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Senate Bill 374 (Substitute S-3 as reported) Senate Bill 375 (Substitute S-2 as reported)

Sponsor: Senator Ron Jelinek

Committee: Local, Urban and State Affairs

CONTENT

<u>Senate Bill 374 (S-3)</u> would create the "Michigan and Indiana State Line Monumentation Act" to establish the Indiana-Michigan Boundary Line Commission in the Department of Energy, Labor, and Economic Growth (DELEG), and require it to do the following:

- -- Administer a survey and remonumentation of the Indiana-Michigan border.
- -- Recover or reestablish relatively permanent monuments at the mileposts of the Indiana-Michigan state line.
- -- Resolve any controversies regarding the location of mileposts defining the Michigan-Indiana boundary.

The Commission would consist of 10 members, five from Indiana and five from Michigan. The five members from Indiana would be appointed under the laws of that state and the five members from Michigan would be appointed by the Governor. Each member appointed by the Governor would have to be a licensed professional surveyor. The Governor would have to appoint one resident from each of the following counties: Berrien, Branch, Cass, Hillsdale, and St. Joseph.

The bill would not take effect unless Indiana enacted similar legislation, and the proposed Act would be repealed on January 1, 2015.

<u>Senate Bill 375 (S-2)</u> would amend the State Survey and Remonumentation Act to provide that any amount of money up to \$500,000 appropriated by the Legislature to pay the costs of the monumentation of the Michigan-Indiana state boundary line would have to be used by DELEG only for that purpose. However, the appropriation could not come from money collected and remitted to the State Treasurer for deposit in the Fund pursuant to Section 2567a of the Revised Judicature Act (which requires county registers of deeds to collect a fee for recording any instrument, and requires the fees collected to be remitted to the State Treasurer and deposited the Survey and Remonumentation Fund).

The bill is tie-barred to Senate Bill 374.

MCL 54.262 & 54.272 (S.B. 375)

Legislative Analyst: Craig Laurie

FISCAL IMPACT

The bills would increase the responsibilities and costs of the remonumentation program within the Department of Energy, Labor, and Economic Growth, if the State of Indiana enacts legislation indicating that Indiana will share the responsibility and cost of the remonumentation of the Michigan-Indiana border. Once the Indiana legislation is in place, Senate Bill 375 (S-2) would authorize up to \$500,000 to be spent pursuant to appropriation

for the costs of the border remonumentation. The bill, however, does not make an appropriation or identify a funding source for the proposed spending. The bill would prohibit the use of revenue from the State Survey and Remonumentation Fund for the remonumentation of the Michigan-Indiana border. This would reserve that Fund for distribution to counties according to the current statutory formula to assist with county programs that replace and maintain the monuments that mark official reference points for property descriptions.

The State Survey and Remonumentation Fund receives revenue from fees collected by the county registers of deeds for recording any instrument. Before January 1, 2023, the fee is \$4 per instrument recorded. Beginning January 1, 2023, the fee is reduced in statute to \$2 per instrument recorded, to reflect the projected shift in the program from replacement of monuments to maintenance of monuments.

Revenue to the Fund was approximately \$7.0 million in FY 2007-08, reduced from the level in recent years by lower economic activity. The Department estimates revenue to the Fund at \$5.6 million in FY 2008-09.

Date Completed: 4-28-09 Fiscal Analyst: Maria Tyszkiewicz

Elizabeth Pratt

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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.