

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

Senate Bill 496 (as introduced 4-13-99)  
Sponsor: Senator Ken DeBeaussaert  
Committee: Local, Urban and State Affairs

Date Completed: 5-12-99

### **CONTENT**

The bill would authorize the Department of Natural Resources (DNR), on behalf of the State, to convey for \$1 to the charter township of Clinton property under the DNR's jurisdiction and located in Macomb County, as described in the bill, to be used for public park and recreation purposes.

The conveyance would have to require the property to be used exclusively for park and recreation purposes, and provide that upon termination of that use or use for any other purpose, the State could reenter and repossess the property, terminating the grantee's estate in it. In addition, the conveyance would have to provide that if the grantee disputed the State's right of reentry and failed to deliver promptly possession of the property to the State, the Attorney General, on behalf of the State, could bring an action to quiet title to, and regain possession of, the property.

The conveyance would have to be by quitclaim deed approved by the Attorney General and could not reserve mineral rights to the State. The conveyance, however, would have to provide that if the grantee developed the mineral rights, the State would have to receive at least one-half of the net royalties derived from that development.

Revenue received under the bill would have to be deposited in the State Treasury and credited to the General Fund.

Legislative Analyst: L. Arasim

### **FISCAL IMPACT**

The bill would result in an increase in State revenue of \$1 for the conveyance of property described in the bill.

The Department of Natural Resources property is reportedly adjacent to an existing park in Clinton Township that the township would like in order to provide easier access to the park. The property in question was apparently given to the DNR a number of years ago, and is currently undeveloped and being used in part as a fishing access site on the Clinton River.

To the extent that the sale of the parcel would generate more than \$1, there may be lost opportunity cost in the value of the land that would be forgone in conveying the property for \$1. There is apparently no current appraisal that would indicate the estimated value of the property.

Fiscal Analyst: M. Hansen

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