

SENATE BILL No. 671

November 29, 2017, Introduced by Senator JONES and referred to the Committee on Local Government.

A bill to amend 1945 PA 200, entitled

"An act to define a marketable record title to an interest in land; to require the filing of notices of claim of interest in such land in certain cases within a definite period of time and to require the recording thereof; to make invalid and of no force or effect all claims with respect to the land affected thereby where no such notices of claim of interest are filed within the required period; to provide for certain penalties for filing slanderous notices of claim of interest, and to provide certain exceptions to the applicability and operation thereof,"

by amending sections 1, 2, 3, and 5 (MCL 565.101, 565.102, 565.103, and 565.105), sections 1, 2, and 3 as amended by 1997 PA 154; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. Any person, ~~having~~ **THAT HAS** the legal capacity to own
2 land in this state, ~~who~~ **THAT** has an unbroken chain of title of
3 record to any interest in land for 20 years for mineral interests
4 and 40 years for other interests, ~~shall~~ **IS** at the end of the
5 applicable period ~~be~~ considered to have a marketable record title

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1 to that interest, subject only to claims to that interest and
2 defects of title as are not extinguished or barred by application
3 of this act and subject also to any interests and defects as are
4 inherent in the provisions and limitations contained in the
5 muniments of which the chain of record title is formed and ~~which~~
6 ~~have been~~ **THAT ARE** recorded within ~~3~~ **2** years after the effective
7 date of the amendatory act that added section ~~1a~~ **2(2)** or during the
8 20-year period for mineral interests and the 40-year period for
9 other interests. However, a person ~~shall~~ **IS** not ~~be~~ considered to
10 have a marketable record title by reason of this act ~~—~~ if the land
11 in which the interest exists is in the hostile possession of
12 another.

13 Sec. 2. (1) A person is considered to have an unbroken chain
14 of title to an interest in land as provided in section 1 ~~when~~ **IF**
15 the official public records disclose either of the following:

16 (a) A conveyance or other title transaction not less than 20
17 years in the past for mineral interests and 40 years for other
18 interests, which conveyance or other title transaction purports to
19 create the interest in that person, with nothing appearing of
20 record purporting to divest that person of the purported interest.

21 (b) A conveyance or other title transaction not less than 20
22 years in the past for mineral interests and 40 years for other
23 interests, which conveyance or other title transaction purports to
24 create the interest in some other person and other conveyances or
25 title transactions of record by which the purported interest has
26 become vested in the person first referred to in this section, with
27 nothing appearing of record purporting to divest the person first

1 referred to in this section of the purported interest.

2 (2) FOR PURPOSES OF THIS SECTION, A CONVEYANCE OR OTHER TITLE
3 TRANSACTION IN THE CHAIN OF TITLE PURPORTS TO DIVEST AN INTEREST IN
4 THE PROPERTY ONLY IF IT CREATES THE DIVESTMENT OR IF IT
5 SPECIFICALLY REFERS BY LIBER AND PAGE OR OTHER COUNTY-ASSIGNED
6 UNIQUE IDENTIFYING NUMBER TO A PREVIOUSLY RECORDED CONVEYANCE OR
7 OTHER TITLE TRANSACTION THAT CREATED THE DIVESTMENT.

8 Sec. 3. (1) Marketable title ~~shall be~~ **IS** held by a person and
9 ~~shall be~~ **IS** taken by his or her successors in interest free and
10 clear of any and all interests, claims, and charges ~~whatsoever~~ the
11 existence of which depends in whole or in part ~~upon~~ **ON** any act,
12 transaction, event, or omission that occurred ~~prior to~~ **BEFORE** the
13 20-year period for mineral interests, and the 40-year period for
14 other interests, and all **SUCH** interests, claims, and charges are
15 ~~hereby declared to be null and void~~ and of no effect at law or in
16 equity. However, an interest, claim, or charge may be preserved and
17 kept effective by filing for record within ~~3~~ **2** years after the
18 effective date of the amendatory act that added section ~~1a~~ **2(2)** or
19 during the 20-year period for mineral interests and the 40-year
20 period for other interests, a notice in writing, verified by oath,
21 setting forth the nature of the claim **IN THE MANNER REQUIRED BY**
22 **SECTION 5.**

23 (2) A disability or lack of knowledge of any kind on the part
24 of anyone does not suspend the running of the 20-year period for
25 mineral interests or the 40-year period for other interests.

26 (3) For the purpose of recording notices of claim for
27 homestead interests, the date from which the 20-year period for

1 mineral interests and the 40-year period for other interests ~~shall~~
 2 ~~run shall be~~ **RUN IS** the date of recording of the instrument ~~7~~
 3 ~~nonjoinder, in which is~~ **THAT CONTAINS** the basis for the claim.

4 (4) A notice **UNDER THIS SECTION** may be filed for record by the
 5 claimant or by any other person acting on behalf of any claimant if
 6 1 or more of the following conditions exist:

7 (a) The claimant is under a disability.

8 (b) The claimant is unable to assert a claim on his or her own
 9 behalf.

10 (c) The claimant is 1 of a class but whose identity cannot be
 11 established or is uncertain at the time of filing the notice of
 12 claim for record.

13 Sec. 5. (1) To be effective and to be entitled to record, ~~the~~
 14 ~~A notice above referred to shall~~ **OF CLAIM UNDER SECTION 3 MUST**
 15 contain an accurate and full description of all the land affected
 16 by ~~such~~ **THE** notice, which description ~~shall~~ **MUST** be set forth in
 17 particular terms and not by general inclusions. ~~7, but~~ **HOWEVER**, if
 18 ~~said~~ **THE** claim is founded ~~upon~~ **ON** a recorded instrument, ~~then the~~
 19 ~~description in such notice may be the same as that contained in~~
 20 ~~such recorded instrument. Such~~ **MUST ALSO STATE THE LIBER AND PAGE**
 21 **OR OTHER COUNTY-ASSIGNED UNIQUE IDENTIFYING NUMBER OF THE RECORDED**
 22 **INSTRUMENT THE CLAIM IS FOUNDED ON. THE FAILURE TO INCLUDE THE**
 23 **LIBER AND PAGE OR OTHER COUNTY-ASSIGNED UNIQUE IDENTIFYING NUMBER**
 24 **RENDERS THE RECORDING INEFFECTIVE AND THE CLAIM UNPRESERVED. THE**
 25 **NOTICE MUST CONTAIN ALL OF THE FOLLOWING:**

26 (A) THE CLAIMANT'S NAME.

27 (B) THE CLAIMANT'S MAILING ADDRESS.

1 (C) THE INTEREST CLAIMED TO BE PRESERVED.

2 (D) THE LIBER AND PAGE OR OTHER UNIQUE IDENTIFICATION NUMBER
3 OF THE INSTRUMENT CREATING THE INTEREST TO BE PRESERVED.

4 (E) THE LEGAL DESCRIPTION OF THE REAL PROPERTY AFFECTED BY THE
5 CLAIMED INTEREST.

6 (F) THE CLAIMANT'S SIGNATURE.

7 (G) AN ACKNOWLEDGMENT IN THE FORM REQUIRED BY THE UNIFORM
8 RECOGNITION OF ACKNOWLEDGMENTS ACT, 1969 PA 57, MCL 565.261 TO
9 565.270, AND SECTION 27 OF THE MICHIGAN NOTARY PUBLIC ACT, 2003 PA
10 238, MCL 55.287.

11 (H) THE DRAFTER'S NAME AND ADDRESS.

12 (I) AN ADDRESS TO WHICH THE DOCUMENT CAN BE RETURNED.

13 (2) A notice ~~shall~~ **OF CLAIM UNDER SECTION 3 MUST** be filed for
14 record in the register of deeds office of the county or counties
15 where the land described ~~therein~~ **IN THE NOTICE** is situated.
16 **LOCATED.** The register of deeds of each county shall accept all ~~such~~
17 notices **OF CLAIM UNDER SECTION 3 THAT ARE** presented to ~~him~~ ~~which~~
18 **THE REGISTER OF DEEDS THAT** describe land located in the county in
19 which ~~he~~ **THE REGISTER OF DEEDS** serves and shall enter and record
20 full copies ~~thereof~~ **OF THE NOTICES** in the same way that deeds and
21 other instruments are recorded. ~~and each~~

22 (3) A register ~~shall be~~ **OF DEEDS IS** entitled to charge the
23 same fees for the recording ~~thereof~~ **OF A NOTICE UNDER SECTION 3** as
24 are charged for recording deeds. In indexing ~~such~~ ~~notices in his~~
25 ~~office each~~ **UNDER SECTION 3, A register OF DEEDS** shall enter ~~such~~
26 **THE** notices under the grantee indexes of deeds under the names of
27 the claimants appearing in ~~such~~ **THE** notices.

1 Enacting section 1. Section 9 of 1945 PA 200, MCL 565.109, is
2 repealed.

3 Enacting section 2. This amendatory act takes effect 90 days
4 after the date it is enacted into law.