



**House  
Legislative  
Analysis  
Section**

House Office Building, 9 South  
Lansing, Michigan 48909  
Phone: 517/373-6466

**REMONUMENTATION FEE**

**House Bill 6490 (Substitute H-1)  
First Analysis (12-3-02)**

**Sponsor: Rep. Nancy Cassis  
Committee: Local Government and  
Urban Policy**

***THE APPARENT PROBLEM:***

Public Act 345 of 1990, the State Survey and Remonumentation Act, requires each county to establish a plan for the monumentation or remonumentation of the county “within 20 years”— i.e., by 2013. “Monumentation” refers to the process of marking “corners” by land surveyors, a process that the federal government initiated when Michigan was still part of the Northwest Territory. Various objects, including pine and cedar posts, shotgun barrels, and railroad ties, were used to mark the corners, and many of the markers have rotted or become displaced over the years. In some cases, two markers purport to mark the same corner. Because property boundaries are often described with reference to the markers, confusion over their proper location sometimes leads to land title disputes, which in turn sometimes leads to litigation.

Remonumenting a county is a significant project, both logistically and financially. According to committee testimony, only 65,000 out of a total of about 300,000 corners statewide have been remonumented, halfway through the allotted 20-year time frame. Originally it was assumed that it would take about 20 years for counties to implement their remonumentation plans and that counties would use fund money from a newly created State Survey and Remonumentation Fund to pay for their implementation. Public Act 346 of 1990 imposed a \$2 state fee on legal instruments recorded with county registers of deeds and directed the proceeds from such fees to the fund. Some counties eventually determined that they would not be able to implement their plans by 2013 unless they used sources of funding other than the remonumentation fund. As a result, legislation has since been enacted to allow counties that wish to expedite their plans to spend their own resources and be reimbursed by the state and to issue bonds to raise revenue. Representatives of some counties believe that the \$2 remonumentation fee for recording legal instruments should be raised to provide further assistance to

counties that wish to speed up implementation of their remonumentation plans.

***THE CONTENT OF THE BILL:***

House Bill 6490 would amend the Revised Judicature Act of 1961 (“RJA”) to raise the “remonumentation fee” that must be paid when recording instruments with a county register of deeds from \$2 to \$4. Under the act, certain individuals, entities, and agencies are exempt from paying the fee, in specific circumstances. The bill would create an additional exemption for foreclosing governmental units recording instruments under sections of the General Property Tax Act dealing with the return, forfeiture, and foreclosure of tax delinquent property.

Under the RJA counties send the money collected from the fee (except for up to 1.5 percent of the fee which may be retained by the county for administrative costs) to the state treasurer who in turn is to deposit the money into the Survey and Remonumentation Fund. Money from the fund is used to finance the implementation of counties’ monumentation and remonumentation plans required by the State Survey and Remonumentation Act (Public Act 345 of 1990).

MCL 600.2567a

***FISCAL IMPLICATIONS:***

According to the House Fiscal Agency, the fee increase should generate an additional \$5.5 - \$6 million annually. Since local units will continue to have the authority to retain 1.5 percent of the fee for administrative costs, local revenue would also increase. The exemption of recordings related to foreclosures would likely have a negligible impact on revenues. (11-13-02)

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**ARGUMENTS:*****For:***

Raising the remonumentation fee for recording instruments from \$2 to \$4 is a sensible way to increase the amount of money available to counties for the implementation of their remonumentation plans. Although it was originally assumed that the fee would be an adequate revenue stream for the remonumentation fund, \$2 per instrument is simply not enough to ensure that counties across the state complete remonumentation by 2013. If counties are to implement their plans within the 20-year time frame set forth in the State Survey and Remonumentation Act, they need the money to do so. While some counties that wish to expedite their plans can afford to spend funds that are already at their disposal and be reimbursed, others cannot. And although some counties may be interested in issuing bonds for remonumentation, counties generally have plenty of other important projects for which they need to borrow. Further, the fact that counties have the legal authority to issue bonds does not mean that doing so is prudent. Issuing bonds always involves some risk, and even though money from the remonumentation fund would eventually be available to pay the principal and interest on the bonds, counties may have legitimate concerns about whether the money will come back to them as they need it.

**POSITIONS:**

The Michigan Association of Counties supports the bill. (11-13-02)

The Michigan Association of County Treasurers supports the bill. (11-13-02)

The Michigan Association of Realtors supports the bill. (11-13-02)

The Michigan Townships Association supports the bill. (11-13-02)

The Department of Consumer and Industry Services has no official position on the bill. (11-14-02)

Analyst: J. Caver

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