

SENATE BILL No. 657

October 29, 2013, Introduced by Senator HILDENBRAND and referred to the Committee on Regulatory Reform.

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), section 1 as amended by 1995 PA 79, and by adding sections 1d, 1e, 1f, and 1g.

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; and to provide penalties.

3 Sec. 1. As used in this act:

4 (A) "ACCREDITED CANINE TEAM" MEANS A HANDLER AND DOG TEAM
5 CERTIFIED BY AN INDEPENDENT ORGANIZATION ACCORDING TO COMMONLY
6 ACCEPTED INDUSTRY STANDARDS FOR ENTOMOLOGY SCENT DETECTION.

7 (B) "BEDBUG" MEANS AN INSECT OF THE SPECIES CIMEX LECTULARIUS.

8 (C) "CONTROL" OR "CONTROLLING" MEANS INSPECTING, CLEANING,
9 VACUUMING, CONDUCTING THERMAL REMEDIATION, PROPERLY DISPOSING OF
10 PROPERTY, AND ARRANGING OR SCHEDULING TREATMENTS.

11 (D) "INFESTATION" MEANS AND "INFESTED" REFERS TO THE PRESENCE
12 OF BEDBUGS OR SIGNS OF THEIR PRESENCE.

13 (E) "LANDLORD" MEANS ANY OF THE FOLLOWING:

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

16 (ii) A PERSON AUTHORIZED TO EXERCISE ANY ASPECT OF THE
17 MANAGEMENT OF A RENTAL UNIT OR THE PROPERTY OF WHICH IT IS A PART,
18 INCLUDING A PERSON WHO, DIRECTLY OR INDIRECTLY, ACTS AS A RENTAL
19 AGENT OR RECEIVES RENT, OTHER THAN AS A BONA FIDE PURCHASER,
20 WHETHER OR NOT HE OR SHE HAS AN OBLIGATION TO DELIVER THE RENT
21 PAYMENTS TO ANOTHER PERSON.

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

27 (G) "RENTAL AGREEMENT" MEANS AN AGREEMENT THAT ESTABLISHES OR

1 MODIFIES THE TERMS, CONDITIONS, OR OTHER PROVISIONS CONCERNING THE
2 USE AND OCCUPANCY OF A RENTAL UNIT.

3 (H) ~~(a)~~—"Rental unit" means a structure or part of a structure
4 used as a home, residence, or sleeping unit by a single person or
5 household unit, or any grounds, or other facilities or area
6 promised for the use of a residential tenant and includes, but
7 without limitation, apartment units, boarding houses, rooming
8 houses, mobile home spaces, and single and 2-family dwellings.

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

12 ~~—— (c) "Landlord" means the owner, lessor, or sublessor of the~~
13 ~~rental unit or the property of which it is a part and, in addition,~~
14 ~~means a person authorized to exercise any aspect of the management~~
15 ~~of the premises, including a person who, directly or indirectly,~~
16 ~~acts as a rental agent, receives rent, other than as a bona fide~~
17 ~~purchaser, and who has no obligation to deliver the receipts to~~
18 ~~another person.~~

19 ~~—— (d) "Tenant" means a person who occupies a rental unit for~~
20 ~~residential purposes with the landlord's consent for an agreed upon~~
21 ~~consideration.~~

22 (I) ~~(e)~~—"Security deposit", **SUBJECT TO SUBDIVISION (J)**, means
23 a deposit, in any amount, paid by the tenant to the landlord or his
24 or her agent to be held for the term of the rental agreement, or
25 any part of the term, and includes ~~any~~ **ALL OF THE FOLLOWING:**

26 (i) **ANY** required prepayment of rent other than the first full
27 rental period of the lease agreement. ~~any~~

1 (ii) **ANY** sum required to be paid as rent in any rental period
2 in excess of the average rent for the term. ~~and any~~

3 (iii) **ANY** other amount of money or property returnable to the
4 tenant on condition of return of the rental unit by the tenant in
5 condition as required by the rental agreement.

6 (J) "Security deposit" does not include either of the
7 following:

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

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

16 (K) ~~(F)~~ "Senior citizen housing" means housing for individuals
17 62 years of age or older that is subsidized in whole or in part
18 under any local, state, or federal program.

19 (L) **"TENANT" MEANS A PERSON WHO OCCUPIES A RENTAL UNIT FOR**
20 **RESIDENTIAL PURPOSES WITH THE LANDLORD'S CONSENT FOR AN AGREED-UPON**
21 **CONSIDERATION.**

22 (M) **"THERMAL REMEDIATION" MEANS USING INTENSE TEMPERATURE TO**
23 **ERADICATE BEDBUGS.**

24 (N) **"TREAT", "TREATING", OR "TREATMENT" MEANS OR REFERS TO**
25 **APPLYING PESTICIDES OR OTHER CHEMICALS TO ERADICATE BEDBUGS.**

26 **SEC. 1D. (1) A LANDLORD SHALL NOT ENTER INTO A LEASE AGREEMENT**
27 **IF THE LANDLORD KNOWS THE RENTAL UNIT IS INFESTED.**

1 (2) A LANDLORD SHALL MAINTAIN THE LANDLORD'S RENTAL PREMISES
2 FREE FROM BEDBUGS.

3 (3) IF A PEST MANAGEMENT PROFESSIONAL OR AN ACCREDITED CANINE
4 TEAM INSPECTS A RENTAL UNIT AFTER IT IS VACATED BY A TENANT AND
5 BEFORE IT IS OCCUPIED BY A NEW TENANT AND THE PEST MANAGEMENT
6 PROFESSIONAL OR THE HANDLER ON THE ACCREDITED CANINE TEAM CERTIFIES
7 IN WRITING THAT THE RENTAL UNIT IS FREE FROM BEDBUGS, FOR THE
8 PURPOSES OF SUBSECTION (2), THE DWELLING UNIT SHALL BE CONSIDERED
9 TO BE FREE FROM BEDBUGS WHEN THE NEXT TENANT FIRST OCCUPIES THE
10 RENTAL UNIT.

11 (4) FOR THE PURPOSES OF SUBSECTION (2), THE RENTAL UNIT SHALL
12 BE CONSIDERED TO HAVE BEEN FREE FROM BEDBUGS WHEN THE TENANT FIRST
13 OCCUPIED THE RENTAL UNIT IF THE TENANT FAILS TO REPORT A SUSPECTED
14 INFESTATION TO THE LANDLORD WITHIN 7 DAYS AFTER THE TENANT FIRST
15 OCCUPIED THE RENTAL UNIT. THIS SUBSECTION DOES NOT APPLY IF THE
16 RENTAL UNIT WAS INSPECTED UNDER SUBSECTION (3) AND WAS NOT
17 CERTIFIED IN WRITING TO BE FREE FROM BEDBUGS.

18 (5) WITHIN 7 DAYS AFTER RECEIVING WRITTEN NOTICE FROM A TENANT
19 OF A SUSPECTED INFESTATION IN THE TENANT'S RENTAL UNIT, THE
20 LANDLORD SHALL HAVE THE RENTAL UNIT INSPECTED FOR BEDBUGS BY A PEST
21 MANAGEMENT PROFESSIONAL OR ACCREDITED CANINE TEAM.

22 (6) WITHIN 7 DAYS AFTER AN INFESTATION IN A RENTAL UNIT IS
23 CONFIRMED BY AN INSPECTION UNDER SUBSECTION (5), THE LANDLORD SHALL
24 BEGIN CONTROL. IF IT IS NECESSARY TO TREAT THE RENTAL UNIT, THE
25 LANDLORD SHALL EMPLOY A PEST MANAGEMENT PROFESSIONAL FOR THAT
26 PURPOSE.

27 SEC. 1E. (1) IF A RENTAL UNIT IS FREE FROM BEDBUGS, THE TENANT

1 SHALL MAINTAIN THE RENTAL UNIT FREE FROM BEDBUGS.

2 (2) A TENANT SHALL INSPECT A RENTAL UNIT FOR INFESTATION WHEN
3 THE TENANT FIRST OCCUPIES THE RENTAL UNIT.

4 (3) A TENANT SHALL NOT MOVE ITEMS THAT ARE INFESTED INTO THE
5 RENTAL UNIT.

6 (4) IF A TENANT SUSPECTS THAT THE TENANT'S RENTAL UNIT IS
7 INFESTED, THE TENANT SHALL NOTIFY THE LANDLORD IN WRITING WITHIN 2
8 DAYS. NOTICE UNDER THIS SUBSECTION OR SECTION 1D(5) CONSTITUTES
9 PERMISSION BY THE TENANT FOR THE LANDLORD, A PEST MANAGEMENT
10 PROFESSIONAL, AND AN ACCREDITED CANINE TEAM TO ENTER THE RENTAL
11 UNIT FOR CONTROL AND TREATMENT.

12 (5) A TENANT SHALL DO BOTH OF THE FOLLOWING:

13 (A) GRANT REASONABLE ACCESS TO THE RENTAL UNIT TO THE
14 LANDLORD, THE LANDLORD'S PEST MANAGEMENT PROFESSIONAL, AND AN
15 ACCREDITED CANINE TEAM FOR CONTROL AND TREATMENT.

16 (B) COMPLY WITH THE CONTROL PROTOCOL ESTABLISHED BY THE
17 LANDLORD OR THE LANDLORD'S PEST MANAGEMENT PROFESSIONAL.

18 (6) A VIOLATION OF SUBSECTION (5) CONSTITUTES A SERIOUS AND
19 CONTINUING HEALTH HAZARD.

20 (7) A TENANT SHALL NOT TREAT A RENTAL UNIT.

21 SEC. 1F. (1) IF A TENANT OR THE TENANT'S GUEST CAUSES AN
22 INFESTATION, THE TENANT SHALL PAY THE COST OF CONTROL AND TREATMENT
23 OF THE RENTAL UNIT AND OTHER AREAS WHERE BEDBUGS HAVE SPREAD. THE
24 COST SHALL BE CONSIDERED ADDITIONAL RENT OWED BY THE TENANT AND MAY
25 BE DEDUCTED FROM THE TENANT'S SECURITY DEPOSIT.

26 (2) EXCEPT IN THE CASE OF GROSS NEGLIGENCE, THE LANDLORD IS
27 NOT LIABLE FOR DAMAGES ARISING FROM AN INFESTATION OR FROM CONTROL

1 OR TREATMENT.

2 (3) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS ACT, THE
3 LANDLORD AND TENANT MAY AGREE IN WRITING HOW RESPONSIBILITY IS
4 ASSIGNED FOR COSTS ASSOCIATED WITH AN INFESTATION, INCLUDING, BUT
5 NOT LIMITED TO, COSTS OF CONTROL OR TREATMENT.

6 SEC. 1G. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), A COUNTY OR
7 MUNICIPALITY SHALL NOT ADOPT OR ENFORCE AN ORDINANCE THAT IMPOSES
8 REQUIREMENTS ON LANDLORDS OR TENANTS FOR CONTROL OR TREATMENT AND
9 THAT EXTENDS, REVISES, OR CONFLICTS WITH SECTION 1D, 1E, OR 1F.

10 (2) SUBSECTION (1) DOES NOT PROHIBIT THE ADOPTION OF AN
11 ORDINANCE IMPOSING REQUIREMENTS FOR THE PROPER DISPOSAL OF ITEMS
12 THAT ARE INFESTED WITH BEDBUGS.