island Township reportedly currently operates and maintains the existing shooting range, and that the township is interested in making improvements to the range, there could be some local benefit to conveying the property to the township. However, if the parcel of land has value that the State could benefit from by selling the property, the \$1 conveyance could result in forgone opportunity costs of the value of selling the property.

Date Completed: 9-22-98

Fiscal Analyst: M. Hansen

[floor/hb5887](http://www.michiganlegislature.org/floor/hb5887)

Analysis available @ <http://www.michiganlegislature.org>

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.