

Legislative Analysis



LAND SALES ACT: REPEAL

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House Bills 6390 and 6391

Sponsor: Rep. Barbara Farrah

Committee: Regulatory Reform

Complete to 9-23-08

A SUMMARY OF HOUSE BILLS 6390 AND 6391 AS INTRODUCED 8-20-08

House Bill 6391 would repeal the Land Sales Act (MCL 565.801-565.835). The act pertains to the disposition of lots, parcels, units, or interests in land from subdivisions, including a provision that requires the owner of land which had been subdivided and is being offered for sale to include in a property report certain information about the property for sale and submit the report to prospective buyers.

House Bill 6390 would amend the Occupational Code (MCL 339.2511) to eliminate a provision pertaining to promotional sales in this state of property located outside of the state. Currently, under the provision, a real estate broker who proposes to engage in sales of a promotional nature of out-of-state property must submit a description of the property and the proposed terms of sale to the Department of Labor and Economic Growth. Expenses incurred by the department to investigate the property and the proposed sale must be borne by the real estate broker. Further, a real estate broker or salesperson is prohibited from referring to the state Corporation and Securities Commission in selling, offering for sale, advertising, or otherwise promoting the sale, mortgage, or lease of property, or from making a representation that the property had been inspected or approved or otherwise passed upon by the department, or by a state official, department, or employee.

FISCAL IMPACT:

A fiscal analysis is in process.

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Fiscal Analyst: Mark Wolf

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