Legislative Analysis



GROESBECK GOLF COURSE

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Senate Bill 908 (S-2) as reported from House committee without amendment

Analysis available at http://www.legislature.mi.gov

Sponsor: Sen. Curtis Hertel

House Committee: Government Operations Senate Committee: Government Operations

(Enacted as Public Act 333 of 2018)

Complete to 6-7-18

SUMMARY:

<u>Senate Bill 908</u> would authorize the State Administrative Board to accept the conveyance of two specific parcels property from the city of Lansing and to reconvey them to Lansing for \$1, with current restrictions on the use of the property removed.

The property in question is the Groesbeck Golf Course, which for over 70 years after its inception was owned by the state and leased and maintained by the city of Lansing. The Department of Natural Resources conveyed most of the property to the city under Public Act 531 of 1996,¹ and under Public Act 421 of 2004² the State Administrative Board conveyed a parcel of the golf course that had been inadvertently left out of the 1996 act.

The conveyances under the 1996 and 2004 acts were made on the condition that the property be used for "park and recreational purposes" and "for the purpose of a public golf course," respectively, and also contained requirements that the property must be available for use by the public under terms that are the same regardless of an individual's place of residence (e.g., different fees for Lansing residents and nonresidents are not allowed).

<u>The bill</u> would authorize the State Administrative Board to accept conveyance of the property from Lansing to the state, and require the Board to reconvey the property to Lansing for \$1. However, this reconveyance could not contain the restrictions that currently prohibit differential treatment of members of the public based on their place of residence.

BRIEF DISCUSSION:

According to testimony before the Government Operations committee, the current prohibition against differential pricing means that Lansing residents must pay the same fees to use the golf course as do nonresidents, even though residents also pay for the course through their property taxes and a voter-approved parks millage. The bill was offered as a way to give Lansing residents a discount on their fees relative to nonresidents.

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¹ House Legislative Analysis Section analysis of HB 4133 of 1995 (PA 531 of 1996): http://www.legislature.mi.gov/documents/1995-1996/billanalysis/House/pdf/1995-HLA-4133-B.pdf

² HFA summary of HB 5529 of 2004 (PA 421 of 2004): http://www.legislature.mi.gov/documents/2003-2004/billanalysis/House/pdf/2003-HLA-5529-1.pdf

HOUSE COMMITTEE ACTION:

The House Government Operations committee reported the Senate-passed version of the bill without amendment.

FISCAL IMPACT:

Assuming that the city of Lansing conveys the property to the State Administrative Board for the purpose of charging different fees at Groesbeck Golf Course for residents and nonresidents, the bill could affect revenues for the city of Lansing by an indeterminate amount. Any revenue impact would be a function of the variance in fees charged and the impact those fees have on the number of residents and/or nonresidents using Groesbeck Golf Course.

POSITIONS:

A representative of the city of Lansing testified in support of the bill. (6-7-18)

The Department of Technology, Management, and Budget indicated support for the bill. (6-7-18)

The Michigan Municipal League indicated support for the bill. (6-7-18)

Legislative Analyst: Rick Yuille Fiscal Analyst: Ben Gielczyk

[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.