



**House  
Legislative  
Analysis  
Section**

Olds Plaza Building, 10th Floor  
Lansing, Michigan 48909  
Phone: 517/373-8486

## SUNSET ON PLAT REVIEW FEES

House Bill 4609 as introduced  
First Analysis (4-28-93)

Sponsor: Rep. Robert Brackenridge  
Committee: Local Government

### **THE APPARENT PROBLEM:**

Under the Subdivision Control Act, the state commerce department makes a final review of proposed plats prior to developers selling lots. Although the department is required by statute to complete its review within 15 days after receiving a plat, prior to 1991 it was having trouble meeting this requirement as the number of plats received for review, as well as the total number of lots needing review, had dramatically increased from the mid-1980s. The department responded by hiring additional clerical help and by contracting out for surveyor assistance, and the legislature enacted an increase in plat review fees via Public Act 59 of 1991 to help pay for these measures. The act, however, included an expiration date for the fee increases of two years after its effective date, or June 27, 1993. As the fees set by Public Act 59 are needed to allow the department to continue processing state plat reviews within 15 days of receiving them, it has been suggested that the sunset for the fee increases be extended to October 1, 1998.

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

The bill would amend Subdivision Control Act to extend the sunset on provisions added to the act by Public Act 59 of 1991 from June 27, 1993, to October 1, 1998. Thus, a fee of \$150 for a state plat review, plus \$15 for each lot in excess of four lots included in the plat, would continue to be charged (in addition to other fees) to persons submitting proposed plats for review.

MCL 560.169, 560.169a, 560.241, and 560.241a

### **FISCAL IMPLICATIONS:**

According to the Department of Commerce, by extending the sunset on plat review fees from June 27, 1993, to October 1, 1998, the bill would prevent the loss of approximately \$150,000 annually in plat fee revenue to the state. Such a loss in revenue

would require the department to reduce staff by 1.5 FTEs (\$100,000) and eliminate survey plat reviews done under contract with the state (\$50,000). (4-27-93)

### **ARGUMENTS:**

#### **For:**

The bill simply would extend the sunset for state plat review fee increases that took effect June 27, 1991, and are scheduled to expire on June 27 of this year. The fee increases were enacted by Public Act 59 of 1991 to help the commerce department pay for additional employees and for subcontracting out surveys needed to complete final state plat reviews in a timely manner. Prior to enactment of Public Act 59, the department's backlog of proposed plats submitted for review had grown so large that it was unable to process those waiting approval within 15 days of receiving them, as required by statute. By extending the sunset imposed by Public Act 59 to October 1, 1998, the bill would protect a stable funding source that enables the department to continue providing final reviews of proposed plats within 15 days after receiving them.

#### **POSITIONS:**

The Department of Commerce supports the bill. (4-27-93)

The Michigan Association of Counties supports the bill. (4-27-93)

The Michigan Townships Association supports the bill. (4-27-93)

The Michigan Association of Home Builders supports the bill. (4-27-93)

The Michigan Association of Realtors supports the concept of the bill but has not yet taken an official position. (4-27-93)

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