

MEMORANDUM

TO: Real Property Law Section Council

FROM: Gregory J. Gamalski

DATE: April 11, 2020

SUBJECT: Legislative Report

1. **Executive Orders.** A number of Executive Orders related to the ongoing pandemic crisis have been issued and need not be re-summarized here. Three of particular importance to the Section are: (a) the Executive Order and related Supreme Court order that essentially stay residential evictions, (b) the Executive Order on Remote Online notaries and witnesses which also mandates documents so executed must be accepted for recording, and (c) the Bulletin from the Department of Insurance and Financial Services 2020-11 which designates, consistent with the Executive Order, banks and title companies as essential services.

Notary Order

https://www.michigan.gov/whitmer/0,9309,7-387-90499_90705-525178--,00.html

Evictions order

https://www.michigan.gov/whitmer/0,9309,7-387-90499_90705-522509--,00.html

Banks as Essential Services

https://www.michigan.gov/documents/difs/Bulletin_2020-11-BT_CF_CU_685132_7.pdf

2. **Monthly Call.** The Committee held a conference call on Monday March 9, 2020. The Legislative Committee was updated on the Marketable Title Act Ad Hoc Committee's work. A committee call will be held in late April.
3. **Marketable Title Act.** A bill extending the effective date of Public Act 572 of 2018 which amended the Marketable Title Act, has been introduced and is in committee. It would move the effective date of the act to March 29, 2024. See <https://www.legislature.mi.gov/documents/2019-2020/billintroduced/House/pdf/2020-HIB-5611.pdf>
4. **Property Tax Relief; HB 5124; Public Act 33.** This Act gives tax relief to delinquent tax payers. The bill was signed and became effective on March 2, 2020 as Public Act 33 of 2020. See link to the House Fiscal Agency Analysis. Note that the measure sunsets

July 1, 2023. Given the current pandemic environment it seems quite likely that issue could be revisited before that date. Essentially one aspect of the bill reduces any delinquent taxes to 10% of the actual market value of the property.
<https://www.legislature.mi.gov/documents/2019-2020/billanalysis/House/pdf/2019-HLA-5124-2809CEAC.pdf>

Complete text of the Public Act 33 can be found at:

<https://www.legislature.mi.gov/documents/2019-2020/publicact/pdf/2020-PA-0033.pdf>

5. Bills of Interest

- a. HB 5624 Modifications to Commercial Code filing forms and processes
[https://www.legislature.mi.gov/\(S\(qw35owpaicplcrbhkuvbwo3c\)\)/mileg.aspx?page=getObject&objectname=2020-HB-5624](https://www.legislature.mi.gov/(S(qw35owpaicplcrbhkuvbwo3c))/mileg.aspx?page=getObject&objectname=2020-HB-5624)
- b. HB 5663 Provide for forfeiture of inspection bonds if the work is not completed before the building permit expires.
<https://www.legislature.mi.gov/documents/2019-2020/billintroduced/House/pdf/2020-HIB-5663.pdf>
- c. HB 5663 Bill to prevent price gouging with respect to hotel/motel and temporary lodging
<https://www.legislature.mi.gov/documents/2019-2020/billintroduced/House/pdf/2020-HIB-5663.pdf>
- d. HB 5682 Property tax; principal residence exemption; late application to local assessor for a principal residence exemption; allow in certain circumstances
<https://www.legislature.mi.gov/documents/2019-2020/billintroduced/House/pdf/2020-HIB-5682.pdf>

6. **Pending Legislation; Positions.** Bills on which we recently took action remain in committee and have not advanced.

- a. HB 4123 and 4699. These bills essentially authorize a lien against all real estate throughout the state owned by an owner of even a single blighted property subject to blight citations.
- b. HB 4676 and HB 4677. The bills essentially attempt to bar certain noisome restrictions related to race, religion and sexual orientation, etc. which is a laudable goal.
- c. HB 4509 about members of single member LLC's representing an LCC in eviction action has moved to Judiciary and Public Safety Committee in the House.

7. **Prior Bills.** There was no activity on the following bills of interest:

- a. **Emotional Support Animals.** SB609 and SB 610, about emotional support animals and residential landlord tenant issues seem to remain viable. They are however still in the Committee on Local Government.
- b. **Tree Liability; HB4195.** This bill seems to have lost momentum. We continue to monitor it. Comments received can be summarized as the proposal is an unnecessary dramatic change from settled law and is fraught with unintended consequences.
- c. **Soil Erosion Bill.** SB 0714 Dealing with temporary erosion control structures being authorized without permit during high water levels seems to have legs and has moved to the Committee of Natural Resources and Outdoor Recreation.
- d. **Assignment of Rents Statutes.** Likewise the bills related to a new assignment of rents statute, HB 5086 and HB 5092 remain in the Judiciary Committee.