



Senate Fiscal Agency
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BILL



ANALYSIS

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House Bill 5164 (Substitute H-1 as passed by the House)
House Bill 5165 (Substitute H-1 as passed by the House)
Sponsor: Representative Lee Chatfield (H.B. 5164)
Representative Jeremy Moss (H.B. 5165)
House Committee: Local Government
Senate Committee: Banking and Financial Institutions

Date Completed: 5-31-16

CONTENT

House Bill 5164 (H-1) would amend the Land Division Act to require a proprietor to deposit with a final plat a filing and recording fee equal to the fee required for recording a real estate mortgage.

House Bill 5165 (H-1) would amend Public Act 107 of 1895, which provides for recording certified copies of judgments in the offices of registers of deeds, to specify that a register of deeds would be entitled to the same fee for recording a certified copy of a judgment as the fee for recording a real estate mortgage.

The bills are tie-barred to Senate Bill 599, and each would take effect October 1, 2016. (Senate Bill 599 (H-2) would amend Section 2567 of the Revised Judicature Act to require, among other things, a \$30 fee for entering and recording a document, including a real estate mortgage.)

House Bill 5164 (H-1)

The Land Division Act governs the layout, division, and use of land. The Act requires a proprietor (an individual or entity that holds an ownership interest in land) to submit copies of a final plat to various agencies and officers, including the clerk of a municipal governing body, for review and approval. When a final plat is submitted to the clerk, the proprietor must deposit with the plat both of the following: a) a \$20 filing and recording fee, and b) a State plat review fee of \$150, plus \$15 for each lot over four lots included in the plat.

Upon approval of the plat by the governing body, the clerk must send both fees with the plat to the clerk of the county plat board, who must deposit the filing and recording fee in the country trust and agency fund for subsequent payment to the county register of deeds.

Under the bill, the filing and recording fee would be in an amount equal to the fee for entering and recording a real estate mortgage under Section 2567 of the Revised Judicature Act.

House Bill 5165 (H-1)

Public Act 107 of 1895 allows a certified copy of a judgment or decree that pertains to the disposition of land to be recorded in the office of the register of deeds of the county (or counties) in which the land described in the judgment or decree is situated.

The register of deeds is entitled to the same fee for recording the certified copy of the judgment as he or she may receive for recording conveyances; in a county where the register of deeds receives an annual salary, however, the fees must be turned over to the county treasurer. Under the bill, the register of deeds would be entitled to the same fee for recording a certified copy of a judgment or decree as the fee for recording a real estate mortgage under Section 2567 of the Revised Judicature Act.

MCL 560.241 (H.B. 5164)
565.412 (H.B. 5165)

Legislative Analyst: Jeff Mann

FISCAL IMPACT

House Bill 5164 (H-1)

The bill would increase local revenue from fees received for filing a final plat. Currently, the fee for filing a final plat is \$20. Under the bill, the fee would be the same as the fee charged for recording a mortgage under the Revised Judicature Act. Senate Bill 599 (H-2), which would amend the Revised Judicature Act and is tie-barred to House Bill 5164, would change the fee for recording a mortgage from \$8 for the first page and \$3 for each additional page to a flat fee of \$30. The increased revenue from the fee for filing a final plat would support the costs of county register of deeds.

House Bill 5165 (H-1)

The bill would change local revenue for recording a land transfer determined by a court judgment. Currently, the fee for recording that type of land transfer is the same as for other conveyances, which is based on the number of the pages filed. The bill specifies that the fee would be the same as for recording a mortgage, which would be changed to a flat fee of \$30 under Senate 599 (H-2), to which the House bill is tie-barred. The change in revenue would vary by county based on the length of documents filed.

Fiscal Analyst: Elizabeth Pratt

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.