

SENATE BILL NO. 901

June 06, 2024, Introduced by Senators ANTHONY, SHINK, CHANG, MCMORROW, IRWIN and BAYER and referred to the Committee on Housing and Human Services.

A bill to amend 1978 PA 454, entitled "Truth in renting act," by amending sections 3 and 4 (MCL 554.633 and 554.634), section 3 as amended by 1998 PA 72.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) A rental agreement ~~shall~~**must** not include a
2 provision that does 1 or more of the following:
3 (a) Waives or alters a remedy available to the parties when
4 the premises are in a condition that violates the covenants of
5 fitness and habitability required ~~pursuant to~~**under** section 39 of

1 1846 RS ~~84, 66~~, MCL 554.139.

2 (b) Provides that the parties waive a right established by
3 1972 PA 348, MCL 554.601 to 554.616, ~~which~~**that** regulates security
4 deposits.

5 (c) Excludes or discriminates against a person in violation of
6 the Elliott-Larsen civil rights act, 1976 PA 453, MCL 37.2101 to
7 37.2804, or the persons with disabilities civil rights act, 1976 PA
8 220, MCL 37.1101 to 37.1607.

9 (d) Provides for a confession of judgment by a party.

10 (e) Exculpates the lessor from liability for the lessor's
11 failure to perform, or negligent performance of, a duty imposed by
12 law. This subdivision does not apply to a provision that releases a
13 party from liability arising from loss, damage, or injury caused by
14 fire or other casualty for which insurance is carried by the other
15 party, under a policy that permits waiver of liability and waives
16 the insurer's rights of subrogation, to the extent of any recovery
17 by the insured party under the policy.

18 (f) Waives or alters a party's right to demand a trial by jury
19 or any other right of notice or procedure required by law in a
20 judicial proceeding arising under the rental agreement.

21 (g) Provides that a party is liable for legal costs or
22 attorney's fees incurred by another party, in connection with a
23 dispute arising under the rental agreement, in excess of costs or
24 fees specifically permitted by statute.

25 (h) Provides for the acquisition by the lessor of a security
26 interest in any personal property of the tenant to assure payment
27 of rent or other charges arising under the rental agreement, except
28 as specifically allowed by law.

29 (i) Provides that rental payments may be accelerated if the

1 rental agreement is breached by the tenant, unless the provision
 2 also includes a statement that the tenant may not be liable for the
 3 total accelerated amount because of the landlord's obligation to
 4 minimize damages, and that either party may have a court determine
 5 the actual amount owed, if any.

6 (j) Waives or alters a party's rights with respect to
 7 possession or eviction proceedings provided in section 2918 of the
 8 revised judicature act of 1961, 1961 PA 236, MCL 600.2918, or with
 9 respect to summary proceedings to recover possession as provided in
 10 chapter 57 of the revised judicature act of 1961, 1961 PA 236, MCL
 11 600.5701 to 600.5759.

12 (k) Releases a party from a duty to mitigate damages.

13 (l) Provides that a lessor may alter a provision of the rental
 14 agreement after its commencement without the written consent of the
 15 tenant, or, in the case of a rental agreement between a consumer
 16 cooperative that provides housing and a member of the consumer
 17 cooperative, without the approval of the board of directors of the
 18 cooperative or other appropriate body elected by members who are
 19 also tenants of the cooperative, except that an agreement may
 20 provide for the following types of adjustments to be made ~~upon~~**on**
 21 written notice of not less than 30 days:

22 (i) Changes required by federal, state, or local law or rule or
 23 regulation.

24 (ii) Changes in rules relating to the property that are
 25 required to protect the physical health, safety, or peaceful
 26 enjoyment of tenants and guests.

27 (iii) Changes in the amount of rental payments to cover
 28 additional costs in operating the rental premises incurred by the
 29 lessor because of increases in ad valorem property taxes, charges

1 for the electricity, heating fuel, water, or sanitary sewer
2 services consumed at the property, or increases in premiums paid
3 for liability, fire, or worker compensation insurance.

4 (m) Violates the Michigan consumer protection act, 1976 PA
5 331, MCL 445.901 to 445.922.

6 (n) Requires the tenant to give the lessor a power of
7 attorney.

8 (o) **Prohibits tenants from organizing or forming a tenant**
9 **union under the tenants right to organize act.**

10 (p) **Waives or alters a lessee's or licensee's right to repair**
11 **and deduct or withhold rent until repairs are completed as**
12 **described under section 39(4) and (5) of 1846 RS 66, MCL 554.139.**

13 (2) A rental agreement ~~shall~~**must** not include a clause or
14 provision that, not less than 90 days before the execution of the
15 rental agreement, has been prohibited by statute or declared
16 unenforceable by a published decision of the supreme court of this
17 state or the United States ~~supreme court~~**Supreme Court** relating to
18 the law of this state.

19 (3) A provision or clause of a rental agreement that violates
20 this section is void.

21 Sec. 4. ~~(1)~~A rental agreement ~~shall state the~~**must include**
22 **all of the following:**

23 (a) **The** name and address at which notice required under this
24 act ~~shall~~**must** be given to the lessor.

25 (b) ~~(2)~~A rental agreement ~~shall state~~**notice** in a prominent
26 place in type not smaller than the size of 12-point type, or in
27 legible print with letters not smaller than 1/8 inch, ~~a notice~~in
28 substantially the following form:

29 "NOTICE: Michigan law establishes rights and obligations for

1 parties to rental agreements. This agreement is required to comply
 2 with the Truth in Renting Act. If you have a question about the
 3 interpretation or legality of a provision of this agreement, you
 4 may want to seek assistance from a lawyer or other qualified
 5 person."

6 **(c) A statement that if the landlord intends to offer a lease**
 7 **renewal that includes a rent increase at the end of the lease, the**
 8 **landlord must send a written lease renewal notice that includes the**
 9 **increased rent amount to the tenant within any of the following**
 10 **periods, as applicable:**

11 **(i) For a fixed-term tenancy with a duration of 1 year, 3**
 12 **months before the end of the lease.**

13 **(ii) For a fixed-term tenancy with a duration of 13 months or**
 14 **more, 6 months before the end of the lease.**

15 Enacting section 1. This amendatory act does not take effect
 16 unless all of the following bills of the 102nd Legislature are
 17 enacted into law:

18 (a) Senate Bill No.____ or House Bill No.____ (request no.
 19 00622'23 *).

20 (b) Senate Bill No. 900.

21

22 (c) Senate Bill No. 902.

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24 (d) Senate Bill No. 903.

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