Legislative Analysis



INCREASE ALLOWABLE LAND DIVISION

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

House Bill 4081 (H-1) as reported from committee Sponsor: Rep. Jay DeBoyer

Committee: Regulatory Reform

Complete to 4-16-25

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

SUMMARY:

House Bill 4081 would amend the Land Division Act to increase the number of parcels that can be platted (i.e., divided from a single tract of land).

Currently, the act allows the first 10 acres of a parent tract of land to be divided into up to four smaller parcels.

Under the bill, beginning one year after the legislation's effective date, the first 10 acres of a parent tract could be divided into up to 10 parcels.

The bill also would add a provision allowing municipalities or counties that have the authority to approve or reject a proposed land division under the act to adopt ordinances allowing tracts of land to be partitioned into a greater number of parcels than otherwise allowed by the act.

MCL 560.108

BRIEF DISCUSSION:

The bill's supporters argued that it would help to address the housing shortage in Michigan by increasing the number of buildable lots that can be made from certain parcels of land. They also argued that current law does not work for some parcels of land that are too small to be used for larger developments (i.e., subdivisions) but too large to be divided into just four buildable lots.

Some raised concerns about the unintended consequences that could be created by the bill, noting in particular the lack of oversight on the division of parcels under the bill and the long-term consequences that could result from hastily or improperly divided land, such as sprawl, increased infrastructure costs, and drainage issues.

FISCAL IMPACT:

The bill would have an indeterminate fiscal impact on state and local government. Any fiscal impact would be related to changes in value and development on any affected parcel as a direct result of bill's provisions, which cannot be projected with any certainty.

POSITIONS:

A representative of Michigan Realtors testified in support of the bill. (3-13-25)

House Fiscal Agency Page 1 of 2

The following entities indicated support for the bill (3-13-25):

- Home Builders Association of Michigan
- Michigan Municipal League
- Chesterfield Township

A representative of the Michigan Society of Professional Surveyors testified in opposition to the bill. (3-13-25)

The following entities indicated opposition to the bill (3-13-25):

- Michigan Association of County Drain Commissioners
- Michigan Association of Planning

Legislative Analyst: Alex Stegbauer Fiscal Analyst: Ben Gielczyk

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