**PROPERTY MANAGEMENT ASSOCIATION OF MICHIGAN**

# LEGISLATIVE COMMITTEE REPORT

August 2023

***PMAM PRIORITY ISSUES***

* **Emotional Support Animals.** We support prohibiting a person from representing that he or she is in possession of an emotional support animal unless that person has a verified disability related need for such support.

**STATUS**: House Bill 5751 was introduced last session and passed by a vote of 108-0in the House of Representatives. The Michigan Department of Civil Rights still opposed the bill and the Governor’s office raised concerns, resulting in the bill not being voted on in the Senate during Lame Duck session. Working with Rep. Hood (co-sponsor of HB 5751) on introduction of ESA bill for this term.

* **Remove Unnecessary Licensure Requirements**. Currently, leasing agents must have a real estate license. This is an unnecessary barrier to entry level jobs in our industry which has no public policy benefit.

**STATUS**: House Bill 4549 was introduced last session and working with Sen. Hoitenga on re-introduction of bill for this term.  Met with Sen. Polehanki on the issue.

* **Stop Bedbugs in Michigan.** We support legislation which creates statewide standards for eradicating bedbugs in residential rentals.

**STATUS**: Working on a sponsor for re-introduction of the bill. Previous sponsor, Rep. Alex Garza, lost his re-election.

* **Create Uniform Late Fee Policy.**  We support a uniform state policy on rent payment late fees, to be presumed valid at $50 or 10% of the rent, whichever is higher. Similar to Self-Storage Act.

**STATUS**: House Bill 5566 was introduced last session and passed the House by a vote of 67-38. Working with Rep. Outman on re-introduction of bill for this term.

* **Early Lease Signing Ordinances and Right to Renew.** Ann Arbor City Council has passed several onerous ordinances that restrict leasing activity with limited input from property managers/landlords.

**STATUS**: Issue has been discussed with several legislators to introduce legislation that will pre-empt locals from adopting such onerous policies. Rep. Fink has bill draft and will introduce the bill to address this concern.

***2023-24 COMMITTEES OF INTEREST***

**Senate House and Human Services Committee:**

* Chair, Jeff Irwin (D) – 15th Ann Arbor
* Majority Vice Chair, Sylvia Santana (D) – 2nd Detroit
* Mary Cavanagh (D) – 6th Redford
* Rosemary Bayer (D) – 13th West Bloomfield
* Sue Shink (D) – 14th Ann Arbor
* Stephanie Chang (D) – 3rd Detroit
* John Cherry (D) – 27th Flint
* Erika Geiss (D) – 1st Taylor
* Minority Vice Chair, Jonathan Lindsey (R) – 17th Allen
* Michele Hoitenga (R) – 36th Manton
* John N. Damoose (R) – 37th Harbor Springs

**Economic Development and Small Business Subcommittee on Housing:**

* Chair, Kevin Coleman (D) – 25th Westland
* Majority Vice Chair, Emily Dievendorf (D) – 77th Lansing
* Lori Stone (D) – 13th Warren
* Helena Scott (D) – 7th Detroit
* Joey Andrews (D) – 38th St. Joseph
* Kristian Grant (D) – 82nd Grand Rapids
* Penelope Tsernoglou (D) – 75th East Lansing
* Minority Vice Chair, Joseph Aragona (R) – 60th Clinton Township
* Dale Zorn (R) – 34th Onsted
* Andrew Fink (R) – 35th Osseo
* Jay DeBoyer (R) – 63rd Clay

**House Judiciary Committee:**

* Chair, Kelly Breen (D) – 21st Novi
* Majority Vice Chair, Kimberly Edwards (D) – 12th Eastpointe
* Tyrone Carter (D) – 1st Detroit
* Kara Hope (D) – 74th Holt
* Noah Arbit (D) – 20th West Bloomfield
* Emily Dievendorf (D) – 77th Lansing
* Jason Hoskins (D) – 18th Southfield
* Penelope Tsernoglou (D) – 75th East Lansing
* Minority Vice Chair, Andrew Fink (R) – 35th Hillsdale
* Pauline Wendzel (R) – 39th Watervliet
* Douglas Wozniak (R) – 59th Shelby Twp.
* Pat Outman (R) – 91st Six Lakes
* Gina Johnsen (R) – 78th Lake Odessa

***2023-24 SENATE BILLS OF INTEREST***

* **Allow Brownfield Tax Increment Financing for Housing Development Projects: Senate Bill 129 – Sen. Singh (D-East Lansing), Senate Bill 130 – Sen. McDonald Rivet (D-Bay City), Senate Bill 131 – Sen. Cavanagh (D-Redford Twp.), Senate Bill 132 – Sen. Shink (D-Northfield Twp.).**

Senate Bill 129 expands the definition of "eligible activity" to include "housing development activity" and allow the State Brownfield Redevelopment Fund to be used to distribute revenue deposited into the Fund from a brownfield redevelopment plan that included housing development activities. Certain work plans or combined brownfield plans that requested reimbursement for housing development activities would have to be approved by the Michigan State Housing Development Authority (MSHDA). Additionally, the bill would increase the amount for reasonable costs of a brownfield plan or work plan implementation and increase the amounts of tax increment revenue attributable to local taxes a brownfield redevelopment authority could use each fiscal year. The other bills in the package would modify Michigan Compiled Law references in other acts to reflect the proposed amendments in Senate Bill 129.

**STATUS**: Passed the Senate by a vote of 25-13 on 3/23/2023, and passed the House by a vote of 71-38 on 6/21/2023. **Signed by the Governor on 7/19/2023 as Public Acts 90-93 of 2023. NEUTRAL.**

* **Source of Income: Senate Bill 205 - Sen. Cavanagh (D-Redford Twp.),** **Senate Bill 206 – Sen. Bayer (D-Keego Harbor), Senate Bill 207 – Sen. Irwin (D-Ann Arbor)**.

Senate Bills 205 and 206 amend the Landlord-Tenant Act to provide, among other things, that a landlord shall not deny a tenancy or discriminate based on source of income of a prospective or current tenant. Senate Bill 207 amends the Elliott-Larsen Civil Rights Act to add “source of income” as a protected class which prohibits landlords from discriminating based on source of income. Working with industry members on amendments to the bills.

**STATUS**: A testimony-only hearing was held on 5/16/2023, and Marea Powell provided comments on behalf of PMAM. Bills reported out of Senate House and Human Services Committee on 6/14/2023, and currently on the Senate floor as introduced version. Working with Sen. Irwin on potential floor amendments to the bill.  **OPPOSED as introduced.**

* **Debt Collection/Garnishment: Senate Bill 408 - Sen. Irwin (D-Ann Arbor), Senate Bill 409 - Sen. Cavanagh (D-Redford Twp.)**.

Senate Bill 408 provides updates to the Revised Judicature Act related to debt collections that will increase the dollar amount that debtors can protect from garnishment. The bill does not excuse a debt, but arguably will result in a longer period of time to collect a debt. Senate Bill 409 provides updates to the Revised Judicature Act related to bankruptcy cases.

**STATUS**: Referred to Senate Finance, Insurance, and Consumer Protection Committee. Same as House Bills 4900 and 4901.  **NEW BILLS.**

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***2023-24 HOUSE BILLS OF INTEREST***

* **Source of Income: House Bill 4062 - Rep. Conlin (D-Ann Arbor) and House Bill 4063 - Rep. Morgan (D-Ann Arbor)**.

House Bill 4062 amends the Landlord-Tenant Act to provide, among other things, that a landlord shall not deny a tenancy or discriminate based on source of income of a prospective or current tenant. House Bill 4063 amends the Elliott-Larsen Civil Rights Act to add “source of income” as a protected class which prohibits landlords from discriminating based on source of income. Working with industry members on amendments to the bills.

**STATUS**: Referred to House Committee on Judiciary. **OPPOSED** identical bills last term**.**

* **Require Condemnation Notifications: House Bill 4273 – Rep. O’Neal (D-Saginaw).** This bill provides that if, on inspection, the premises or any part of the premises are found to be in violation of any provision of this act, the enforcing agency shall record the violation in the registry of owners and premises.
  + The **enforcing agency** shall notify the owner, and each occupant in writing of the violation. The notice must state the date of the inspection, the name of the inspector, the nature of the violation, the **specific section of this act that was violated**, whether the violation constitutes a **serious and imminent hazard** to the health or safety of the occupants, and the time within which the correction must be completed. The notice required under this subsection must be provided in a manner reasonably calculated to give actual notice of the violation to the owner and each occupant.
  + If an inspector determines that a violation constitutes a **serious and imminent hazard** to the health or safety of the occupants, the enforcing agency shall notify the department of health and human services within 48 hours. The notice must state the date of the inspection, the name of the inspector, the nature of the violation, the specific section of this act that was violated, whether the violation constitutes a serious and imminent hazard to the health or safety of the occupants, and the time within which the correction must be completed. The department of health and human services shall check the address of the premises against the list of rent-vendored family independence program recipients.
  + As used in this section, **"serious and imminent hazard"** means a dangerous condition in a premises that could reasonably be expected to cause death or serious bodily harm to the occupants of the premises if that dangerous condition is not immediately corrected by the owner.

**STATUS:** Passed the House by a vote of 93-14 on 6/8/2023, and bill referred to Senate Housing and Human Services Committee. **SUPPORT**.

* **Prohibit Use of Credit Score: House Bill 4818 - Rep. Brenda Carter (D-Pontiac)**.

House Bill 4818 amends the Landlord-Tenant Act to provide that a credit score of a prospective tenant must not be used as a deciding factor in determining the prospective tenant's eligibility for a lease.

**STATUS**: Referred to House Committee on Economic Development and Small Business. **NEW BILL.**

* **Background Checks: House Bill 4878 - Rep. Abraham Aiyash (D-Hamtramck)**.

House Bill 4878 creates the Michigan Fair Chance Access to Housing Act and provides that a landlord shall not do any of the following before issuing a conditional offer to an applicant:

* Require an applicant to complete a rental application that includes an inquiry regarding the applicant's criminal record.
  + Make an oral or written inquiry for an applicant's criminal record.

This does not apply to an inquiry regarding any of the following:

* Criminal records that are required to be disclosed under a federal law.
* Whether the applicant is an individual who is required to register as a sex offender under the sex offenders registration act, 1994 PA 295, MCL 28.721 to 28.730.

A landlord that complies with this act is immune from liability in a civil action arising out of any of the following: (a) The landlord's decision to rent or lease to an individual with a criminal record or who was otherwise convicted of a criminal offense; (b) The landlord's failure to conduct a criminal background check.

**STATUS**: Referred to House Committee on Economic Development and Small Business. **NEW BILL.**

* **Application Fee: House Bill 4891- Rep. Joey Andrews (D-Saint Joseph)**.

House Bill 4891 provides that a landlord that denies a prospective tenant's application for a rental unit shall refund the application fee paid by the prospective tenant for the rental unit. A landlord that denies a prospective tenant's application for a rental unit shall not refund the background screening fee portion of the application fee if the landlord provides a copy of the background screening report to the tenant.

**STATUS**: Referred to House Committee on Economic Development and Small Business. **NEW BILL.**

* **Debt Collection/Garnishment: House Bill 4900 – Rep. Hope (D-Holt), House Bill 4901 – Rep. B. Carter (D-Pontiac)**.

House Bill 4900 provides updates to the Revised Judicature Act related to debt collections that will increase the dollar amount that debtors can protect from garnishment. The bill does not excuse a debt, but arguably will result in a longer period of time to collect a debt. House Bill 4901 provides updates to the Revised Judicature Act related to bankruptcy cases.

**STATUS**: Referred to House Insurance and Financial Services Committee. Same as Senate Bills 408 and 409.  **NEW BILLS.**

* **Bill of Rights for the Homeless Act: House Bill 4919- Rep. Emily Dievendorf (D-Lansing)**.

House Bill 4919 **IS NOT the Renter’s Bill of Rights (See attached memo)**. The bill provides that an individual's rights, privileges, or access to public services must not be denied or abridged solely because the individual is homeless or perceived as being homeless. An individual who is homeless shall be granted the same rights and privileges as any other citizen of this state.

**STATUS**: Referred to House Committee on Economic Development and Small Business. **NEW BILL.**

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***OTHER ISSUES***

* The Legislature currently on summer recess and scheduled to return to session on September 5th.
* Michigan Renter’s Bill of Rights memo. (Rep. Emily Dievendorf).
* Working on scheduling meetings with key legislators for September. (Either lunch meetings or zoom)
* Local Elections:
  + Rep. Coleman running for Westland Mayor
  + Rep. Stone running for Warren Mayor
  + Impact on fall session
* “Rent is Too Damn High” rally at the Capitol on September 5th at noon.