

# Legislative Analysis

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## REVISE COMMUNITY HEALTH CONVEYANCE

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### House Bill 5340

**Sponsor: Rep. Leon Drolet**

**Committee: Regulatory Reform**

**Complete to 9-7-04**

### A SUMMARY OF HOUSE BILL 5340 AS INTRODUCED 12-3-03

Public Act 440 of 2002 authorized the conveyance of a 26-acre parcel under the jurisdiction of the Department of Community Health in Clinton Township, Macomb County, to a nonprofit organization to be used exclusively for providing outpatient services to indigent persons requiring services for mental illness, aging, substance abuse, or developmental disability.

Under the conveyance, the property would have to be used for those purposes for a period of 50 years and if it was put to another use, the state is authorized to reenter and repossess the property. The property was to be conveyed at fair market value, with the appraisal to be based on use of the property for providing services to the mentally ill or developmentally disabled.

House Bill 5340 would amend the act to make the conveyance provide that the Macomb-Oakland Regional Center, Inc., could not sell the property for at least one year after the date of conveyance and that, if the property was subsequently sold for any purpose other than for community-based human services, the state would be entitled to 50 percent of the net profit from the sale.

### FISCAL IMPACT:

The bill would have an indeterminate but minimal fiscal impact.

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