

Appendix 1 - History / Legal Authority

History of Michigan's Land

From the beginning of statehood, the State of Michigan has been in the real estate business and the owner of substantial acres of land. State policy shaped by public opinion determined how Michigan's public lands were viewed and how much land was retained in state ownership. The current DNR managed state land holdings -- state parks and recreation areas, game and wildlife areas and state forests -- were acquired through a deliberative process that reflected state policy and public opinion at the time. Early state policy supported the sale of publicly held land for settlement and development, changed to support the sale of land for exploitation, and then evolved to a policy of owning and managing public lands for public benefits.

When Michigan was admitted to the Union in 1837, the federal government granted land to the state which was sold to help raise revenues for government operations, build roads and provide public services (6 million acres) and build schools and universities (1,357,000 acres). In addition, the federal government granted land to the state to sell to individuals for the construction of highways, railroads, canals and bridges. For example, 750,000 acres was granted from the federal government to the state and transferred to individuals to pay for the construction of the St. Mary's ship canal and 250,000 acres for military wagon roads. Through these grants, 12 million acres passed from the federal government to the state.

To process this land, the State Land Office was established in 1843, charged with the responsibility of moving land as quickly as possible into private ownership to encourage settlement of the state. By 1890, all but 500,000 acres of government-owned lands were sold to private owners. Much of the land was sold because of its natural resource values; timber, minerals or for waterways.

The forested landscape of northern Michigan drew entrepreneurs who recognized the value of the forest to build the great cities, towns, and roads required by the rapidly growing nation. The lands were quickly acquired from the state and almost as quickly harvested and the timber was shipped to Chicago and other growing areas of the country. In 40 short years, the timber was gone and by 1870s the cut-over lands were being promoted and sold for agriculture purposes in attempt to lure immigrants from around the world to settle in Michigan. Poor soils, distance from markets, topography, and short growing seasons caused much of the farms to fail and the lands to go tax delinquent. The state policy at that time was to resell as fast as possible.

From the 1890s through the 1930s, the state underwent a series of economic downturns which caused lands to return to the state for non-payment of taxes -- over 116 million acres over a 22-year period. Public Act 206 of 1893, known as the General Property Tax Law, recognized the absolute taxing power of the state and provided for equal assessments and foreclosure on tax delinquent property with all taxing units sharing in any taxes lost on sale proceeds on land sold. Under this law, title on foreclosed property became absolute in the state and a new chain of title was created. By 1913, over two million acres of these lands had been turned over to the state and 1.8 million acres were transferred to private ownership through homesteading and sales. Whatever timber was remaining was harvested, and the land was again allowed to go tax delinquent. Other northern Michigan lands were purchased for farming, and because of poor soils were unsuccessful and were also allowed to go tax delinquent.

In an effort to stop this cycle of tax delinquencies, the Legislature created a Forestry Commission in 1899 and began to set aside forest reserves. Further expansion of the state forests occurred with the creation of the Public Domain Commission in 1909. The creation of the Public Domain Commission was sparked by the gigantic forest fire in 1908 that burned across the state, burning more than 2.3 million acres of forest "slash" (the remnants left from logging) and costing the lives of 25 people. In 1911, the Legislature provided the state with the authority to exchange lands to consolidate ownership, and in 1909 legislative action required the state to reserve the mineral rights on all lands sold or homesteaded.

In the early 1920s, the emerging state park system benefitted from the gifts of land to establish individual state parks, including D. H Day in Leelanau county (now part of Sleeping Bear Dunes National Lakeshore), Hoeft State Park in Presque Isle County, Mears State Park in Oceana County, Wells State Park in Menominee County and 10 sites in Livingston, Monroe and Oakland counties donated by the Dodge Brothers Automobile company and four sites in Oakland County donated by Howard Bloomer.

The exploitation of land and resources triggered the rise of the conservation movement, and state policy then changed to a focus on wise allocation of land, rather than sale for short-term exploitation. Various commissions including the Forestry (1899), Public Lands and Fishery (1873), and Parks (1919) Commissions were created to manage resources and to stop exploitation to the point of extermination. The commissions were eliminated with the creation of the Department of Conservation in 1921.

In 1922, the Michigan Land Economic Survey was created to survey the lands in northern Michigan to determine their value for agriculture or more suitable for recreation or other public uses. The USDA (Land Use Planning Program) also had a land planning effort which lasted until the 1950. This planning effort was also

intended to stop the exploitation/tax delinquency cycle.

In the late 1920s and early 1930s, the federal government began a major resettlement effort purchasing marginal farmland and resettling occupants on more productive lands. The marginal lands were set aside for state or national forests. The Civilian Conservation Corp was then used to reforest much of these lands. Under this program, "Recreation Demonstration Areas" were created at Waterloo and Yankee Springs which were later transferred to the state and became Waterloo and Yankee Springs Recreation Areas.

The economic depression of the 1930 saw another major round of tax delinquencies. In 1933, up to 80 percent of the taxable property in Michigan was delinquent for at least one year. In an effort to assist ailing local units of government, the state purchased large amounts of tax delinquent lands, and paid off local assessments. By 1937, 80 percent of the taxable land in Michigan was delinquent for three or more years. The land was offered for sale, and if not sold or the taxes paid prior to November 29, 1930, it became the property of the state. Through this process, the state took title to 2.2 million acres of land and a million subdivided parcels.

Land Use Planning Committees were organized for each county in the state comprised of some 1,700 local, county, township and school officials. In the 47 counties of northern Michigan, the Department of Conservation requested that the committees review all state land holdings including those that had recently become property of the state due to tax delinquency and make recommendations as to their future as:

- State lands for recreation or forest purposes
- Locally controlled lands by counties, townships or schools
- Private property.

As a result of this review, by 1950, over 1.3 million acres were offered for sale and sold and 130,000 acres were turned over to private ownership. The remaining acres were added to the state forest, wildlife areas or state park systems. Between 1950 and 1980, 62,000 additional acres of land reverted to the state and 200,000 acres of tax reverted lands were disposed of through sale, exchange or redemption.

In the 1940s the Legislature recognized that the southern one-third of the state needed additional access to recreation and hunting lands and recreation facilities to attract tourists to the state. Several bond issues were passed, providing the resources to acquire marginal farmlands turning them into state parks and wildlife areas. In 1944, \$3 million was appropriated to acquire recreation areas in southeast Michigan and \$1 million to acquire the Porcupine Mountains.

The Natural Resources Trust Fund was established by the Legislature in 1976, heralded for the visionary purpose of the fund -- to replace the loss of one non-renewable resource (oil and gas) with another non-renewable resource (land). The Natural Resources Trust Fund was placed in the Constitution through a ballot proposal in 1984. The program specifies that royalties derived from the sale and lease of mineral rights owned by the state should be used for the acquisition, development or conservation of lands.

In 1984 and 1996, there were two extensive studies conducted on Michigan's public land policy. The Report of The Task Force on Public Lands Policy was presented to Governor James Blanchard in 1984 and provided a series of 24 recommendations regarding the state's public land policy. The primary point of this report is that the state needed to block in its ownership of land and "did not find a need for major changes to land management practices and philosophies"

In 1996, the Senate Select Committee on Public Land Ownership, Purchase and Management also did an extensive study of the DNR's land acquisition policy as well as other state land-holding agencies. The select committee proposed seven "principle changes" in the state's land acquisition policy including improving outreach, greater flexibility in state programs to allow for shifts in land policy, regular review of Department's mission statements as they relate to land policy, adopt new attitudes and incentives to work with the private sector; Legislature should reaffirm its role as the chief conservator of the state's natural assets, and better coordination of all state agencies land management practices.

DNR Land Ownership Strategy

In response to Natural Resources Commission Policy 2627 of 2003 regarding DNR land holdings, the DNR initiated a thorough review of State land ownership. This project, known as the DNR Land Ownership Strategy, implemented a four-phase strategy to not only review the current DNR land ownership pattern, but to also evaluate those lands from a natural resources perspective and dispose of those parcels that did not contribute to the overall mission of the DNR. The purpose of the Land Ownership Strategy was to continue the on-going effort to consolidate State land ownership for a variety of outdoor recreation, natural resource benefits and land management efficiencies by reducing trespass issues, safety zone encroachments and the need to monitor and survey public/private boundary lines.

The current DNR Land Ownership Strategy consists of four phases:

Phase 1 – Boundaries Action Strategy

DNR staff completed a thorough review of all existing management boundaries for state forests, state game areas, state wildlife areas, state recreation areas, and state parks. Updated management boundary recommendations were posted for public comment and submitted to the DNR Director for review and approval and were adopted in May 2004. During 2011 and 2012, management boundaries were reviewed again in an effort to reduce the amount of private land remaining inside DNR project boundaries. These new boundaries will be reviewed as a component of the 2013 Ownership Strategy.

Phase 2 – Strategy to Identify Nonessential State Lands

Thorough review on a county-by-county basis of all DNR-managed lands lying outside of the newly dedicated management boundaries was completed. Lands were reviewed for natural resource values, recreational opportunities, unique resource protection, public access, water frontage, historic or cultural significance, timber value and appropriate ownership. Parcels were placed into three categories: Retain, Offer to Unit of Government or Alternate Conservation Owner, and Dispose. For all 83 counties, public meetings were held in each county or groups of counties. Public comments were incorporated into the recommendations that were submitted to the DNR Director for review and approval. Final evaluation of parcels in all 83 counties was completed in April 2008.

Phase 3 – Strategy for Disposal of Identified Lands

Lands identified and approved for disposal, either to a unit of government or alternate conservation owner, or to the general public, have been made available for purchase or exchange. This land disposal effort is currently ongoing.

Phase 4 – Strategy to Maintain an Up-to-Date Public Land Base

In conjunction with its conservation partners and other land managing agencies, the DNR will implement a thorough review of the lands administered by the DNR at least once each decade. In response to ongoing interest in DNR land ownership, this process is also continuing at an accelerated schedule.

As a result of Phase 2 of the Land Ownership Strategy, a total of 9,831 parcels totaling 79,027.64 acres were evaluated. Of that total, 5,291 surplus parcels totaling 22,950.83 acres were approved for sale or exchange.

Acquisition Strategy and Criteria

The DNR's land acquisition and management strategy is intended to assist in the implementation of the DNR's Land Ownership Strategy, as well as contribute to the broader ecosystem management approach across the entire landscape. Ecosystem

management is a process that integrates biological, social, and economic factors into a comprehensive strategy aimed at protecting and enhancing sustainability, diversity, and productivity of natural resources. While the DNR focuses on acquisition within management boundaries, acquisition outside of the management boundaries may also contribute to effective ecosystem management, as well as public recreational opportunities. Strategic acquisition of land helps to achieve the DNR's mission and goals by meeting one or more of the following criteria:

1. Consolidate existing state lands within management boundaries;
2. Provide new or additional public access to surface waters or other state lands;
3. Contain high natural resource values; or
4. Contain significant outdoor recreational values.

The acquisition strategy is implemented within the DNR by the Land Acquisition Strategy Team (LAST). LAST was established in 2007 in an effort to ensure that land acquisitions not only followed the DNR's strategy, but that they also included a holistic review to identify multi-resource and/or public recreation benefits. To accomplish this effort, LAST is comprised of staff from each of the resource divisions within the DNR. Further, this acquisition strategy is being implemented statewide utilizing a variety of funding sources and multiple resource partners to leverage funds in order to achieve the maximum value and success for acquiring public lands.

Natural Resource/Land Management Benefits

The land acquisition strategy and the consolidation of State ownership are critical tools in increasing efficiencies in public land management. The pattern and distribution of ownership and land use greatly affects the ability to sustain natural resources, land management options, and ecological function and processes. Rather than increasing the burden of land management, the targeted acquisitions that employ these strategies significantly reduce staff time that is spent on land management issues, all while extending natural resource protections and high quality opportunities for public outdoor recreation. The benefits of these strategies include:

- Protect and improve existing public land ownership function
- Increase public recreational opportunities on contiguous blocks of land
- Increase timber management potential
- Significantly reduce the need for private property line establishment/surveys for timber sales and other forest treatments, freeing up foresters to mark timber
- Prevent illegal trespass on State lands

- Prevent loss of hunting lands due to safety zone encroachment
- Reduce the need to monitor public/private property lines
- Reduce private access easement needs/requests
- Reduce public/private land recreational use conflicts
- Prevent habitat fragmentation and habitat loss

Acquisition Priorities

Generally private land holdings within the public lands administered by the Department make it more difficult to carry out management for natural resource conservation as well as make it more difficult for the general public to use those lands for natural resource-oriented outdoor recreation. Therefore, both the recreational users and the resource managers benefit if the public lands comprise a solid block.

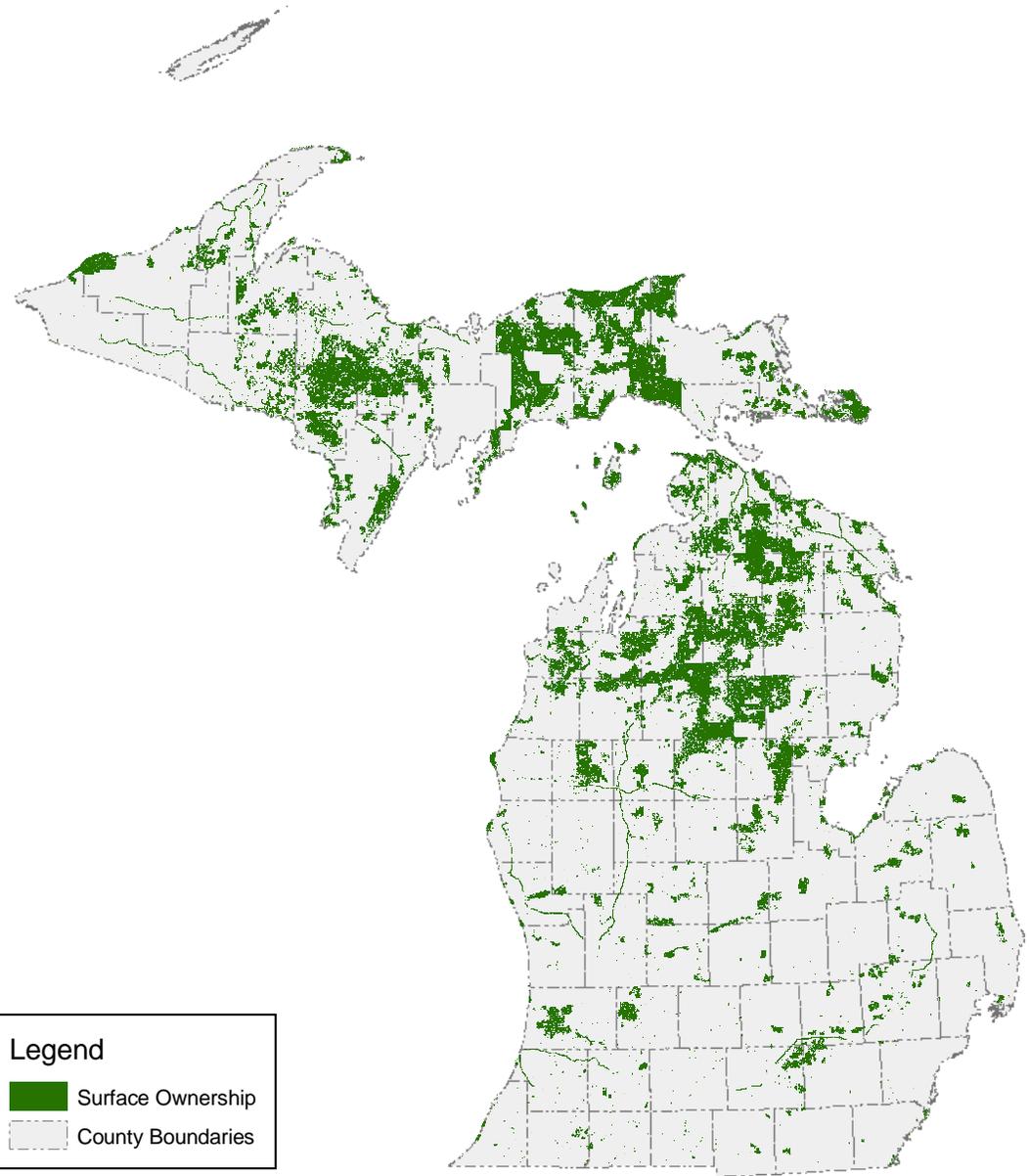
General Consolidation Acquisition Priorities are:

1. Private holdings within State Park boundaries;
2. Private holdings within State Game, Wildlife, and Recreation Area, or State Forest boundaries;
3. Private holdings that contain unique, critical, or at risk natural features that cannot be protected by other means provided in State and Federal laws;
4. Private holdings that would provide recreational trail connectors;
5. Private holdings that would provide public access to Michigan's waters, where access is not adequate; and

Within the category of Private Inholdings, the acquisition priorities are generally:

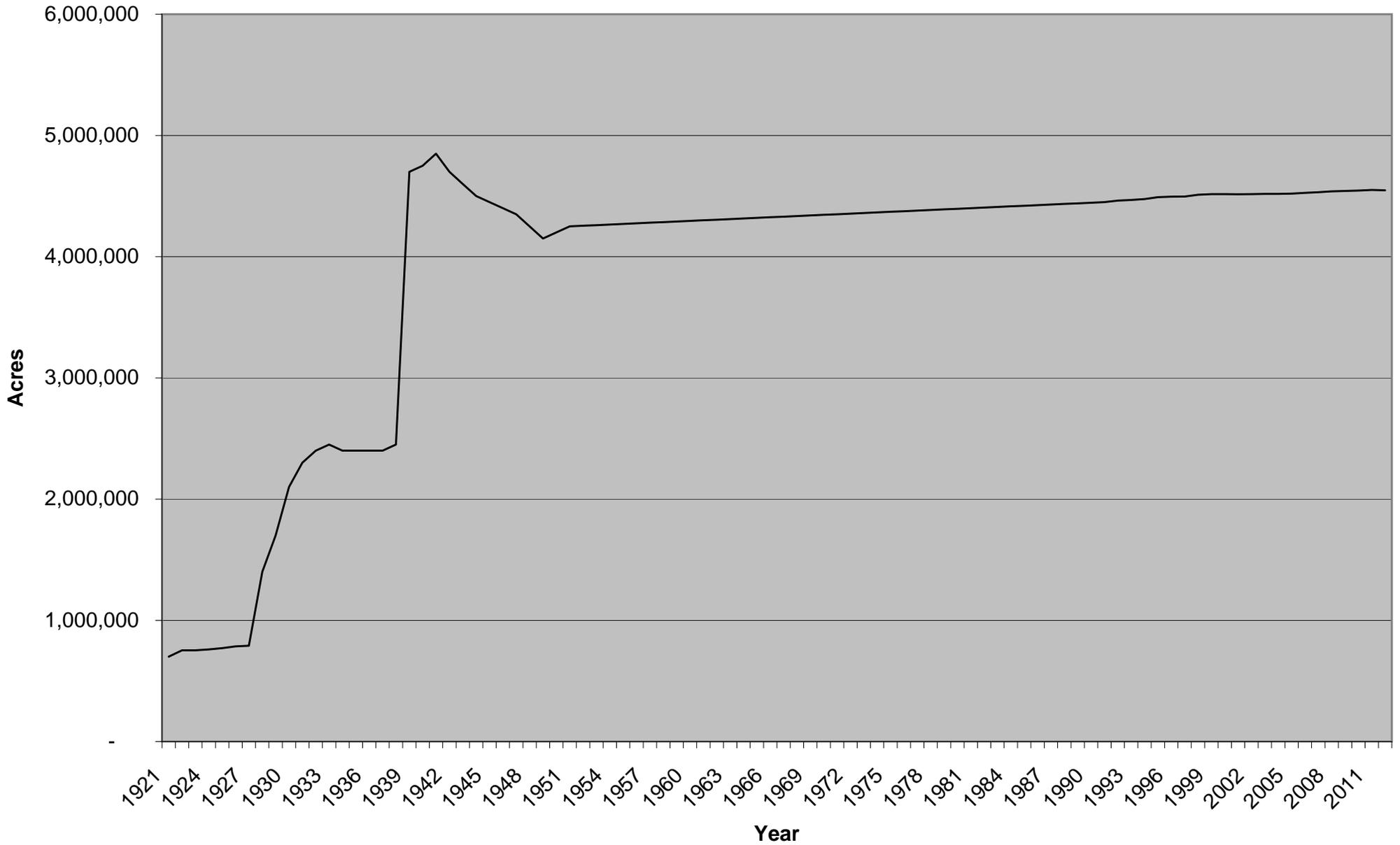
1. Private inholdings that have or are likely to have a negative impact on the conservation values or the efficient and effective management of existing public lands,
2. Private inholdings that have a negative impact on the outdoor recreational values of the existing public lands,
3. Private holdings that will provide or enhance public access to

PUBLIC LANDS MANAGED BY THE DNR



Created: 7/18/2012

DNR Managed Public Lands



existing public lands and/or bodies of water where access is not sufficient

Within the category of providing Access to Michigan's Waters, more specific goals as follows:

- Boating and Fishing Access to Lakes: Provide public access on all Michigan lakes larger than 150 acres.
- General Boating and Fishing Access to Rivers: Provide at least one public access every 10 miles on all Michigan's rivers and streams.
- Fishing Access to Michigan's Quality Fishing Streams and Rivers: Provide at least one public access on every mile of Michigan's quality fishing streams and rivers.

Geographic Priorities

The total number of potential outdoor recreation users is highest in Michigan's southern Lower Peninsula. However, the proportion of lands available to the public for outdoor recreation is lowest in the southern Lower Peninsula and increases considerably to the north.

In most cases the General Acquisition Priorities are adequate to guide the Department in acquisition decisions regardless of where the opportunities occur in the State. However, when acquisition opportunities are found to be relatively equal under the General Acquisition Priorities, as a general rule, Acquisition Priorities by Geographic Region of the State are:

1. Southern Lower Peninsula
2. Northern Lower Peninsula
3. Upper Peninsula

While these geographic priorities apply to most aspects of the Department's lands, specific restricted funds, such as the Deer Range Improvement Fund, are focused toward the acquisition of important deer habitat components such as winter deer yard areas, especially in the Upper Peninsula. In addition, the Department has placed a priority on developing partnership initiatives that will help address very large land holdings through the acquisition of conservation easements that provide continuation of science-based management of their forest resources and wildlife habitats, as well as provide for public access for natural resource-related outdoor recreation.

Willing Seller

Actual acquisitions and land exchanges are always dependent on the Department working with a private landowner who is willing to sell or exchange their lands. The opportunity to acquire new land is therefore based on the availability of the land, the location of the land, and the availability of appropriate funding being available in a timely and flexible manner.

Disposal of State of Lands Administered by the Department of Natural Resources

An important component of the Consolidation Strategy is to make effective use of those lands that are determined to be non-essential to program needs because they provide only marginal resource or recreational value. Such parcels are recommended for exchange, transfer to other land managers, or sold directly to private buyers. Conveyance of these parcels is conducted in a manner that; 1) continues to recognize the resource and recreational value and provides for their continued protection where warranted; and, 2) provides a means to convey surplus lands in a way that maximizes the return from their sale to purchase more desirable replacement lands or conduct exchanges of those lands for more desirable replacement lands.

Review of surplus parcels involves evaluation by all DNR land administering divisions using a holistic resource management approach. Parcels are evaluated for the following objectives:

- Pertinence to Department's core mission.
- Presence or absence of significant ecological features or recreation potential.
- Other relevant natural resource, public recreation, and cultural resource values.

Parcels to be disposed of through exchange and sale should generally meet the following:

1. The land lies outside State-dedicated boundaries and outside special project boundaries,
2. The land has relatively little natural resource, ecological or outdoor recreation values,
3. The disposal of the land would result in increased efficiency of land administration,

4. The natural resource, ecological or public outdoor recreation values of the land could be conserved and utilized as well or better if administered by another agency or owner,
5. An exchange of the land for other land will result in an improvement in the natural resource, ecological, or outdoor recreation values of land administered by the Department.

Disposal Process

The following provides the process that the DNR utilizes to evaluate DNR-managed lands for disposal and the sale process.

1. Parcels are evaluated using approved disposal criteria and a determination is made whether to:

- Dispose
- Offer to a Conservation Partner
- Retain

The criteria utilized for review includes the following:

- Parcel Funding Source
- Title or Deed Restrictions
- Recreation Trail Review
- Department of Environmental Quality Review
- Mineral Ownership Review
- Cultural and Historic Review

2. The public has an opportunity to comment on parcels identified for disposal or for offer to a conservation partner at a public meeting.

3. Once the first public review has been completed, an internal committee comprised of the land managing divisions provides a recommendation to the Director about disposition of the land.

4. If the parcel is approved for sale by the Director, it is placed on the Natural Resources Commission agenda for public comment and the subsequent month for the Director's decision.

5. After the Director has made a decision to dispose of a parcel the Legislature receives notice of the decision and has 30 days in which to respond.

- Notification is to the appropriate House and Senate Committees

6. Notice of intent to dispose of a parcel is at the same time posted on the DNR Website for 30 days for further public comment.

7. After the public and legislative review, surplus land is offered to:

- Local Units
- Conservation Partners
- Private Owners

Parcels will be sold by public competitive auction, exchange, or direct sale. If parcels do not sell, parcels will remain for sale or be transferred to the Michigan Land Bank where appropriate.



Land Consolidation Acreage Summary

From DNR-NRC Recommendations

2012

County Name	TOTAL ACREAGE REVIEWED	TOTAL PARCELS REVIEWED	RETAIN PARCELS	OFFER PARCELS	DISPOSE PARCELS	LAND OPEN TO THE PUBLIC *				
						RETAIN ACREAGE	OFFER ACREAGE	DISPOSE ACREAGE	OUTSIDE DNR BOUNDARIES (Total Acreage)	INSIDE DNR BOUNDARIES (Total Acreage)
ALCONA	689.45	52	41	5	6	676.04	1.91	11.50	677.95	8,793
ALGER	865.14	44	30	1	13	633.80	20.00	211.34	653.80	96,677
ALLEGAN	606.77	882	359	78	445	537.90	0.00	68.87	537.90	50,561
ALPENA	1161.65	70	63	0	7	1110.76	0.00	50.89	1,110.76	48,456
ANTRIM	958.92	68	63	1	4	957.64	1.00	.28	958.64	43,741
ARENAC	469.33	35	23	0	12	146.97	0.00	322.36	146.97	30,806
BARAGA	5316.54	193	141	1	51	3581.38	40.00	1695.16	3,621.38	72,635
BARRY	292.26	47	42	0	5	166.34	0.00	125.92	166.34	24,881
BAY	404.57	49	22	4	23	172.02	3.17	229.38	175.19	6,717
BENZIE	725.63	50	42	2	6	657.53	24.73	43.37	682.26	60,457
BERRIEN	217.08	91	38	10	43	143.87	65.37	7.84	209.24	2,560
BRANCH	66.24	43	32	3	8	54.74	0.00	11.50	54.74	398
CALHOUN	175.44	36	28	0	8	73.46	0.00	101.98	73.46	0
CASS	90.09	38	30	6	2	38.80	51.29	0.00	90.09	4,193
CHARLEVOIX	509.77	50	21	13	16	288.54	220.87	.36	509.41	58,271
CHEBOYGAN	2734.89	192	138	7	47	1895.87	19.22	819.80	1,915.09	180,798
CHIPPEWA	2929.45	216	120	18	78	1467.45	448.29	1013.71	1,915.74	216,772
CLARE	1089.75	61	45	0	16	663.18	0.00	426.57	663.18	52,152
CLINTON	7.80	3	3	0	0	7.80	0.00	0.00	7.80	10,608
CRAWFORD	3119.46	169	84	3	82	1618.02	45.23	1456.21	1,663.25	175,880
DELTA	1280.43	113	65	17	31	743.43	65.00	472.00	808.43	66,517
DICKINSON	1575.52	135	65	0	70	877.00	0.00	698.52	877.00	221,733
EATON	156.40	19	11	6	2	141.16	15.24	0.00	156.40	180
EMMET	1278.91	49	40	3	6	1153.16	81.20	44.55	1,234.36	76,210
GENESEE	242.83	71	14	0	57	187.79	0.00	55.04	187.79	0

County Name	TOTAL ACREAGE REVIEWED	TOTAL PARCELS REVIEWED				LAND OPEN TO THE PUBLIC *			OUTSIDE DNR BOUNDARIES (Total Acreage)	INSIDE DNR BOUNDARIES (Total Acreage)
			RETAIN PARCELS	OFFER PARCELS	DISPOSE PARCELS	RETAIN ACREAGE	OFFER ACREAGE	DISPOSE ACREAGE		
GLADWIN	602.84	34	15	2	17	333.68	80.00	189.16	413.68	85,956
GOGEBIC	735.69	75	23	17	35	129.60	380.00	226.09	509.60	10,720
GRAND TRAVERSE	312.40	64	51	4	9	278.82	25.50	8.08	304.32	67,961
GRATIOT	89.00	7	5	2	0	76.00	13.00	0.00	89.00	16,870
HILLSDALE	32.51	26	22	1	3	18.40	0.00	14.11	18.40	3,391
HOUGHTON	1345.98	101	55	1	45	934.43	40.17	371.38	974.60	43,876
HURON	299.41	22	20	1	1	298.16	0.00	1.25	298.16	13,856
INGHAM	241.72	18	10	5	3	135.48	106.23	.01	241.71	4,735
IONIA	376.16	33	21	3	9	342.40	15.87	17.89	358.27	10,741
IOSCO	564.26	81	61	13	7	306.36	235.90	22.00	542.26	23,668
IRON	5598.02	359	215	46	98	3369.37	1166.54	1062.11	4,535.91	79,498
ISABELLA	8.71	7	5	0	2	4.71	0.00	4.00	4.71	2,967
JACKSON	1173.32	259	120	2	137	1090.17	16.94	66.21	1,107.11	16,242
KALAMAZOO	451.82	71	62	3	6	429.90	.99	20.93	430.89	5,772
KALKASKA	882.18	164	151	1	12	822.54	40.00	19.64	862.54	157,651
KENT	536.56	110	99	0	11	536.32	0.00	.24	536.32	7,950
KEWEENAW	654.98	70	62	0	8	334.98	0.00	320.00	334.98	10,557
LAKE	1643.34	829	108	0	721	1002.74	0.00	640.60	1,002.74	58,929
LAPEER	343.21	23	18	0	5	343.21	0.00	0.00	343.21	12,574
LEELANAU	24.25	18	15	1	2	20.90	0.00	3.35	20.90	8,431
LENAWEE	206.64	26	23	0	3	166.64	0.00	40.00	166.64	4,106
LIVINGSTON	260.09	60	42	1	17	132.27	0.00	127.82	132.27	17,814
LUCE	659.04	30	28	1	1	579.04	40.00	40.00	619.04	296,581
MACKINAC	1667.84	299	95	21	183	700.51	166.95	800.38	867.46	202,770
MACOMB	233.88	170	18	2	150	183.93	0.00	49.95	183.93	1,009
MANISTEE	356.26	101	31	41	29	348.23	1.00	7.03	349.23	23,868
MARQUETTE	4971.52	242	202	0	40	4091.87	0.00	879.65	4,091.87	255,611
MASON	1607.06	86	20	47	19	123.57	1446.82	36.67	1,570.39	5,122
MECOSTA	153.26	32	24	0	8	146.94	0.00	6.32	146.94	14,271

* Please Note: This report does not include Rail Trail parcels, Linear State Park parcels and Platted parcels. Therefore, there is more land open to the public than is listed on this report.

County Name	TOTAL ACREAGE REVIEWED	TOTAL PARCELS REVIEWED	RETAIN PARCELS	OFFER PARCELS	DISPOSE PARCELS	RETAIN ACREAGE	OFFER ACREAGE	DISPOSE ACREAGE	LAND OPEN TO THE PUBLIC *	
									OUTSIDE DNR BOUNDARIES (Total Acreage)	INSIDE DNR BOUNDARIES (Total Acreage)
MENOMINEE	2583.83	94	51	0	43	1206.07	0.00	1377.76	1,206.07	95,116
MIDLAND	1439.38	68	22	3	43	593.82	33.26	812.30	627.08	41,383
MISSAUKEE	426.99	21	17	0	4	409.79	0.00	17.20	409.79	103,659
MONROE	351.31	72	65	0	7	350.71	0.00	.60	350.71	6,374
MONTCALM	184.11	50	39	3	8	181.35	.97	1.79	182.32	22,636
MONTMORENCY	578.47	33	31	0	2	577.54	0.00	.93	577.54	136,992
MUSKEGON	211.90	71	23	0	48	167.82	0.00	44.08	167.82	11,683
NEWAYGO	1017.89	939	94	0	845	934.97	0.00	82.92	934.97	5,828
OAKLAND	1814.84	327	196	42	89	1174.45	28.00	612.39	1,202.45	28,580
OCEANA	304.09	47	13	6	28	222.98	61.86	19.25	284.84	5,284
OGEMAW	1493.91	77	63	7	7	1181.15	239.05	73.71	1,420.20	75,616
ONTONAGON	624.68	68	23	6	39	228.44	80.07	316.17	308.51	66,947
OSCEOLA	1901.40	81	73	0	8	1717.62	0.00	183.78	1,717.62	16,855
OSCODA	470.88	37	33	2	2	463.63	7.00	.25	470.63	55,658
OTSEGO	567.74	83	80	0	3	567.74	0.00	0.00	567.74	99,296
OTTAWA	308.97	41	34	5	2	241.34	67.63	0.00	308.97	3,427
PRESQUE ISLE	1057.56	61	50	1	10	771.39	.34	285.83	771.73	86,528
ROSCOMMON	6384.79	783	723	5	55	5938.68	190.22	255.89	6,128.90	196,745
SAGINAW	338.42	45	6	4	35	298.21	.06	40.15	298.27	16,874
SAINT CLAIR	124.81	92	42	2	48	104.72	0.00	20.09	104.72	9,635
SAINT JOSEPH	98.16	42	37	2	3	60.76	2.00	35.40	62.76	2,251
SANILAC	3.32	9	7	2	0	3.32	0.00	0.00	3.32	9,865
SCHOOLCRAFT	1721.34	171	103	2	66	1552.80	12.81	155.73	1,565.61	288,272
SHIAWASSEE	42.60	4	2	0	2	40.80	0.00	1.80	40.80	893
TUSCOLA	318.55	14	13	0	1	318.55	0.00	0.00	318.55	30,958
VAN BUREN	193.42	97	67	2	28	175.07	2.00	16.35	177.07	795
WASHTENAW	1099.88	75	58	3	14	996.38	4.18	99.32	1,000.56	16,262
WAYNE	167.45	105	10	0	95	137.50	0.00	29.95	137.50	1,464
WEXFORD	200.68	31	16	4	11	183.39	3.00	14.29	186.39	54,115

* Please Note: This report does not include Rail Trail parcels, Linear State Park parcels and Platted parcels. Therefore, there is more land open to the public than is listed on this report.

County Name	TOTAL ACREAGE REVIEWED	TOTAL PARCELS REVIEWED	RETAIN PARCELS	OFFER PARCELS	DISPOSE PARCELS	RETAIN ACREAGE	OFFER ACREAGE	DISPOSE ACREAGE	LAND OPEN TO THE PUBLIC *	
									OUTSIDE DNR BOUNDARIES (Total Acreage)	INSIDE DNR BOUNDARIES (Total Acreage)
Totals	79,027.64	9,831	5,172	494	4,165	56,076.81	5,610.88	17,339.95	61,687.69	4,463,484
			52.6%	5.0%	42.4%	71.0%	7.1%	21.9%	78.1%	

* Please Note: This report does not include Rail Trail parcels, Linear State Park parcels and Platted parcels. Therefore, there is more land open to the public than is listed on this report.

2012 Statewide Project Boundary Review Summary

Project boundaries are often used to guide Department land acquisition and disposal priorities, as well as many land management activities. Consolidation of public land has natural resource, outdoor recreation, and economic benefits. In an effort to further focus Department ownership priorities, the Department initiated a focused review of its 2004 project boundaries. It was determined that the 2004 statewide project boundaries contain 1,900,000 acres of private lands. Following the 2012 Boundary Review, the project team identified 1,300,000 acres a private land within project boundaries, or a reduction of 687,000 acres of private land. Also identified as outside the proposed boundaries were 31,000 acres of public land. The tables below summaries both public and private lands within project boundaries by land managing Division.

Upper Peninsula	2004 Boundary	2012 Boundary	Total Reduction
Fish	433	433	0
Wildlife	1,766	1,766	0
Parks & Recreation	162,250	155,664	6,585 acre reduction
Forest Resources	2,937,525	2,402,687	534,838 acre reduction
Total			541,423 acre reduction

Lower Peninsula	2004 Boundary	2012 Boundary	Total Reduction
Fish	3,748	3,748	0
Wildlife	584,997	573,839	11,158 acre reduction
Parks & Recreation	216,366	196,669	19,697 acre reduction
Forest Resources	2,632,233	2,486,703	145,530 acre reduction
Total			176,385 acre reduction

Statewide	2004 Boundary	2012 Boundary	Total Reduction
Fish	4,181	4,181	0
Wildlife	586,763	575,605	11,158 acre reduction
Parks & Recreation	378,616	352,333	26,283 acre reduction
Forest Resources	5,569,758	4,889,390	680,368 acre reduction
Total			717,809 acre reduction

LEGAL AUTHORITIES

Constitutional Authorities		Authorities Which Allow The Department To Purchase Lands
Article IV, Section 52	Conservation and development of natural resources of the state are hereby declared to be of paramount public concern...The legislature shall provide for the protection of the...other natural resources of the state from pollution, impairment or destruction.	
Article IX, Section 35	Creates the Michigan Natural Resources Trust Fund	The Michigan Natural Resources Trust Fund is available for the acquisition of land and development of recreation facilities. The Local Public Recreation Facility Fund generated from the sale of the Recreation Passport can be used for the development of local recreation facilities, including trails.
Laws		
Public Act (PA) 51 of 1951, Section 10k funds	State Transportation Funds (MTF)	All agencies receiving funds from Act 51 shall spend a minimum of one percent of their MTF when averaged over 10 years on non-motorized transportation facilities and services. This money can be used only for construction and not for operation or maintenance and includes funding for sidewalks, shared use paths, bike lands, and associated paving marking.

Laws	Authorities Which Allow The Department To Purchase Lands	
PA 451 of 1994, Part 5	<p>Gives the DNR authority for contracts for taking and storage of mineral products, drilling operations for taking oil and gas, develop outdoor recreation facilities, remove and dispose of forest products, and guard against pollution, impairment or destruction. Gives power to the DNR over the management, control and disposition of all land under the public domain except those managed by other state agencies. Gives the DNR authority to buy, sell, exchange or condemn lands and other property. Manage lands under the control of the DNR to prevent any net decrease in the acreage of such lands that are open to hunting.</p>	
PA 451 of 1994, Part 19	<p>Michigan Natural Resources Trust Fund, Local Public Recreation Facility Fund – provides that it can be used for the acquisition of land or rights in land for recreational uses or protection of the land because of its environmental importance or scenic beauty or for the development of public recreation facilities.</p>	<p>The Michigan Natural Resources Trust Fund is available for the acquisition of land and development of recreation facilities. The Local Public Recreation Facility Fund generated from the sale of the Recreation Passport can be used for the development of local recreation facilities, including trails.</p>
PA 451 of 1994, Part 21	<p>DNR may sell sites to school districts and churches and for public purposes to public education institutions and to the US, and to governmental units of the state. DNR may transfer jurisdiction of tax reverted lands for public purposes to any department board or commission of the state without a reverter clause. If there is no reverter clause conveyance or transfers must be at appraised value. Allows for exchanges of land, grant easements, and designate surplus lands. Creates the land facilitation fund where proceeds from the sale of land are deposited for purchase of other lands.</p>	
PA 451 of 1994, Article III, Chapter 1, Part 351	<p>Allows for the designation of wilderness and natural areas and management of those areas.</p>	

Laws		Authorities Which Allow The Department To Purchase Lands
PA 451 of 1994, Part 365	Endangered Species – Provides authority to the DNR to perform acts necessary for the conservation, protection, restoration and propagation of endangered species.	
PA 451 of 1994, Part 405	The State assents to use game and fish license fees for no other purposes other than game and fish activities under administration of the Department.	
PA 451 of 1994, Part 413	Allows the DNR to restore or remediate habitats or species damaged by invasive species or genetically engineered organisms.	
PA 451 of 1994, Part 415	Provides the DNR with the authority to establish shooting and hunting grounds, hunting game preserves,	
PA 451 of 1994, Part 421	Allows the DNR to establish dog training areas or acquire lands for dog training areas.	
PA 451 of 1994, Part 435	Hunting and Fishing License Fees – Allows for the use of game and fish license dollars to purchase, lease and manage lands for the purpose of propagating and rearing of wildlife or fish and for the establishment and maintenance of game refuges, wildlife sanctuaries and public shooting and fishing grounds and to lease lands to provide for hunter access on private lands.	Hunting and fishing license fees may be used for acquisition of land and for management of game species and fisheries resources.
PA 451 of 1994, Subchapter 4, Part 511	The DNR shall establish and maintain commercial forests.	
PA 451 of 1994, Part 525	Harvesting of State Forests – The DNR shall manage the state forest in a manner that is consistent with the principle of sustainable forestry.	Allows for the harvest of timber off state lands and the use of those resources to manage timber resources on state lands.

Laws		Authorities Which Allow The Department To Purchase Lands
PA 451 of 1994, Part 711	Recreation Improvement Fund	Dedicated revenues from state gas tax are used for maintenance and development of recreation trails.
PA 451 of 1994, Part 723	The DNR shall create a state system of trails and may accept gifts and grants in land, rights of ways or other property to establish trails.	
PA 451 of 1994, Part 741	State Parks – The Department shall create, maintain, operate, promote and make available for public use and enjoyment a system of state parks to preserve and protect Michigan’s significant natural resources and areas of scenic beauty or historic significance, to provide open space for public recreation and to provide an opportunity to understand Michigan’s natural resources and the need to protect and manage those resources. Transfer or sale of state park land over 100 acres requires notice to legislature and public hearing.	Revenues received from the sale of Recreation Passport, out-of-state day use passes, camping, and other revenues can be used for the acquisition of land and the development, maintenance and operation of recreational facilities within state parks or facilities where a Recreation Passport is required.
PA 451 of 1994, Part 761	The state reserves the exclusive right and privilege to all aboriginal records and other antiquities including those found on the bottomlands of the Great Lakes.	
PA 451 of 1994, Part 781	Waterways – Provides the power to the DNR to acquire, construct and maintain harbors, channels, and facilities including recreation boating access sites for vessels in the state’s navigable waters.	The revenue from boat registrations and the sale of fuel that is deposited into the Waterways Fund can be used to develop, maintain and operate access sites that could be part of a river trail. The Waterways Fund can also be used for the acquisition of land.

Laws		Authorities Which Allow The Department To Purchase Lands
PA 451 of 1994, Part 811	Off Road Vehicles – Provides the authority to the DNR to acquire land for establishing ORV routes, trails and areas.	Revenues collected from the sale of off road vehicle licenses can be used for signage, maintenance, construction, leasing of lands to provide recreational opportunities for off-road vehicles, law enforcement, environmental damage restoration and safety education of ORV enthusiasts
PA 451 of 1994, Part 821	Snowmobiles – Provides the authority to the DNR to acquire land for establishing snowmobile trails.	Revenues collected from the sale of snowmobile trail permits and snowmobile registrations can be used for signage, maintenance, construction, equipment, law enforcement, and purchasing or lease of land to provide recreational opportunities for snowmobiles.
PA 451 of 1994, Part 831	State Forest Recreation Fund – Requires the Department to develop, operate, maintain and promote an integrated recreation system within the state forest.	The State Forest Recreation Account can be used for the development, operation, maintenance and promotion of state forest recreation activities.
Federal Funds		
23 USC 206	Recreational Trails Program (RTP)	Dedicated revenues from federal gas tax used for maintenance and development of recreation trails. Funds must be distributed to project types to meet an allocation formula identified in the legislation; 30 percent motorized, 30 percent non-motorized, and 40 percent diversified use. Additionally, the program requires an advisory board made up of trail users to meet every fiscal year to provide guidance on the program.

Federal Funds		Authorities Which Allow The Department To Purchase Lands
MAP-21 Act	Moving Ahead for Progress in the 21st Century Act (MAP-21)	MAP-21 extends the federal-aid highway program and authorized funding for the Recreational Trails Program (RTP) as a set aside of the new Transportation Alternatives Program (TAP). MAP-21 also amends the Surface Transportation Program (STP) to allow any projects eligible under the RTP to be eligible for STP funds.
LWCF	Land and Water Conservation Fund	The Land and Water Conservation Fund provides funding for the acquisition of land and the development or renovation of outdoor recreation facilities. In the last few funding cycles Michigan has chosen to use LWCF funds for development of outdoor recreation facilities and not for land acquisition.
16 U.S. C. 669-669i (Pittman Robertson)	Federal Aid in Wildlife Restoration Act	Provides funding for the management and restoration of wildlife and provides resources for land acquisition. Funds are raised from an excise tax on ammunition and sporting arms.
16 U.S. C. 777-7771 (Dingell Johnson)	Federal Aid in Sportfishing Restoration Act	Provides resources for state fish restoration, management plans and projects including the acquisition of land that provides access to fishing. Funds are raised on an excise tax on fishing equipment.

Act No. 240
Public Acts of 2012
Approved by the Governor
June 28, 2012
Filed with the Secretary of State
July 2, 2012
EFFECTIVE DATE: July 2, 2012

**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2012**

Introduced by Senators Casperson, Robertson, Green, Marleau, Brandenburg and Pappageorge

ENROLLED SENATE BILL No. 248

AN ACT to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts," by amending sections 503 and 2132 (MCL 324.503 and 324.2132), section 503 as amended by 2011 PA 65 and section 2132 as amended by 1998 PA 117.

The People of the State of Michigan enact:

Sec. 503. (1) The department shall protect and conserve the natural resources of this state; provide and develop facilities for outdoor recreation; prevent the destruction of timber and other forest growth by fire or otherwise; promote the reforestation of forestlands belonging to this state; prevent and guard against the pollution of lakes and streams within this state and enforce all laws provided for that purpose with all authority granted by law; and foster and encourage the protecting and propagation of game and fish.

(2) The department has the power and jurisdiction over the management, control, and disposition of all land under the public domain, except for those lands under the public domain that are managed by other state agencies to carry out their assigned duties and responsibilities. On behalf of the people of this state, the department may accept gifts and grants of land and other property and may buy, sell, exchange, or condemn land and other property, for any of the purposes of this part. Beginning 90 days after the effective date of the 2012 amendatory act that amended this section, the department shall not acquire surface rights to land unless the department has estimated the amount of annual payments in lieu of taxes on the land, posted the estimated payments on its website for at least 30 days, and notified the affected local units of the estimated payments at least 30 days before the acquisition.

(3) Before May 1, 2015, the department shall not acquire surface rights to land if the department owns, or as a result of the acquisition will own, the surface rights to more than 4,626,000 acres of land.

(4) Beginning May 1, 2015, the department shall not acquire surface rights to land north of the Mason-Arenac line if the department owns, or as a result of the acquisition will own, the surface rights to more than 3,910,000 acres of land north of the Mason-Arenac line. It is the intention of the legislature, if the legislature approves the strategic plan, to amend this section to remove the limitation set forth in this subsection.

(5) For the purposes of subsections (3) and (4), the number of acres of land in which the department owns surface rights does not include any of the following:

(a) Land in which the department has a conservation easement.

(b) Land platted under the land division act, 1967 PA 288, MCL 560.101 to 560.293, or a predecessor act before the effective date of the amendatory act that added this subsection if acquired by the department before the effective date of the amendatory act that added this subsection.

(c) Any of the following if acquired on or after the effective date of the amendatory act that added this subsection:

(i) Land with an area of not more than 80 acres, or a right-of-way, for accessing other land owned by the department.

(ii) A trail, subject to all of the following:

(A) If the traveled portion of the trail is located within an abandoned railroad right-of-way, the land excluded is limited to the abandoned railroad right-of-way.

(B) If the traveled portion of the trail is located in a utility easement, the land excluded is limited to the utility easement.

(C) If sub-subparagraphs (A) and (B) do not apply, the land excluded is limited to the traveled portion of the trail and contiguous land. The area of the contiguous land shall not exceed the product of 100 feet multiplied by the length of the trail in feet.

(iii) Land that, on the effective date of the amendatory act that added this subsection, was commercial forestland as defined in section 51101 if the land continues to be used in a manner consistent with part 511.

(iv) Land acquired by the department by gift, including the gift of funds specifically dedicated to land acquisition.

(v) Land acquired by the department through litigation.

(6) The department shall maintain a record of land as described in subsection (5)(a) to (e). The record shall include the location, acreage, date of acquisition, and use of the land. The department shall post and maintain on its website all of the following information:

(a) The number of acres of land, including land as described in subsection (5), in which the department owns surface rights north of the Mason-Arenac line, south of the Mason-Arenac line, in total for this state, and by program.

(b) The number of acres of land, excluding land as described in subsection (5), in which the department owns surface rights north of the Mason-Arenac line, south of the Mason-Arenac line, in total for this state, and by program.

(7) By October 1, 2014, the department shall develop a written strategic plan to guide the acquisition and disposition of state lands managed by the department, submit the plan to the senate and house committees with primary responsibility for natural resources and outdoor recreation and the corresponding appropriation subcommittees, and post the plan on the department's website. In developing the plan, the department shall solicit input from the public and local units of government.

(8) The strategic plan shall do all of the following:

(a) Divide this state into regions.

(b) Identify lands managed by the department in each region.

(c) Set forth for each region measurable strategic performance goals with respect to all of the following for land managed by the department:

(i) Maximizing availability of points of access to the land and to bodies of water on or adjacent to the land.

(ii) Maximizing outdoor recreation opportunities.

(iii) Forests.

(iv) Wildlife and fisheries.

(d) To assist in achieving the goals set forth in the strategic plan pursuant to subdivision (c), identify all of the following:

(i) Land to be acquired.

(ii) Land to be disposed of.

(iii) Plans for natural resource management.

(e) To the extent feasible, identify public lands in each region that are not managed by the department but affect the achievement of the goals set forth in the strategic plan pursuant to subdivision (c).

(f) Identify ways that the department can better coordinate the achievement of the goals set forth in the strategic plan pursuant to subdivision (c), recognizing that public lands are subject to multiple uses and both motorized and nonmotorized uses.

(9) The department shall not implement the strategic plan as it applies to land north of the Mason-Arenac line. It is the intention of the legislature, if the legislature approves the strategic plan, to amend this section to remove the prohibition set forth in this subsection. The department shall annually report on the implementation of the plan and submit and post the report in the manner provided in subsection (7).

(10) Beginning 8 years after the effective date of the amendatory act that added this subsection and every 6 years thereafter, the department shall update the strategic plan and submit and post the updated plan in the manner provided in subsection (7). At least 60 days before posting the updated plan, the department shall prepare, submit, and post in the manner provided in subsection (7) a report on progress toward the goals set forth pursuant to subsection (8)(c) in portions of this state where, subject to subsection (9), the plan is being implemented and any proposed changes to the goals, including the rationale for the changes. The submittal and posting shall include department contact information for persons who wish to comment on the report.

(11) At least 30 days before acquiring or disposing of land, the department shall submit to the senate and house committees with primary responsibility for natural resources and outdoor recreation and the corresponding appropriations subcommittees a statement identifying the land and describing the effect of the proposed transaction on achieving the goals set forth in the strategic plan pursuant to subsection (8)(c). The statement shall include department contact information for persons who wish to comment on the acquisition or disposition and be in a standard format. The department shall also post the statement on its website for at least 30 days before the acquisition or disposition. This subsection does not apply before the department submits the plan to legislative committees as required under subsection (7).

(12) The department may accept funds, money, or grants for development of salmon and steelhead trout fishing in this state from the government of the United States, or any of its departments or agencies, pursuant to the anadromous fish conservation act, 16 USC 757a to 757f, and may use this money in accordance with the terms and provisions of that act. However, the acceptance and use of federal funds does not commit state funds and does not place an obligation upon the legislature to continue the purposes for which the funds are made available.

(13) The department may appoint persons to serve as volunteers for the purpose of facilitating the responsibilities of the department as provided in this part. Subject to the direction of the department, a volunteer may use equipment and machinery necessary for the volunteer service, including, but not limited to, equipment and machinery to improve wildlife habitat on state game areas.

(14) The department may lease lands owned or controlled by the department or may grant concessions on lands owned or controlled by the department to any person for any purpose that the department determines to be necessary to implement this part. In granting a concession, the department shall provide that each concession is awarded at least every 7 years based on extension, renegotiation, or competitive bidding. However, if the department determines that a concession requires a capital investment in which reasonable financing or amortization necessitates a longer term, the department may grant a concession for up to a 15-year term. A concession granted under this subsection shall require, unless the department authorizes otherwise, that all buildings and equipment shall be removed at the end of the concession's term. Any lease entered into under this subsection shall limit the purposes for which the leased land is to be used and shall authorize the department to terminate the lease upon a finding that the land is being used for purposes other than those permitted in the lease. Unless otherwise provided by law, money received from a lease or a concession of tax reverted land shall be credited to the fund providing financial support for the management of the leased land. Money received from a lease of all other land shall be credited to the fund from which the land was purchased. However, money received from program-related leases on these lands shall be credited to the fund providing financial support for the management of the leased lands. For land managed by the forest management division of the department, that fund is either the forest development fund established pursuant to section 50507 or the forest recreation account of the Michigan conservation and recreation legacy fund provided for in section 2005. For land managed by the wildlife or fisheries division of the department, that fund is the game and fish protection account of the Michigan conservation and recreation legacy fund provided for in section 2010.

(15) When the department sells land, the deed by which the land is conveyed may reserve all mineral, coal, oil, and gas rights to this state only when the land is in production or is leased or permitted for production, or when the department determines that the land has unusual or sensitive environmental features or that it is in the best interest of this state to reserve those rights as determined by commission policy. However, the department shall not reserve the rights to sand, gravel, clay, or other nonmetallic minerals. When the department sells land that contains subsurface rights, the department shall include a deed restriction that restricts the subsurface rights from being severed from the surface rights in the future. If the landowner severs the subsurface rights from the surface rights, the subsurface rights revert to this state. The deed may reserve to this state the right of ingress and egress over and across land along

watercourses and streams. Whenever an exchange of land is made with the United States government, a corporation, or an individual for the purpose of consolidating the state forest reserves, the department may issue deeds without reserving to this state the mineral, coal, oil, and gas rights and the rights of ingress and egress. The department may sell the limestone, sand, gravel, or other nonmetallic minerals. However, the department shall not sell a mineral or nonmetallic mineral right if the sale would violate part 353, part 637, or any other provision of law. The department may sell all reserved mineral, coal, oil, and gas rights to such lands upon terms and conditions as the department considers proper and may sell oil and gas rights as provided in part 610. The owner of those lands as shown by the records shall be given priority in case the department authorizes any sale of those lands, and, unless the landowner waives that priority, the department shall not sell such rights to any other person. For the purpose of this section, mineral rights do not include rights to sand, gravel, clay, or other nonmetallic minerals.

(16) The department may enter into contracts for the sale of the economic share of royalty interests it holds in hydrocarbons produced from devonian or antrim shale qualifying for the nonconventional source production credit determined under section 45k of the internal revenue code of 1986, 26 USC 45k. However, in entering into these contracts, the department shall assure that revenues to the natural resources trust fund under these contracts are not less than the revenues the natural resources trust fund would have received if the contracts were not entered into. The sale of the economic share of royalty interests under this subsection may occur under contractual terms and conditions considered appropriate by the department and as approved by the state administrative board. Funds received from the sale of the economic share of royalty interests under this subsection shall be transmitted to the state treasurer for deposit in the state treasury as follows:

(a) Net proceeds allocable to the nonconventional source production credit determined under section 45k of the internal revenue code of 1986, 26 USC 45k, under this subsection shall be credited to the environmental protection fund created in section 503a.

(b) Proceeds related to the production of oil or gas from devonian or antrim shale shall be credited to the natural resources trust fund or other applicable fund as provided by law.

(17) As used in this section:

(a) "Concession" means an agreement between the department and a person under terms and conditions as specified by the department to provide services or recreational opportunities for public use.

(b) "Lease" means a conveyance by the department to a person of a portion of this state's interest in land under specific terms and for valuable consideration, thereby granting to the lessee the possession of that portion conveyed during the period stipulated.

(c) "Mason-Arenac line" means the line formed by the north boundaries of Mason, Lake, Osceola, Clare, Gladwin, and Arenac counties.

(d) "Natural resources trust fund" means the Michigan natural resources trust fund established in section 35 of article IX of the state constitution of 1963 and provided for in section 1902.

(e) "Net proceeds" means the total receipts received from the sale of royalty interests under subsection (16) less costs related to the sale. Costs may include, but are not limited to, legal, financial advisory, geological or reserve studies, and accounting services.

(f) "Strategic plan" or "plan" means the plan developed under subsection (7).

Sec. 2132. (1) Subject to subsection (2), the department may sell surplus land at a price established using the method that the department determines to be most appropriate, such as any of the following:

(a) Appraisal.

(b) Appraisal consulting.

(c) A schedule adopted by the department for pricing property with uniform characteristics and low utility.

(d) The true cash value of nearby land as determined by the local assessor.

(2) If the department offers tax reverted land for sale and the land is not sold within 9 months, the department may sell the land to a qualified buyer who submits an offer that represents a reasonable price for the property as determined by the department.

(3) The sale of surplus land shall be conducted by the department through 1 of the following methods:

(a) A public auction sale.

(b) A negotiated sale.

(4) Subject to subsection (1), the sale of surplus land through a public auction sale shall be to the highest bidder.

(5) A notice of the sale of surplus land shall be provided in section 2133.

(6) The proceeds from the sale of surplus land shall be deposited into the fund.

(7) Surplus land that is sold under this subpart shall be conveyed by quitclaim deed approved by the attorney general.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Jay E. Randall

Clerk of the House of Representatives

Approved

.....
Governor