

TRANSFER OF RIGHTS TO MAKE "ALL" DIVISIONS TO UNPLATTED LAND

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Senate Bill 342 (S-1) as reported from House committee
Sponsor: Sen. John Proos
House Committee: Local Government
Senate Committee: Local Government
Complete to 10-18-17

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

(Enacted as Public Act 196 of 2017)

SUMMARY:

Senate Bill 342 would amend the Land Division Act to allow a deed to specify that the rights to make "all" divisions are transferred, instead of the current requirement that the deed specify the number of divisions. (MCL 560.109)

Currently, Section 109 of the Act requires that a deed conveying a parcel of unplatted land include a statement that "[t]he grantor grants to the grantee the right to make [insert number] division(s) under section 108 of the land division act[.]" In the absence of such a statement, the right to make divisions stays with the remainder or the parent tract or parent parcel retained by the grantor.

According to the bill sponsor, the number of divisions allowed to be made in a given parcel is often unclear or difficult to ascertain. Therefore, when transferring rights to a parcel of unplatted land, in order to ensure that the rights to division are comprehensive, the common practice is to write that rights to "all" divisions are conveyed. The bill would codify that practice into the Act; it would allow that, in addition to a specific number, the deed may also convey the right to make "zero" or "all" divisions.

Division is defined in the Act as the partitioning or splitting of a parcel or tract of land by the proprietor thereof or by his or her heirs, executors, administrators, legal representatives, successors, or assigns for the purpose of sale, or lease of more than one year, or of building development that results in one or more parcels of less than 40 acres or the equivalent, and that satisfies the requirements of sections 108 and 109. Division does not include a property transfer between two or more adjacent parcels, if the property taken from one parcel is added to an adjacent parcel; and any resulting parcel shall not be considered a building site unless the parcel conforms to the requirements of this act or the requirements of an applicable local ordinance.

FISCAL IMPACT:

The bill would have no fiscal impact on state or local government. The provisions of the bill would codify current practice related to the transfer of unplatted land.

POSITIONS:

A representative of the Michigan Realtors Association testified in support of the bill. (10-4-17)

Legislative Analyst: Jenny McInerney
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.