

Legislative Analysis



SHORT-TERM RENTALS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4722 as introduced
Sponsor: Rep. Sarah L. Lightner
Committee: Commerce and Tourism
Complete to 5-17-21

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4722 would amend the Michigan Zoning Enabling Act to provide that the short-term rental a dwelling (for 30 days or less) is a permitted residential use of property that is not subject to a special use or conditional use permit or procedure.

Specifically, under the bill, all of the following would apply to the rental of a dwelling, including a *short-term rental*, for purposes of zoning:

- It is a residential use of property and a permitted use in all residential zones.
- It is not subject to a special use or conditional use permit or procedure different from those required for other dwellings in the same zone.
- It is not a commercial use of property.

Short-term rental would mean the rental, for up to 30 consecutive days, of a single-family residence, a dwelling unit in a one- to four-family house, or a unit or group of units in a condominium.

The bill states that it would not prohibit regulation applied on a consistent basis to rental and owner-occupied residences for any of the following:

- Noise, advertising, traffic, or other conditions, for the prevention of nuisances.
- The number of persons that may occupy a dwelling.
- Inspections and inspection fees.
- Taxes otherwise permitted by law.

Proposed MCL 125.3206b

FISCAL IMPACT:

House Bill 4722 would have an indeterminate, but likely negligible, fiscal impact on local units of government that regulate short-term rentals. Local units of government regulating short-term rentals presumably either prohibit them or charge a permit or licensing fee to cover the costs of regulation. Unless a local unit of government was levying permit or licensing fees in excess of actual regulatory costs, there would be no net fiscal impact for local units of government. There would be no fiscal impact on state government.

Legislative Analyst: Rick Yuille
Fiscal Analyst: Ben Gielczyk

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.