

To: Real Property Law Section Council
From: Lorri B. King
Date: April 12, 2019
Re: Real Property Law Section Legislative Report

Yellow: Change in status

Red: Newly added

GENERAL LEGISLATIVE BACKGROUND

With the legislative "spring break" coming to a close after the first week in April, it is now time for the budget season to ramp up. Prior to legislators leaving town, the rhetoric being used by both the Governor and Republican House and Senate made it obvious that the "feel good" part of divided government is more or less over. For the previous eight years, the budget was completed by mid-June at the latest, Governor Whitmer has made it clear that unless there is a substantial increase for road funding, she will not sign the budget, and thus is not concerned with putting a deadline on its passage. For the first time in a while, legislators may be in Lansing during the summer months trying to cut a deal.

LEGISLATION SIGNED INTO LAW SINCE LAST REPORT

Writ of Restitution – SB 3 (Sen. Lucido, R – Shelby Twp.) Allows for a writ of restitution to be executed by a court officer, bailiff, or deputy sheriff. PA 2'19.

LEGISLATION OF INTEREST

SENATE BILLS

Civil Asset Forfeiture – SB 2 (Sen. Lucido, R – Shelby Twp.) Requires a criminal conviction before law enforcement can proceed with civil asset forfeiture process. *This bill has passed the Senate Floor (36-2), passed House Judiciary, and is now on Second Reading on the House Floor.*

Tax Tribunal – SB 26 (Sen. McBroom, R – Vulcan) Creates requirement as to what it is to be considered in certain tax tribunal determinations in assessment disputes. *Referred to Senate Committee on Finance.*

Assessment Disputes – SB 39 (Sen. McBroom, R – Vulcan) Sets requirements under the Tax Tribunal Act for what is to be considered in certain tribunal determinations in assessment disputes.

Winder Energy Systems – SB 46 (Sen. VanderWall, R – Ludington) Clarifies in General Property Tax Act the assessed valuation of wind energy systems. *Referred to the Senate Committee on Finance.*

Solar Panels – SB 47 (Sen. Barrett, R – Charlotte) Excludes placement of solar panels on residential property from assessments of true cash value. *Referred to the Senate Committee on Finance.*

Alternative Energy – SB 48 (Sen. Barrett, R – Charlotte) Modifies property tax exemption for alternative energy systems on personal property. *Referred to the Senate Committee on Finance.*

Historic Preservation Tax Credit – SB 54 (Sen. Schmidt, R – Traverse City) Restores the State Historic Preservation Tax Credit program. *Referred to the Senate Committee on Finance.*

Property Tax – SB 59 (Sen. Chang, D – Detroit) Provides for the freezing of taxable value for primary residences of certain senior citizens. *Referred to the Senate Committee on Finance.*

Eviction – SB 112 (Sen. Lucido, R – Shelby Twp.) Modifies the process for a property owner to evict a person. *On Third Reading on the Senate Floor, S-3 Sub adopted.*

First-Time Home Buyer – SB 120 (Sen. MacGregor, R – Rockford) Creates a Michigan first-time home buyer savings program. *Referred to Senate Committee on Finance.*

Home Buyer Deduction – SB 121 (Sen. Horn, R – Frankenmuth) Provides for a tax deduction for contributions made to the first-time home buyer program. *Referred to Senate Committee on Finance.*

Real Estate Commission – SB 253 (Sen. Lucido, R -Shelby Twp) Requires real estate commission agreement to be in writing and prohibits lawsuit to enforce real estate commission agreements that are not in writing. *Referred to Senate Committee on Judiciary & Public Safety.*

House Bills

Civil Asset Forfeiture – HB 4001 (Rep. Wentworth, R - Clare) Requires a criminal conviction before proceeding. *Passed the House, referred to Senate Committee on Judiciary & Public Safety.*

Civil Asset Forfeiture – HB 4002 (Rep. LaGrand, D – Grand Rapids) Amends certain procedure for forfeiture in controlled substance cases. *Passed the House, referred to Senate Committee on Judiciary & Public Safety.*

Short-Term Rentals – HB 4046 (Rep. Sheppard, R - Temperance) Limits regulation of vacation and short-term rentals. *Referred to the House Committee on Local Government and Municipal Finance.*

Property Assessments – HB 4047 (Rep. Brixie, D - Okemos) Modifies certain tribunal determinations in assessment disputes as to the valuation of property. Also known as “dark stores.” *Referred to the House Committee on Local Government and Municipal Finance.*

Nonprofit Corporations – HB 4048 (Rep. Inman, R - Williamsburg) Authorizes merger or conversion into nonprofit corporations for summer resort and park associations. *Passed House Commerce Committee, referred to House Ways & Means.*

Association Mergers – HB 4049 (Rep. Inman, R – Williamsburg) Authorizes merger or conversion into nonprofit corporations for summer resort and park associations. *Passed House Commerce Committee, referred to House Ways & Means.*

Property Tax – HB 4050 (Rep. Inman, R - Williamsburg) Allows transfer of ownership from a general or limited partnership to certain individuals to be exempt from

uncapping taxes after transfer. *Referred to the House Committee on Local Government and Municipal Finance.*

Land Use – HB 4055 (Rep. Slagh, R - Zeeland) Requires tax payment certification prior to approval of land division. *Passed the House, has been referred to Senate Committee on Local Government.*

Alternative Energy – HB 4069 (Rep. Kahle, R – Madison Twp.) Modifies alternative energy property tax exemption. *Referred to the House Tax Policy Committee.*

Alternative Energy – HB 4069 (Rep. Kahle, R – Madison Twp.) Excludes placement of solar panels on residential real property from assessment of true cash value. *Referred to the House Tax Policy Committee.*

Enterprise Zones – HB 4091 (Rep. LaFave, R – Iron Mountain) Modifies neighborhood enterprise zones eligibility requirements. *Received a hearing in House Committee on Commerce and Tourism, no other action was taken.*

Historic Preservation Tax Credit – HB 4100 (Rep. Frederick, R – Owosso) Restores state historic preservation tax credit program. *Referred to the House Committee on Tax Policy.*

Income Tax – HB 4110 (Rep. Garza, D – Taylor) Increases property tax credit for certain qualified veterans. *Referred to the House Committee on Tax Policy.*

Public Properties – HB 4120 (Rep. Markkanen, R - Hancock) Modifies provision related to contracts or agreements for the purchase of real or personal property for public use. *Received a hearing in House Committee on Commerce and Tourism, no other action was taken.*

Property Tax – HB 4121 (Rep. Byrd, D – Detroit) Eliminates sunset on authority of county treasurers to enter tax foreclosure avoidance agreements. *Referred to the House Committee on Natural Resources and Outdoor Recreation. Legislative Committee recommendation was that this is a policy matter and not legislation on which RPLS should take a position.*

Blight Violations – HB 4123 (Rep. Whitsett, D - Detroit) Modifies attachment of property lien for failure to pay fine for blight violation to include all land, buildings, or structures owned by defendant in the state. *Referred to the House Committee on Local Government and Municipal Finance.*

Property Tax Credit – HB 4157 (Rep. Iden, R – Oshtemo Twp.) Removes eligibility based on homestead taxable value cap. *Referred to the House Committee on Tax Policy.*

Veteran Property Tax Exemption – HB 4158 (Rep. Iden, R – Oshtemo Twp.) Modifies affidavit filing requirements for disabled veteran exemptions. *Referred to the House Committee on Local Government and Municipal Finance.*

Brownfield Redevelopment – HB 4159 (Rep. Iden, R – Oshtemo Twp.) Provides oversight of brownfield redevelopment authorities. *Referred to the House Committee on Local Government and Municipal Finance.*

Property Management – HB 4160 (Rep. Hoitenga, R – Manton) Modifies certain licensure requirements for employees or agents of a real estate broker hired to perform duties relating to property management. *Referred to the House Committee on Regulatory Reform.*

Lead-Free Pipes – HB 4175 (Rep. Cherry, D – Flint) Revises definition of lead-free pipes and pipe fittings to match federal definition. *Referred to House Committee on Regulatory Reform.*

Property Tax Exemptions – HB 4176 (Rep. Yaroch, R – Richmond) Hold local taxing units harmless for disabled veteran exemption. *Referred to House Committee on Military, Veteran, and Homeland Security.*

Tax Incentive Agreements – HB 4190 (Rep. Webber, R – Rochester) Limits changes to tax incentive agreements for economic development. *Referred to Committee on Tax Policy.*

Property Tax – HB 4209 (Rep. Slagh, R – Zeeland) Modifies individuals allowed to accept property tax payments. *Referred to the House Committee on Military, Veterans, and Homeland Security.*

Property Tax – HB 4214 (Rep. Leutheuser, R – Zeeland) Modifies small business personal property tax payments. *Referred to the House Tax Policy Committee.*

Property Tax – HB 4215 (Rep. Farrington, R – Utica) Increases small taxpayer exemption threshold for eligible personal property. *Referred to House Committee on Tax Policy.*

Foreclosure Sales – HB 4219 (Rep. Howell, R – North Branch) Modifies distribution of revenue from sale of foreclosure. *Referred to the House Committee on Local Government and Municipal Finance.*

Foreclosure Sales – HB 4226 (Rep. Berman, R – Commerce Twp.) Provides cap on fee assessed by foreclosure sale purchasers to calculate redemption amount. *Passed the House and has been referred to Senate Insurance and Banking Committee.*

Notaries – HB 4292 (Rep. Webber, R – Rochester Hills) Revises eligibility requirements for notary public appointment and requires record keeping. *Referred to House Judiciary Committee.*

Foreclosure – HB 4306 (Rep. Cole, R – Mancelona) Requires notice of foreclosure to include information to mortgagor. *Passed House Government Operations Committee, was placed on Third Reading on the House Floor, then was re-referred back to House Government Operations Committee.*

Oil and Gas – HB 4317 (Rep. Wozniak, R- Romeo) Establishes limitations on permits for oil and gas in certain counties unless location complies with local ordinance and public hearing held. *Referred to Committee on Natural Resources and Outdoor Recreation.*

Oil and Gas – HB 4318 (Rep. Bolden, D -Southfield) Establishes setback for wells near certain residential areas. *Referred to Committee on Natural Resources and Outdoor Recreation.*

Property Tax – HB 4387 (Rep. Chirkun, D – Roseville) Modifies criteria to qualify for property tax exemptions for disabled veterans. *Referred to House Committee on Local Government and Municipal Finance.*
