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Senate Bill 23 (as introduced 1-22-25)

Sponsor: Senator Kevin Hertel Committee: Local Government

Date Completed: 2-3-25

## **CONTENT**

The bill would amend Section 108 of the Land Division Act to do the following:

- -- Increase, from four to 10, the number of parcels that the first 10 acres of a parent parcel or tract could be divided into.
- -- Allow a municipality to authorize the further partitioning of land into more parcels or tracts than allowed under Section 108 if the land met standards established by the municipality.

The bill would take effect on July 1, 2026.

Section 108 of the Land Division Act prescribes requirements for divisions of parcels or tracts of land. Among other division requirements, Section 108 requires that the first 10 acres or fraction thereof of a parent parcel or parent tract (a parcel or tract before it is split) be divided into four or fewer separate parcels. Under the bill, the first 10 acres of a parent parcel or tract or fraction thereof could be divided into 10 or fewer separate parcels.

(The Act defines "parcel" as a contiguous area or acreage of land. "Tract" means two or more parcels that share a common property line and are under the same ownership. "Plat" means a map or chart of a subdivision of land.)

Additionally, the bill would allow a municipality or county that had authority to approve a division under Section 109 to authorize by ordinance the further partitioning or splitting of a parcel or tract into a greater number of parcels or tracts than otherwise authorized by Section 108. A parcel or tract created by an ordinance as described above could not be further partitioned or split without being subject to the platting requirements of the Act.

MCL 560.108

## **PREVIOUS LEGISLATION**

(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)

Senate Bill 23 is similar to Senate Bill 480 of the 2023-2024 Legislative Session, which passed the Senate and was reported from the House Committee on Local Government and Municipal Finance but received no further action.

Legislative Analyst: Alex Krabill

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<sup>&</sup>lt;sup>1</sup> Section 109 describes the criteria that must be met to approve an application for a proposed division. Generally, these requirements include an accurate legal description of the parcel, size requirements for the parcel, that the resulting parcel be accessible, that each resulting parcel has adequate easements for public utilities, and that fees are paid.

## **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on the State and local governmental units. The bill would increase the parceling of property. If these individual parcels generated more tax revenue collectively than as part of the original parcel this would lead to a positive fiscal impact for the State and the local government unit; however, if individually the parcels generated less tax revenue collectively than as part of the original parcel this would lead to a negative fiscal impact for the State and the local government unit.

Fiscal Analyst: Bobby Canell

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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.