

Legislative Analysis



INCREASE MAXIMUM ALLOWABLE NUMBER OF DIVIDED PARCELS

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Senate Bill 480 (S-2) as passed by the Senate

Sponsor: Sen. Kevin Hertel

House Committee: Local Government and Municipal Finance

Senate Committee: Local Government

Complete to 2-6-24

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

SUMMARY:

Senate Bill 480 would amend the Land Division Act to increase the maximum number of parcels that the first ten acres of a parcel (a continuous area or acreage of land) or a tract (a group of parcels under the same ownership that share a common property line) can be divided into. It would also allow a municipality to authorize the *division* of a parcel or tract without being subject to the act's limitations on the number of resulting parcels or tracts. The bill would go into effect March 1, 2025.

Division means the partitioning or splitting of a parcel or tract of land by its proprietor or by their heirs, executors, administrators, legal representatives, successors, or assigns for the purpose of sale, lease of more than one year, or building development that results in one or more parcels of generally less than 40 acres.¹

The Land Division Act generally allows the first ten acres of a parent parcel or parent tract (the parcel or tract currently in existence) to be divided into up to four parcels. Every additional ten acres can be divided into one parcel, for up to 11 additional parcels, and each 40 acres in excess of those first 120 acres can be divided into one additional parcel. (Some divisions do not count towards these maximums, such as a division of certain land that does not impact the accessibility of the resulting parcels or tracts.)

Senate Bill 480 would increase the maximum number of allowable divided parcels for the first ten acres of a parent parcel or tract from four to 20. It would also allow land to be divided into a greater number of parcels or tracts than allowed under the act if the municipality in which the land is located authorizes the partitioning or split by ordinance and the division complies with the standards set forth in that ordinance. Any further division of the parcels or tracts would have to comply with a municipal ordinance or with the Land Division Act.

MCL 560.108

¹ The term does *not* include a property transfer where property is taken from one parcel and added to an adjacent parcel, and any resulting parcel is not considered a building site unless the parcel conforms to the requirements of the Land Division Act or an applicable local ordinance.

FISCAL IMPACT:

The bill would have an indeterminate fiscal impact on state and local government. Any fiscal impact would be related to changes in value and development on any affected parcel as a direct result of bill's provisions, which cannot be projected with any certainty.

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■ 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.