



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 1107 (Substitute S-2 as reported)
Sponsor: Senator Patricia L. Birkholz
Committee: Natural Resources and Environmental Affairs

CONTENT

The bill would amend the Land Division Act to revise the requirement that a proprietor deposit money or a bond with a board of county road commissioners for the approval of a final plat; and allow a board of county road commissioners to regulate cul-de-sacs, but prohibit the board from disallowing them by policy, practice, or rule.

Under the Act, as a condition of approval of a final plat, a county road commission may require completion of all required improvements relative to streets, alleys, and roads, or a deposit by the proprietor with the board in the form of cash, a certified check, or an irrevocable letter of credit, whichever the proprietor selects, or a surety bond, acceptable to the board in an amount sufficient to ensure completion within the specified time. The bill would delete this language.

Under the bill, if all of the other required improvements were not made before the final plat was submitted to the board for approval, the board nonetheless promptly would have to approve the final plat if it otherwise met the Act's requirements and the proprietor posted a deposit in an amount that the board determined to be sufficient to ensure the proprietor's performance of the obligation to make the required improvements within the specified time. Regardless of the deposit amount, the actual cost to complete all of the improvements would remain the responsibility of the provider or its surety agent. The deposit would have to be in the form of cash, a certified check that the board would promptly convert to cash, an irrevocable letter of credit, or a surety bond as prequalified by the State, as selected by the proprietor. Any surety bond would have to be underwritten by a surety acceptable to the board.

The bill also would delete a provision under which a board, as a condition of approval of the final plat, must require a deposit to be made in order to ensure the performance of the proprietor's obligations to make required improvements.

Under the Act, a board must reject a final plat isolating land from existing public streets or roads, unless the proprietor provides suitable access by easement or dedication to public use. Under the bill, the board would have to reject a final plat unless the proprietor provided suitable access or unless natural features made suitable access impractical.

MCL 560.183

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 5-4-06

Fiscal Analyst: David Zin