



Senate Fiscal Agency  
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**BILL ANALYSIS**

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Senate Bill 1499 (as introduced 11-14-06)  
Sponsor: Senator Michelle A. McManus  
Committee: Appropriations

*(as enrolled)*

Date Completed: 11-29-06

**CONTENT**

The bill would authorize the Department of Natural Resources, on behalf of the State, to convey 75.97 acres of land located in the counties of Roscommon and Crawford, with over 3,000 feet of Higgins Lake frontage, to the Curnalia Cottage Owners Association. The property is heavily improved with 412 homes and cabins used by the American Legion. The Department of Natural Resources is the underlying owner and for decades has leased the property to the American Legion. The American Legion subleases the land to cottage owners for a one-time charge of \$50.

The bill would require that the property be used by the grantee exclusively for residential cottages and allied recreational purposes for the benefit of ex-service personnel, their spouses, and direct lineal descendants, consistent with the purpose prescribed in prior leases. Upon violation of these terms, the State would reenter and repossess the property.

**FISCAL IMPACT**

The bill provides that the property would have to be conveyed to the Camp Curnalia Cottage Owners Association for \$154.50. Because the conveyance would make tax exempt land taxable, the bill would increase State and local property tax revenue and decrease State School Aid Fund (SAF) expenditures by an unknown amount. The actual amount of the increase would depend upon the specific characteristics of the property. Any increase in local unit revenue from levies attributable to school operating purposes would decrease School Aid Fund expenditures in order to maintain guaranteed per pupil funding amounts.

Fiscal Analyst: Bill Bowerman

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