

LAND DIVISION ACT FEES

Senate Bill 130 as passed by the Senate First Analysis (12-9-98)

Sponsor: Sen. Leon Stille
House Committee: Local Government
**Senate Committee: Local, Urban and
State Affairs**

THE APPARENT PROBLEM:

Public Act 59 of 1991 put into the Subdivision Control Act (now known as the Land Division Act) an increase in plat review fees to help cover the costs faced by the Department of Commerce (now known as the Department of Consumer and Industry Services) to carry out its final reviews of proposed plats prior to the sale of lots by developers. The 1991 act contained a 1993 "sunset" date, but Public Act 67 of 1993 extended the date to October 1, 1998. As of that date, the plat review fees, which are built into the current state budget, were repealed. Legislation to reinstate these fees has been introduced.

Public Act 150 of 1993 amended the same act to establish a \$500 fee to accompany the submission of a preliminary plat to the Department of Natural Resources (now the responsibility of the successor Department of Environmental Quality), which the act requires of a proprietor whose subdivision lies within the floodplain of a river, stream, creek, or lake. An additional \$1,500 is assessed if the department determines that engineering computations are necessary to determine the limits of the floodplain. These fees were sunsetted originally as of October 1, 1995, but extended to October 1, 1999 by Public Act 172 of 1995. Legislation has been introduced to delete the sunset on these fees, which also are built into the current state budget.

THE CONTENT OF THE BILL:

The bill would amend the Land Division Act to:

-- Reinstall provisions of the act requiring the payment of filing and recording fees as well as state plat review fees, which were repealed as of October 1, 1998. These provisions call for a fee of \$150 for a state plat review, plus \$15 for each lot in excess of four lots. There would be no sunset date.

-- Delete the October 1, 1999, sunset date on requirements that a preliminary plat submitted to the

Department of Environmental Quality (DEQ) be accompanied by a \$500 fee to cover the administrative cost of the DEQ's preliminary plat review; and that the DEQ assess an additional \$1,500 if engineering computations are necessary to establish the limits of the flood plain.

MCL 560.117 et al.

FISCAL IMPLICATIONS:

The Senate Fiscal Agency reports that the bill would continue local government filing and recording and state plat review fee levels that were in place prior to October 1, 1998. Additionally, the bill would remove the sunset date on the DEQ's preliminary plat review and \$500 administrative fee. (SFA floor analysis dated 11-23-98)

ARGUMENTS:

For:

The bill would remove sunsets on longstanding fees already built into the state budget for responsibilities carried out by the Department of Environmental Quality and the Department of Consumer and Industry Services under the Land Division Act.

POSITIONS:

The Departments of Consumer and Industry Services and Environmental Quality have indicated their support for the bill. (12-8-98)

Analyst: C. Couch

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