



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4062 (Substitute H-4 as passed by the House)
House Bill 4063 (Substitute H-3 as passed by the House)
Sponsor: Representative Jennifer Conlin (H.B. 4062)
Representative Jason Morgan (H.B. 4063)
House Committee: Judiciary
Senate Committee: Housing and Human Services

Date Completed: 10-7-24

CONTENT

House Bill 4062 (H-4) would amend the landlord-tenant Act to allow an individual who suffered a loss because of a landlord's source of income discrimination to bring a civil action to recover actual damages or a specified amount of rent.

House Bill 4063 (H-3) would amend the Eliot-Larson Civil Rights Act (ELRCA) to define "source of income".

House Bill 4062 is tie-barred to Senate Bills 205 and 206, which generally would prohibit a landlord or person engaging in real estate transactions from discriminating against a person based on that person's source of income and define source of income, respectively. House Bill 4063 is tie barred to Senate Bills 206 and 207. Senate Bill 207 would prescribe the actions that would be considered housing discrimination.

House Bill 4062 (H-4)

The bill would amend the landlord-tenant Act to allow a person who alleged to have suffered a loss because of a landlord's source of income discrimination as prohibited under Senate Bill 205 to bring a civil action for appropriate injunctive relief or damages, or both. "Damages" would mean actual damages for injury or loss caused by each loss due to a violation of housing discrimination, or up to three times the monthly rent for the rental unit or units at issue, whichever is less, together with court costs.

An action commenced as described above could be brought to the circuit court for the county where the alleged loss of income due to housing discrimination occurred, or for the county where the person against whom the civil complaint was filed resided or where that person's principal place of business was located.

(Generally, Senate Bill 205 would prohibit a landlord or person engaging in real estate transactions from discriminating against a person based on that person's source of income.)

House Bill 4063 (H-3)

Generally, the ELCRA prohibits discrimination in employment, public accommodations and public services, educational facilities, and housing and real estate based on religion, race, color, national origin, age, sex, sexual orientation, gender identity or expression, height, weight, familial status, or marital status. Senate Bill 207 would amend the ELCRA to prohibit such discrimination based on source of income.

House Bill 4063 (H-3) would amend the ELCRA to define "source of income", which would include the following benefits or subsidy programs:

- Housing assistance.
- Public assistance.
- Housing Choice Vouchers under 42 USC 137f.
- Veterans' benefits.
- Social Security.
- Supplemental security income or other retirement programs.
- Programs administered by any Federal, State, local, or nonprofit entity.

The term would not include either of the following:

- Income that a prospective tenant could not demonstrate derived from sources and activities permitted by law and was provided on an ongoing basis.
- Housing assistance that was not approved by the appropriate agency within 30 days after the landlord provided all information required as a condition of the agency's approval, including evidence that all required repairs had been completed.

Proposed MCL 554.601d (H.B. 4062)
MCL 37.2501 (H.B. 4063)

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bills would have a minimal, indeterminate fiscal impact on local courts and the local governments within which courts are housed. The addition of "source of income" as a prohibition of discrimination for rental housing could increase court costs and administrative expenses for courts in the form of additional complaint filings under the ELCRA; however, some or all such costs could be covered by increased filing fee revenue, most of which is deposited into the State restricted Civil Filing Fee Fund. That Fund is distributed to several different subsidiary funds, including the State Court Fund, the Court Equity Fund, the Court Fee Fund, and the Judicial Technology Fund. All these funds contribute to cover a variety of statewide court administrative costs.

House Bill 4063 (H-3) likely would have a minor negative fiscal impact on the Department of Civil Rights. The addition of source of income as a protected category potentially could result in an increase in discrimination complaints made, investigated, and addressed by the Department. One or more additional full-time equivalents could be required. This would depend on the number of complaints made and the workload distribution among complaint investigators, as the addition of this category could result in a greater share of total complaints being related to housing. The hiring of additional staff likely would require an increase in appropriations.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.