

Legislative Analysis



REVISE DATE TO RECLASSIFY FORESTLAND WITHOUT PENALTY

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Senate Bill 59 (Proposed Substitute H-1)

Sponsor: Sen. Darwin L. Booher

House Committee: Natural Resources

Senate Committee: Natural Resources, Environment and Great Lakes

Complete to 4-28-14

A SUMMARY OF SENATE BILL 59 (PROPOSED SUBSTITUTE H-1)

Senate Bill 59 would amend the Natural Resources and Environmental Protection Act to make September 1, 2015, the new deadline by which landowners can, without penalty, withdraw forestland from the classification of commercial forestland in order to enter the Qualified Forest Program. The current deadline in statute is June 11, 2014.

The current deadline was put in place by Public Act 48 of 2013 (House Bill 4069), which was part of a package of bills that made various changes to the Commercial and Qualified Forest programs to encourage greater participation, in an effort to promote the continued health and productivity of forestland, as well as encourage new development of non-industrial private forestland. Among the changes, the bills allowed landowners in the Commercial Forest Program to move to the Qualified Forest Property Program without penalty, under certain conditions.

In order to not be subject to a withdrawal penalty, all of the following must occur:

- The owner of the property withdraws the land from the Commercial Forest Program as provided for in Part 511 and in Section 51108;
- The withdrawn land is placed on the assessment roll in the local tax collecting unit in which the land is located; and
- The owner of the land applies for and is granted admission to the Qualified Forest Program. The owner would have to submit a copy of the recorded qualified forest school tax affidavit by December 31 of the year in which the land was withdrawn.

FISCAL IMPACT:

Because the bill only extends the deadline for electing to implement changes that have already been enacted in to law, any potential fiscal impact would likely be minor.

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