

SENATE BILL NO. 686

October 30, 2025, Introduced by Senators DALEY, SINGH, LAUWERS, SHINK and CHERRY
and referred to Committee on Natural Resources and Agriculture.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 36110 (MCL 324.36110), as amended by 2016 PA
265.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 36110. (1) Land subject to a development rights agreement
2 or easement may be sold without penalty under sections 36111,
3 36112, and 36113, if the use of the land by the successor in title
4 complies with ~~the provisions contained in the~~ development rights
5 agreement or easement. The seller shall notify the governmental

1 authority having jurisdiction over the development rights of the
2 change in ownership.

3 (2) If the owner of land subject to a development rights
4 agreement or easement dies or becomes totally and permanently
5 disabled or ~~when-if~~ an individual essential to the operation of the
6 farm dies or becomes totally and permanently disabled, the land may
7 be relinquished from the program under this part and is subject to
8 a lien pursuant to sections 36111(11), 36112(7), and 36113(7). A
9 request for relinquishment under this section shall be made within
10 3 years ~~from~~**after** the date of death or disability. A request for
11 relinquishment under this subsection shall be made only by the
12 owner in case of a disability or, in case of death, the person who
13 becomes the owner through survivorship or inheritance.

14 (3) If an owner of land subject to a development rights
15 agreement becomes totally and permanently disabled or dies, land
16 containing structures that were present before the recording of the
17 development rights agreement may be relinquished from the
18 agreement, upon request of the disabled agreement holder or upon
19 request of the person who becomes an owner through survivorship or
20 inheritance, and upon approval of the local governing body and the
21 state land use agency. Not more than 2 acres may be relinquished
22 under this subsection unless additional land area is needed to
23 encompass all of the buildings located on the parcel, in which case
24 not more than 5 acres may be relinquished. If the **size of the**
25 parcel proposed to be relinquished is less ~~in area than the minimum~~
26 ~~parcel size~~**than that** required by local zoning, the parcel ~~may~~
27 **shall** not be relinquished unless a variance is obtained from the
28 local zoning board of appeals to allow for the smaller parcel size.
29 The portion of the farmland relinquished from the development

1 rights agreement under this subsection is subject to a lien
2 pursuant to section 36111(11).

3 (4) If approved by the local governing body and the state land
4 use agency, not more than 1 acre of land, as determined by a
5 professional surveyor licensed in this state, may be relinquished
6 from an agricultural conservation easement. If the size of the
7 parcel proposed to be relinquished is less than that required by
8 local zoning, the parcel shall not be relinquished unless a
9 variance is obtained from the local zoning board of appeals to
10 allow for the smaller parcel size.

11 (5) ~~(4)~~—The land described in a development rights agreement
12 may be divided into smaller parcels of land and ~~continued under~~
13 **remains subject to** the same terms and conditions as the original
14 development rights agreement. The smaller parcels created by the
15 division must meet the minimum requirements for being enrolled
16 under this ~~act~~ **part** or be 40 acres or more in size. Farmland may be
17 divided once under this subsection without **payment of a fee by to**
18 the state land use agency. The state land use agency may charge a
19 reasonable fee not greater than the state land use agency's actual
20 cost of dividing the agreement for all subsequent divisions of that
21 farmland. When a division of a development rights agreement is made
22 under this subsection and is executed and recorded, the state land
23 use agency shall notify the applicant, the local governing body and
24 its assessing office, all reviewing agencies, and the department of
25 treasury.

26 (6) ~~(5)~~—As used in this section, "individual essential to the
27 operation of the farm" means a co-owner, partner, shareholder, farm
28 manager, or family member, who, to a material extent, cultivates,
29 operates, or manages farmland under this part. An individual is

1 considered involved to a material extent if ~~that~~**the** individual
 2 does 1 or more of the following:

3 (a) Has a financial interest equal to or greater than 1/2 the
 4 cost of producing the crops, livestock, or products and inspects
 5 and advises and consults with the owner on production activities.

6 (b) Works 1,040 hours or more annually in activities connected
 7 with production of the farming operation.

8 **(7)** ~~(6)~~—The state land use agency shall not charge a fee to
 9 process a change of ownership under subsection (1). ~~or a division~~
 10 ~~under subsection (4).~~

11 Enacting section 1. This amendatory act does not take effect
 12 unless all of the following bills of the 103rd Legislature are
 13 enacted into law:

14 (a) Senate Bill No. ____ (request no. S03619'25) or House Bill
 15 No. ____ (request no. H03619'25).

16 (b) Senate Bill No. ____ (request no. S03626'25) or House Bill
 17 No. ____ (request no. H03626'25).

18 (c) Senate Bill No. ____ (request no. S03628'25) or House Bill
 19 No. ____ (request no. H03628'25).

20 (d) Senate Bill No. ____ (request no. S03629'25) or House Bill
 21 No. ____ (request no. H03629'25).

22 (e) Senate Bill No. 685.