

HOUSE BILL No. 5199

December 12, 2013, Introduced by Reps. Schor, Darany, Singh, Callton, LaVoy, Durhal, Segal, Cavanagh, Knezek and Haines and referred to the Committee on Judiciary.

A bill to amend 1972 PA 348, entitled

"An act to regulate relationships between landlords and tenants relative to rental agreements for rental units; to regulate the payment, repayment, use and investment of security deposits; to provide for commencement and termination inventories of rental units; to provide for termination arrangements relative to rental units; to provide for legal remedies; and to provide penalties,"

by amending the title and section 1 (MCL 554.601), as amended by 1995 PA 79, and by adding sections 1d, 1e, and 1f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

TITLE

An act to regulate relationships between landlords and tenants relative to rental agreements for rental units; **TO PROVIDE FOR THE RESPONSIBILITIES OF LANDLORDS AND TENANTS FOR THE CONTROL OF CERTAIN PESTS IN RENTAL UNITS;** to regulate the payment, repayment, use and investment of security deposits; to provide for commencement and termination inventories of rental units; to

1 provide for termination arrangements relative to rental units; to
2 provide ~~for~~ legal remedies; **TO PROVIDE CIVIL SANCTIONS**; and to
3 provide penalties.

4 Sec. 1. As used in this act:

5 (A) "BEDBUG" MEANS AN INSECT OF THE SPECIES CIMEX LECTULARIUS.

6 (B) "BEDBUG INFESTATION" OR "INFESTATION" MEANS THE PRESENCE
7 OF BEDBUGS OR SIGNS OF THEIR PRESENCE. "INFESTED WITH BEDBUGS" OR
8 "INFESTED" HAS A CORRESPONDING MEANING.

9 (C) "CONTROL MEASURES" MEANS ANY OF THE FOLLOWING:

10 (i) SCHEDULING OR OTHERWISE ARRANGING FOR TREATMENT.

11 (ii) PERFORMING TREATMENT.

12 (D) "LANDLORD" MEANS ANY OF THE FOLLOWING:

13 (i) THE OWNER, LESSOR, OR SUBLESSOR OF THE RENTAL UNIT OR THE
14 PROPERTY OF WHICH IT IS A PART.

15 (ii) A PERSON AUTHORIZED TO EXERCISE ANY ASPECT OF THE
16 MANAGEMENT OF THE PREMISES, INCLUDING A PERSON WHO, DIRECTLY OR
17 INDIRECTLY, ACTS AS A RENTAL AGENT OR RECEIVES RENT, OTHER THAN AS
18 A BONA FIDE PURCHASER, AND WHO HAS NO OBLIGATION TO DELIVER THE
19 RECEIPTS TO ANOTHER PERSON.

20 (E) "PEST MANAGEMENT PROFESSIONAL" MEANS A COMMERCIAL
21 APPLICATOR AS DEFINED IN SECTION 8302 OF THE NATURAL RESOURCES AND
22 ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.8302, WHO IS
23 LICENSED UNDER SECTION 8313 OF THE NATURAL RESOURCES AND
24 ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.8313.

25 (F) "PREPARATION MEASURES" MEANS ALL OF THE FOLLOWING:

26 (i) PROVIDING ACCESS TO THE RENTAL UNIT FOR INSPECTIONS FOR
27 BEDBUGS AND TREATMENT.

1 (ii) PROPER DISPOSAL OF PROPERTY THAT IS INFESTED BUT NOT
2 SUITABLE FOR CONTROL MEASURES.

3 (iii) PROPER DISPOSAL OF WASTE.

4 (iv) CLEANING, VACUUMING, MOVING FURNITURE, AND OTHERWISE
5 PREPARING THE INTERIOR OF THE RENTAL UNIT FOR AN INSPECTION OR
6 TREATMENT.

7 (G) "RENTAL AGREEMENT" MEANS AN AGREEMENT THAT ESTABLISHES OR
8 MODIFIES THE TERMS, CONDITIONS, OR OTHER PROVISIONS CONCERNING THE
9 USE AND OCCUPANCY OF A RENTAL UNIT.

10 (H) (a) "Rental unit" means a structure or part of a structure
11 used as a home, residence, or sleeping unit by a single person or
12 household unit, or any grounds, or other facilities or area
13 promised for the use of a residential tenant and includes, but
14 without limitation, apartment units, boarding houses, rooming
15 houses, mobile home spaces, and single and 2-family dwellings.

16 ~~(b) "Rental agreement" means an agreement that establishes or~~
17 ~~modifies the terms, conditions, rules, regulations, or any other~~
18 ~~provisions concerning the use and occupancy of a rental unit.~~

19 ~~(c) "Landlord" means the owner, lessor, or sublessor of the~~
20 ~~rental unit or the property of which it is a part and, in addition,~~
21 ~~means a person authorized to exercise any aspect of the management~~
22 ~~of the premises, including a person who, directly or indirectly,~~
23 ~~acts as a rental agent, receives rent, other than as a bona fide~~
24 ~~purchaser, and who has no obligation to deliver the receipts to~~
25 ~~another person.~~

26 ~~(d) "Tenant" means a person who occupies a rental unit for~~
27 ~~residential purposes with the landlord's consent for an agreed upon~~

1 ~~consideration.~~

2 (I) ~~(e)~~—"Security deposit" means a deposit, in any amount,
3 paid by the tenant to the landlord or his or her agent to be held
4 for the term of the rental agreement, or any part of the term, and
5 includes any required prepayment of rent other than the first full
6 rental period of the lease agreement; any sum required to be paid
7 as rent in any rental period in excess of the average rent for the
8 term; and any other amount of money or property returnable to the
9 tenant on condition of return of the rental unit by the tenant in
10 condition as required by the rental agreement. Security deposit
11 does not include either of the following:

12 (i) An amount paid for an option to purchase, pursuant to a
13 lease with option to purchase, unless it is shown the intent was to
14 evade this act.

15 (ii) An amount paid as a subscription for or purchase of a
16 membership in a cooperative housing association incorporated under
17 the laws of this state. As used in this subparagraph, "cooperative
18 housing association" means a consumer cooperative that provides
19 dwelling units to its members.

20 (J) ~~(f)~~—"Senior citizen housing" means housing for individuals
21 62 years of age or older that is subsidized in whole or in part
22 under any local, state, or federal program.

23 (K) **"TENANT" MEANS A PERSON WHO OCCUPIES A RENTAL UNIT FOR**
24 **RESIDENTIAL PURPOSES WITH THE LANDLORD'S CONSENT FOR AN AGREED-UPON**
25 **CONSIDERATION.**

26 (L) **"TREATMENT" MEANS MEASURES TO ERADICATE BEDBUGS, INCLUDING,**
27 **BUT NOT LIMITED TO, CHEMICAL, PESTICIDE, TEMPERATURE, OR TRAPPING**

1 METHODS. "TREAT" HAS A CORRESPONDING MEANING.

2 SEC. 1D. (1) WITHIN 5 DAYS AFTER RECEIVING WRITTEN OR ORAL
3 NOTICE FROM A TENANT THAT A RENTAL UNIT MAY HAVE A BEDBUG
4 INFESTATION, THE LANDLORD SHALL CONDUCT AN INSPECTION OF THE RENTAL
5 UNIT FOR BEDBUGS.

6 (2) IF AN INSPECTION REVEALS THAT A RENTAL UNIT IS INFESTED
7 WITH BEDBUGS, THE LANDLORD SHALL WITHIN 7 DAYS CONTACT A PEST
8 MANAGEMENT PROFESSIONAL TO ARRANGE FOR THE PROMPT INSPECTION OF
9 ADJOINING RENTAL UNITS FOR BEDBUGS AND PROMPT CONTROL MEASURES. THE
10 LANDLORD SHALL PROVIDE REASONABLE ASSISTANCE WITH INSPECTION AND
11 CONTROL MEASURES AS DIRECTED BY THE PEST MANAGEMENT PROFESSIONAL.

12 (3) A LANDLORD SHALL NOT OFFER FOR RENT A RENTAL UNIT THAT THE
13 LANDLORD KNOWS OR SUSPECTS IS INFESTED.

14 (4) BEFORE RENTING A RENTAL UNIT, A LANDLORD SHALL DISCLOSE TO
15 A PROSPECTIVE TENANT WHETHER THE RENTAL UNIT OR ANY ADJOINING
16 RENTAL UNIT HAS BEEN TREATED FOR BEDBUGS IN THE PAST 180 DAYS.

17 (5) UPON REQUEST FROM A TENANT OR PROSPECTIVE TENANT OF A
18 RENTAL UNIT, A LANDLORD SHALL DISCLOSE THE LAST DATE OR DATES ON
19 WHICH THE RENTAL UNIT AND ANY ADJOINING RENTAL UNITS WERE INSPECTED
20 FOR AN INFESTATION AND WHETHER THE RENTAL UNIT OR UNITS WERE FOUND
21 TO BE FREE OF INFESTATION.

22 (6) A LANDLORD SHALL OFFER REASONABLE ASSISTANCE TO A TENANT
23 WHO IS NOT ABLE TO PERFORM PREPARATION MEASURES REQUIRED UNDER
24 SECTION 1E. IF THE LANDLORD PROPOSES TO CHARGE FOR THE REASONABLE
25 ASSISTANCE, THE LANDLORD SHALL DISCLOSE TO THE TENANT AN ESTIMATE
26 OF THE AMOUNT THE LANDLORD WILL CHARGE AND OBTAIN AND DISCLOSE AT
27 LEAST 1 ESTIMATE FOR THE SAME ASSISTANCE FROM AN UNAFFILIATED THIRD

1 PARTY. AFTER MAKING THIS DISCLOSURE, THE LANDLORD MAY PROVIDE
2 FINANCIAL OR OTHER ASSISTANCE REQUESTED BY THE TENANT FOR
3 PREPARATION MEASURES. THE LANDLORD MAY CHARGE THE TENANT A
4 REASONABLE AMOUNT FOR ANY SUCH ASSISTANCE NOT EXCEEDING THE
5 ESTIMATED AMOUNT, SUBJECT TO A REASONABLE REPAYMENT SCHEDULE, NOT
6 TO EXCEED 6 MONTHS, UNLESS AN EXTENSION IS OTHERWISE AGREED TO BY
7 THE LANDLORD AND THE TENANT.

8 SEC. 1E. (1) A TENANT SHALL PROMPTLY NOTIFY A LANDLORD IF THE
9 TENANT KNOWS OF OR SUSPECTS AN INFESTATION OF BEDBUGS IN THE
10 TENANT'S RENTAL UNIT.

11 (2) UPON RECEIVING REASONABLE NOTICE, A TENANT SHALL GRANT THE
12 LANDLORD, THE LANDLORD'S AGENT, OR THE LANDLORD'S PEST CONTROL
13 AGENT AND ITS EMPLOYEES ACCESS TO THE RENTAL UNIT FOR PURPOSES OF
14 AN INSPECTION OR CONTROL MEASURES. TWENTY-FOUR HOURS' NOTICE IS
15 PRESUMED TO BE REASONABLE FOR PURPOSES OF THIS SUBSECTION AND
16 SUBSECTION (3). THE NOTICE SHALL INCLUDE REASONS FOR AND THE SCOPE
17 OF THE REQUEST FOR ACCESS TO THE RENTAL UNIT. THE INITIAL
18 INSPECTION SHALL INCLUDE ONLY A VISUAL INSPECTION AND MANUAL
19 INSPECTION OF THE TENANT'S BEDDING AND UPHOLSTERED FURNITURE.
20 HOWEVER, THE PEST MANAGEMENT PROFESSIONAL AND ITS EMPLOYEES MAY
21 INSPECT ITEMS OTHER THAN BEDDING AND UPHOLSTERED FURNITURE IF SUCH
22 AN INSPECTION IS CONSIDERED REASONABLE BY THE PEST MANAGEMENT
23 PROFESSIONAL. IF THE PEST MANAGEMENT PROFESSIONAL FINDS BEDBUGS IN
24 THE RENTAL UNIT OR IN AN ADJOINING UNIT, THE PEST MANAGEMENT
25 PROFESSIONAL AND ITS EMPLOYEES MAY HAVE ADDITIONAL ACCESS TO THE
26 TENANT'S PERSONAL PROPERTY IN THE RENTAL UNIT AS DETERMINED
27 REASONABLE BY THE PEST MANAGEMENT PROFESSIONAL CONSIDERING STANDARD

1 PRACTICES IN THE PEST MANAGEMENT INDUSTRY.

2 (3) UPON RECEIVING REASONABLE NOTICE, A TENANT SHALL PERFORM
3 REASONABLE PREPARATION MEASURES AS SET FORTH BY THE LANDLORD AND
4 THE PEST MANAGEMENT PROFESSIONAL.

5 SEC. 1F. (1) A VIOLATION OF SECTION 1D OR 1E BY A LANDLORD IS
6 A VIOLATION OF THE COVENANT UNDER SECTION 39(1)(B) OF 1846 RS 66,
7 MCL 554.139.

8 (2) A LANDLORD WHO VIOLATES SECTION 1D OR 1E IS LIABLE TO THE
9 TENANT FOR \$250.00 OR ACTUAL DAMAGES, WHICHEVER IS GREATER, PLUS
10 ACTUAL, REASONABLE ATTORNEY FEES.

11 (3) A LOCAL UNIT OF GOVERNMENT MAY ADOPT AN ORDINANCE TO
12 PROHIBIT A LANDLORD FROM VIOLATING SECTION 1D OR 1E. A VIOLATION OF
13 THE ORDINANCE IS A MUNICIPAL CIVIL INFRACTION. THE ORDINANCE SHALL
14 PROVIDE A CIVIL FINE OF NOT MORE THAN \$100.00 PER DAY FOR A
15 VIOLATION.

16 (4) IF A TENANT FAILS TO COMPLY WITH REASONABLE REQUESTS FOR
17 PREPARATION MEASURES AS SET FORTH IN SECTIONS 1D AND 1E, THE
18 LANDLORD MAY BRING AN ACTION AGAINST THE TENANT IN CIRCUIT COURT
19 FOR THE PROTECTION OF THE RENTAL PROPERTY OR OTHER TENANTS. THE
20 LANDLORD MAY BRING THE ACTION ON HIS OR HER OWN BEHALF OR, UPON
21 WRITTEN AUTHORITY, ON BEHALF OF AN AGGRIEVED TENANT, OR ON BEHALF
22 OF BOTH. THE COURT MAY ORDER INJUNCTIVE RELIEF OR AWARD DAMAGES TO
23 A PLAINTIFF FOR LOSSES SUFFERED AS A DIRECT RESULT OF THE TENANT'S
24 FAILURE TO COMPLY WITH REASONABLE REQUESTS FOR PREPARATION MEASURES
25 AS SET FORTH IN SECTIONS 1D AND 1E. THE COURT MAY ISSUE A TEMPORARY
26 ORDER FOR INTERIM RELIEF. IF THE COURT ISSUES AN ORDER GRANTING THE
27 LANDLORD ACCESS TO THE PREMISES, THE ORDER SHALL PROVIDE THAT THE

1 LANDLORD SHALL NOT ENTER THE PREMISES UNTIL AT LEAST 24 HOURS HAVE
2 ELAPSED AFTER THE ORDER IS SERVED UPON THE TENANT.

3 Enacting section 1. This amendatory act does not take effect
4 unless all of the following bills of the 97th Legislature are
5 enacted into law:

6 (a) Senate Bill No. ____ or House Bill No. ____ (request no.
7 02116'13).

8 (b) Senate Bill No. ____ or House Bill No. ____ (request no.
9 02664'13).

10 (c) Senate Bill No. ____ or House Bill No. ____ (request no.
11 03143'13).