

# Legislative Analysis

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## AMENDING RESTRICTIVE COVENANTS

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<http://www.house.mi.gov/hfa>

**House Bill 5591 as introduced**  
**Sponsor: Rep. Triston Cole**  
**Committee: Local Government**  
**Complete to 5-24-16**

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

## SUMMARY:

House Bill 5591 would amend the Uniform Electronic Transactions Act so that the owner of a lot or parcel subject to a restrictive covenant may consent to amend, reaffirm, or repeal the restrictive covenant, in whole or in part, by an electronic signature. This provision would apply to restrictive covenants with more than 7,500 lots or parcels of real property in a single development, and as long as the laws of the state allow the covenant to be amended, reaffirmed or appealed.

## BACKGROUND:

Restrictive covenants, also called deed restrictions, are contractual agreements that restrict the use or occupancy of real property. These limitations may include anything from limits on the size, height, or architectural style of a structure on the land to the uses for which the property may be used.

## FISCAL IMPACT:

House Bill 5591 would reduce administrative costs for local governments by an unknown, but likely negligible, amount.

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