



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 635 (Substitute S-2 as reported by the Committee of the Whole)
Sponsor: Senator Valde Garcia
Committee: Economic Development and Regulatory Reform

CONTENT

The bill would amend the Housing Law of Michigan to do the following:

- Allow a local unit to provide by ordinance for a maximum period of six years between inspections of multiple dwellings or rooming houses.
- Delete provisions requiring local inspections of multiple dwellings and rooming houses at least every two years or, as provided by ordinance, every three years if the most recent inspection found no violation.
- Allow a local unit and an enforcing agency to accept inspections conducted by the U.S. Department of Housing and Urban Development, or other government agencies, as a substitute for inspections required by a local enforcing agency.
- Allow inspections to be conducted on a compliance basis or a percentage basis, as well as an area basis, a complaint basis, or a recurring violation basis, as currently required.
- Specify that an owner or property manager would not be liable for an inspection fee if the inspection were not performed and the enforcing agency were the direct cause of the failure to perform.
- Require an enforcing agency or a local unit to produce a report to a requesting party on the income and expenses of the inspection program for the preceding fiscal year; and allow the agency to charge the requesting party a fee up to the actual reasonable cost of providing the information, if the agency did not have readily available access to it.

MCL 125.401 & 125.526

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no effect on State revenue or expenditures. Generally, the bill should reduce local unit expenses and revenue by requiring fewer routine inspections. Because current law requires the inspection fees to be commensurate with the expenses, the net impact on local units should be negligible.

Date Completed: 6-24-08

Fiscal Analyst: David Zin