



Senate Fiscal Agency  
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Senate Bill 23 (Substitute S-2 as reported)  
Sponsor: Senator Kevin Hertel  
Committee: Local Government

### **CONTENT**

The bill would amend Section 108 of the Land Division Act to do the following:

- Increase, from four to 10, the number of parcels that the first 10 acres of a parent parcel or tract could be divided into.
- Allow a municipality to authorize the further partitioning of land into more parcels or tracts than allowed under Section 108 if the land met standards established by the municipality.

The bill would take effect one year after its enactment.

MCL 560.108

### **BRIEF RATIONALE**

The current system for dividing parcels requires legal solutions that make the process of building houses more expensive. According to testimony, allowing more splits could decrease the overall cost of lots if the lot had already made all its legal splits under current statute. This could incentivize more construction of affordable housing.

### **PREVIOUS LEGISLATION**

*(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)*

Senate Bill 23 is similar to Senate Bill 480 of the 2023-2024 Legislative Session, which passed the Senate and was reported from the House Committee on Local Government and Municipal Finance but received no further action.

Legislative Analyst: Alex Krabill

### **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on the State and local governmental units. The bill would increase the parceling of property. If these individual parcels generated more tax revenue collectively than as part of the original parcel this would lead to a positive fiscal impact for the State and the local government unit; however, if individually the parcels generated less tax revenue collectively than as part of the original parcel this would lead to a negative fiscal impact for the State and the local government unit.

Date Completed: 2-27-25

Fiscal Analyst: Bobby Canell