

SFA

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

• (517) 373-5383

Senate Bill 871

Sponsor: Senator Richard D. Fessler

Committee: State Affairs, Tourism, and Transportation

Date Completed: 9-11-90

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SUMMARY OF SENATE BILL 871 as introduced 3-13-90:

Mich. State Law Library

The bill would amend the Subdivision Control Act to specify that if land dedicated to public use in or upon a plat first recorded before December 22, 1978, were not accepted on behalf of the public by the municipality within whose boundaries the land lies, the municipality could by resolution or ordinance do any of the following:

- Accept the land on behalf of the public.
- Without accepting the land, transfer it to the owner of abutting land. If there were more than one owner of abutting land, the municipality would have to transfer the land in an equitable manner to all owners of abutting land.
- Without accepting the land, transfer it to a local homeowner association if a representative of the association signed a statement specifying that the association agreed to maintain the land as a public area for the common use of the residents of the subdivision; set forth the manner in which the land would be maintained; acquire and continuously maintain liability insurance on the land; and comply with all ordinances and codes with respect to the land, and any other provision the municipality considered necessary for the health, welfare, comfort, and safety of the people of the municipality.

The clerk of the municipality would be required to record a certified copy of the resolution or ordinance--indicating the name of the plat or plats affected--with the register of deeds within 30 days after passage of the resolution or ordinance, and send a copy of it to the Department of Commerce. Until recorded, the resolution or ordinance would not be effective.

The bill provides that the municipality would be able to accept or transfer the land despite a provision in the Act that specifies that land in a subdivision dedicated to the use of the public for purposes other than pedestrian or vehicular travel, or land dedicated for a public way that is under the jurisdiction of a municipality, a portion of which public way is within 25 meters of a lake or the general course of a stream, cannot be revised, altered, or vacated except by order of the circuit court in the county in which the land is situated.

"Homeowner association" would mean a local, incorporated, nonprofit homeowner association whose membership is open to all residents within a geographic area on a nondiscriminatory basis.

Proposed MCL 560.255c

Legislative Analyst: L. Burghardt

FISCAL IMPACT

The bill would have no fiscal impact on State government and would have an indeterminate fiscal impact on local government.

If land were transferred to the municipality, from private use, local governments would lose tax revenue. Also, the transfer to the municipality from private use could cause a reduction in the remaining private property value, which could result in additional tax base erosion. Finally, the local government could be required to improve and/or maintain the land. This could result in significant expense to the local government.

Fiscal Analyst: J. Schultz

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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.