



**House
Legislative
Analysis
Section**

Manufacturer's Bank Building, 12th Floor
Lansing, Michigan 48909
Phone: 517/373-6466

EROSION RISK NOTICE BY DNR

House Bill 4513 (Substitute H-1)
First Analysis (5-30-90)

JUL 12 1990

Sponsor: Rep. Ken DeBeausseart
Committee: Conservation, Recreation, & Environment

THE APPARENT PROBLEM:

The floods of 1986 resulted in the damage or destruction of many coastal homes along Michigan's shoreland due to erosion. Although the Department of Natural Resources designates shoreland areas at high risk for erosion, many property owners did not know that their property was so designated and that their houses were built on land that was not stable. Some people believe that the state should take steps to notify purchasers of property at high risk of erosion when the risk can be dangerous to the purchaser's health, safety and welfare. The Land and Water Management Division of the Department of Natural Resources has established an informal certified mail notification system for high risk erosion areas. Legislation has been introduced to formalize this system and ensure that future purchasers of property will have access to information about high risk areas.

THE CONTENT OF THE BILL:

The bill would amend the Shorelands Protection and Management Act to require the Department of Natural Resources (DNR) to notify an owner if the owner's property contained a shoreland that was a high risk area (subject to erosion). Documents listing areas determined to be of high risk would be available to the general public. If the department determined that a shoreland contained a high risk area and that use of the area should be regulated to prevent property loss, the department would record, within five years of the effective date of the bill, notice of its determination in the office of the register of deeds of the county or counties in which the high risk area was situated. If the department determined that a parcel no longer met the criteria for high risk, the department could cancel or modify its determination. The fee for recording and indexing each notice of determination, or cancellation or modification of determination would be the same as the fee for recording a deed: \$5 for the first page and \$2 for each additional page.

FISCAL IMPLICATIONS:

According to the Department of Natural Resources, it would cost up to a total of \$20,000 to send the required notification to the registers of deeds affected by the bill. (5-29-90)

ARGUMENTS:

For:

All of the current home and property owners in high risk areas have been notified that their area is a high risk for erosion. In order to protect future buyers of high risk areas, a notification procedure should be established. It would be unfortunate if more Michigan citizens were to experience loss of a home or property because they didn't know that they were in a high risk area for erosion and didn't take proper steps to save their property. The bill will address

this problem by establishing a permanent notification procedure. By contacting the local register of deeds for information about property to be purchased, a prudent buyer would learn about possible erosion risks.

POSITIONS:

The Department of Natural Resources supports the bill. (5-29-90)

The Michigan Association of Counties supports the bill. (5-29-90)

The Michigan Association of Realtors supports the bill. (5-29-90)

The Michigan Association of Registers of Deeds supports the bill. (5-29-90)

H.B. 4513 (5-30-90)