

To: Real Property Law Section Council
From: Greg Gamalski
Date: July 9, 2019
Re: Real Property Law Section Legislative Report

Green: Change in status

Red: Newly added

GENERAL LEGISLATIVE BACKGROUND

The legislature is on summer break until July 17th. Budget negotiations between the Governor and House and Senate leadership will continue during that time and throughout the summer.

LEGISLATION SIGNED INTO LAW SINCE LAST REPORT

LEGISLATION OF INTEREST

SENATE BILLS

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. *Referred to the Senate Committee on Finance.*

Wind 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. *Passed the Senate, has been referred to House Ways & Means Committee.*

Alternative Energy – SB 48 (Sen. Barrett, R – Charlotte) Modifies property tax exemption for alternative energy systems on personal property. *Passed the Senate, has been referred to House Ways & Means Committee.*

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. *Passed the House & Senate, awaiting action by the Governor.* Legislative Committee recommendation is that this is not legislation on which RPLS should take a position.

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

Contracts – SB 253 (Sen. Lucido, R – Shelby Twp.) Prohibits the use of a lawsuit to enforce real estate commission agreement that is not in writing. *Referred to the Senate Judiciary and Public Safety Committee.*

Property Taxes – SB 360 (Sen. Stamas, R – Midland) Provides an exemption for certain eligible data center property from property taxes. *Has been referred to and received a hearing in Senate Economic and Small Development Committee.*

House Bills

The House has a two committee process. Only four committees (Ways & Means, Appropriations, Government Operations, and Judiciary) may report bills directly to the floor. While all others have to report bills to Ways & Means before the bill can be reported to the floor.

Short-Term Rentals – HB 4046 (Rep. Sheppard, R - Temperance) Limits regulation of vacation and short-term rentals. *Received a hearing in 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. *Had advanced to Third Reading on the House Floor, but has been re-referred back to the House Committee on Commerce & Tourism.*

Association Mergers – HB 4049 (Rep. Inman, R – Williamsburg) Authorizes merger or conversion into nonprofit corporations for summer resort and park associations. *Had advanced to Third Reading on the House Floor, but has been re-referred back to the House Committee on Commerce & Tourism.*

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. *Passed House Local Government and Municipal Finance, has been referred to House Ways and Means.*

Alternative Energy – HB 4068 (Rep. Kahle, R – Madison Twp.) Modifies alternative energy property tax exemption. *Received a hearing in House Tax Policy.*

Alternative Energy – HB 4069 (Rep. Kahle, R – Madison Twp.) Excludes placement of solar panels on residential real property from assessment of true cash value. *Passed the House, awaits committee assignment in the Senate.*

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. *Passed the House & awaits action on the Senate Floor.*

Property Tax – HB 4121 (Rep. Byrd, D – Detroit) Eliminates sunset on authority of county treasurers to enter tax foreclosure avoidance agreements. *Passed the House & Senate, awaits action by Governor Whitmer.* 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.*

Public Safety Property – HB 4185 (Rep. Farrington, R – Utica) Modifies provision related to malicious destruction of fire or police department property to include real property. *Passed the House, referred to Senate Judiciary and Public Safety Committee.*

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 with H-2 Substitute, has received a hearing in Senate Committee on Judiciary and Public Safety.*

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.*

Public Records – HB 4444 (Rep. Johnson, S., R – Shelbyville) Allows publication by electronic means. *Passed the House, has received a hearing in Senate Oversight.*

Moral Character – HB 4488 (Rep. Iden, R – Oshtemo Twp.) Restricts use of criminal record to determine eligibility for occupational licensing. *Referred to House Regulatory Reform Committee.*

Moral Character – HB 4489 (Rep. Bellino, R – Monroe) Clarifies good moral character qualifications for admission to state bar. *Referred to House Regulatory Reform Committee.*

Home Inspections – HB 4494 (Rep. Schroeder, R – Independence Twp.) Establishes licensing fees for home inspection services and provides for deposit of proceeds into occupational fund. *Referred to House Regulatory Reform Committee.*

Home Inspections – HB 4506 (Rep. Schroeder, R – Independence Twp.) Provides for licensure and regulation of home inspection services and requires certain disclosures and contract provisions. *Referred to House Regulatory Reform Committee.*

Evictions – HB 4509 (Rep. VanSingel, R – Grant) Allows limited liability company members and others with personal knowledge to represent them in certain situations. *Passed the House, referred to Senate Judiciary.*

Bankruptcy – HB 4521 (Rep. Frederick, R – Owosso) Modifies value of home equity exempted from bankruptcy. *Referred to House Judiciary Committee.*

Short-Term Rentals – HB 4554 (Rep. Lilly, R – Park Twp.) Creates short-term rental promotion act that provides for registry of short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4555 (Rep. Ellison, D – Royal Oak) Revises stadium or convention facilities act to include certain short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4556 (Rep. Marino, R – Harrison Twp.) Modifies state convention facility development act to include certain short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4557 (Rep. Brixie, D – Okemos) Modifies excise tax on business of providing accommodations to include certain short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4558 (Rep. Paquette, R – Niles) Revises regional tourism marketing act to include certain short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4559 (Rep. Sabo, D – Muskegon) Revises community convention or tourism marketing act to include certain short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4560 (Rep. Webber, R – Rochester Hills) Revises convention and tourism marketing act to include certain short term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4561 (Rep. O'Malley, R – Lake Ann) Revises regional convention and tourism promotion act to include certain short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4562 (Rep. Calley, R – Portland) Revises convention and tourism promotion act to include certain short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Short-Term Rentals – HB 4563 (Rep. Tate, D – Detroit) Permits short-term rentals. *Referred to the House Commerce and Tourism Committee.*

Restrictive Deeds – HB 4676 (Rep. Anthony, D – Lansing) Prohibits restrictive covenants in deeds and other instruments. *Referred to the House Committee on Judiciary.*

Restrictive Deeds – HB 4677 (Rep. Brixie, D – Okemos) Exempts actions under the prohibited restrictive covenants act from any statute of limitations. *Referred to House Committee on Judiciary.*

Liens – HB 4695 (Rep. Brann, R – Wyoming) Requires licensed contractor to provide certain documents when recording claim of lien. *Referred to the House Committee on Regulatory Reform.*

Property Lien – HB 4699 (Rep. Whitsett, D – Detroit) Allows for property lien attachment to all land, buildings, or structures, owned by defendant in this state. *Referred to the House Local Government and Municipal Finance Committee.*

Veterans Homes – HB 4742 (Rep. Howell, R – North Branch) Requires testing of water at Michigan veterans' facilities established under 1885 PA 152. *Referred to the House Natural Resources and Outdoor Recreation.*

Veterans Homes – HB 4743 (Rep. Tate, D – Detroit) Requires testing of water for lead at veterans' facilities established under the Michigan veterans' facility authority act. *Referred to the House Natural Resources and Outdoor Recreation.*

Lead in Drinking Water – HB 4744 (Rep. Love, D – Detroit) Provides for program for testing and removing lead in drinking water used by vulnerable population centers. *Referred to the House Natural Resources and Outdoor Recreation.*

PFAS Action Response – HB 4746 (Rep. Griffin, R – Mattawan) Codifies Michigan PFAS action response team. *Referred to the House Natural Resources and Outdoor Recreation.*

Water Quality – HB 4749 (Rep. Afendoulis, R – Grand Rapids Twp.) Requires source water testing for public water supplier proposing to hook up a new water source. *Referred to the House Natural Resources and Outdoor Recreation.*

Water Quality – HB 4750 (Rep. Kennedy, D – Davison) Requires disclosure of lead service line by water suppliers to customers and by landlords to tenants. *Referred to the House Natural Resources and Outdoor Recreation.*

Bed Bugs-Landlord Tenant- HB4777 (Rep. Iden, R Kalamazoo) Prohibit a landlord from renting a unit infested with bedbugs; prohibit tenants from moving infested items into a unit or attempting to apply pest control treatments themselves; and require tenants to grant reasonable access to professional pest management personnel and comply with the control protocols established by the landlord. Tenants who cause an infestation would be responsible for treatment costs, and landlords who follow the rules would have their liability limited for the infestation and items damaged by treatment