

SUBSTITUTE FOR  
SENATE BILL NO. 917

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
(MCL 324.101 to 324.90106) by adding part 512.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 512

SUSTAINABLE FOREST CONSERVATION EASEMENT TAX INCENTIVES

SEC. 51201. (1) NOTWITHSTANDING SECTION 51105, AN OWNER OF  
COMMERCIAL FORESTLAND THAT IS SUBJECT TO A SUSTAINABLE FOREST  
CONSERVATION EASEMENT IS SUBJECT TO AN ANNUAL SPECIFIC TAX EQUAL TO  
THE ANNUAL SPECIFIC TAX LEVIED UNDER SECTION 51105 LESS 15 CENTS  
PER ACRE. THE SPECIFIC TAX DESCRIBED IN THIS SECTION SHALL BE  
ADMINISTERED, COLLECTED, AND DISTRIBUTED IN THE SAME MANNER AS THE  
SPECIFIC TAX LEVIED IN SECTION 51105.

(2) AN APPLICATION FOR SUSTAINABLE FOREST CONSERVATION

1 EASEMENT TAX INCENTIVES DESCRIBED IN THIS PART SHALL BE SUBMITTED  
2 ON A FORM PRESCRIBED BY THE DEPARTMENT. THE APPLICATION SHALL BE  
3 POSTMARKED OR DELIVERED TO THE DEPARTMENT NOT LATER THAN APRIL 1 TO  
4 BE ELIGIBLE FOR APPROVAL FOR THE FOLLOWING TAX YEAR. IN ADDITION TO  
5 ANY INFORMATION THAT THE DEPARTMENT MAY REASONABLY REQUIRE BY RULE,  
6 THE APPLICANT SHALL PROVIDE ALL OF THE FOLLOWING TO THE DEPARTMENT:

7 (A) A NONREFUNDABLE APPLICATION FEE IN THE AMOUNT OF \$2.00 PER  
8 ACRE OR FRACTION OF AN ACRE, BUT NOT LESS THAN \$200.00 AND NOT MORE  
9 THAN \$1,000.00. THE DEPARTMENT SHALL REMIT THE APPLICATION FEE TO  
10 THE STATE TREASURER FOR DEPOSIT INTO THE COMMERCIAL FOREST FUND  
11 UNDER SECTION 51112.

12 (B) A COPY OF THE CONSERVATION EASEMENT COVERING THE  
13 FORESTLAND.

14 (3) THE OWNER OF COMMERCIAL FORESTLANDS SUBJECT TO A  
15 SUSTAINABLE FOREST CONSERVATION EASEMENT IS ENTITLED TO CUT OR  
16 REMOVE FOREST PRODUCTS ON HIS OR HER COMMERCIAL FORESTLANDS IF THE  
17 OWNER COMPLIES WITH PART 511 AND THE REQUIREMENTS OF THE  
18 SUSTAINABLE FOREST CONSERVATION EASEMENT.

19 (4) IF COMMERCIAL FORESTLAND SUBJECT TO A SUSTAINABLE FOREST  
20 CONSERVATION EASEMENT IS USED IN VIOLATION OF THIS PART OR THE  
21 SUSTAINABLE FOREST CONSERVATION EASEMENT, THE OWNER IN ADDITION TO  
22 ANY OTHER PENALTIES PROVIDED BY LAW SHALL PAY A PENALTY, PER ACRE,  
23 FOR EACH YEAR IN WHICH THE VIOLATION OCCURS EQUAL TO THE DIFFERENCE  
24 BETWEEN THE SPECIFIC TAX PAID UNDER THIS PART AND THE SPECIFIC TAX  
25 THAT WOULD OTHERWISE BE PAID UNDER PART 511. THE SPECIFIC TAX  
26 COLLECTED UNDER THIS PART SHALL BE PAID TO THE TOWNSHIP TREASURER  
27 IN WHICH THE COMMERCIAL FORESTLAND IS LOCATED. THE PENALTY SHALL BE

1 DISTRIBUTED BY THE TOWNSHIP TREASURER IN THE SAME MANNER AS THE  
2 SPECIFIC TAX IS DISTRIBUTED.

3 (5) AS USED IN THIS PART:

4 (A) "COMMERCIAL FORESTLAND" MEANS COMMERCIAL FORESTLAND THAT  
5 IS ENROLLED UNDER PART 511.

6 (B) "DEPARTMENT" MEANS THE DEPARTMENT OF NATURAL RESOURCES.

7 (C) "FORESTLAND" MEANS THAT TERM AS DEFINED IN PART 511.

8 (D) "SUSTAINABLE FOREST CONSERVATION EASEMENT" MEANS A  
9 CONSERVATION EASEMENT DESCRIBED IN SECTION 2140 ON COMMERCIAL  
10 FORESTLAND THAT IS APPROVED BY THE DEPARTMENT AND MEETS ALL OF THE  
11 FOLLOWING:

12 (i) IS AN EASEMENT GRANTED IN PERPETUITY TO THIS STATE, A  
13 POLITICAL SUBDIVISION OF THIS STATE, OR A CHARITABLE ORGANIZATION  
14 DESCRIBED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, 26 USC  
15 501, THAT ALSO MEETS THE REQUIREMENTS OF SECTION 170(H)(3) OF THE  
16 INTERNAL REVENUE CODE, 26 USC 170.

17 (ii) COVERS COMMERCIAL FORESTLAND OF 40 OR MORE ACRES IN SIZE.

18 (iii) PROVIDES THAT THE FORESTLAND SUBJECT TO THE CONSERVATION  
19 EASEMENT OR THE MANAGER OF THE FORESTLAND SUBJECT TO THE  
20 CONSERVATION EASEMENT IS AND CONTINUES TO BE CERTIFIED UNDER A  
21 SUSTAINABLE FORESTRY CERTIFICATION PROGRAM THAT USES INDEPENDENT  
22 THIRD PARTY AUDITORS AND THAT IS RECOGNIZED BY THE DEPARTMENT.

23 (iv) PROVIDES THAT THE FORESTLAND SUBJECT TO THE CONSERVATION  
24 EASEMENT PROVIDES FOR THE NONMOTORIZED RECREATIONAL USE OF THE  
25 FORESTLAND BY MEMBERS OF THE PUBLIC.