

**SUBSTITUTE FOR
HOUSE BILL NO. 4520**

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:

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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

1 commencement and termination inventories of rental units; to
2 provide for termination arrangements relative to rental units; to
3 provide for legal remedies; and to provide penalties.

4 Sec. 1. As used in this act:

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

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

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

12 (D) "INFESTATION" MEANS AND "INFESTED" REFERS TO THE PRESENCE
13 OF LIVE BEDBUGS OR VIABLE BEDBUG EGGS.

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

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

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

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

1 (G) "RENTAL AGREEMENT" MEANS AN AGREEMENT THAT ESTABLISHES OR
2 MODIFIES THE TERMS, CONDITIONS, OR OTHER PROVISIONS CONCERNING THE
3 USE AND OCCUPANCY OF A RENTAL UNIT.

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

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

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

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

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

27 (i) **ANY** required prepayment of rent other than the first full

1 rental period of the lease agreement. ~~any~~

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

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

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

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

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

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

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

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

25 (N) "TREATMENT" MEANS APPLYING PESTICIDES OR OTHER CHEMICALS,
26 OR OTHER METHODS COMMON TO THE PEST CONTROL INDUSTRY, TO ERADICATE
27 BEDBUGS.

1 SEC. 1D. (1) A LANDLORD SHALL NOT ENTER INTO A RENTAL
2 AGREEMENT IF THE LANDLORD KNOWS OR HAS REASON TO KNOW THAT THE
3 RENTAL UNIT IS INFESTED.

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

6 (3) WITHIN 7 DAYS AFTER RECEIVING WRITTEN OR ELECTRONIC NOTICE
7 FROM A TENANT OR OTHER RELIABLE SOURCE OF A SUSPECTED INFESTATION
8 IN THE TENANT'S RENTAL UNIT, THE LANDLORD SHALL ORDER AN INSPECTION
9 OF THE RENTAL UNIT FOR BEDBUGS BY A PEST MANAGEMENT PROFESSIONAL OR
10 ACCREDITED CANINE TEAM. IF AN INFESTATION OF A RENTAL UNIT IS
11 CONFIRMED, THE LANDLORD SHALL ORDER AN INSPECTION OF THE ADJOINING
12 RENTAL UNITS.

13 (4) WITHIN 7 DAYS AFTER AN INFESTATION IN A RENTAL UNIT IS
14 CONFIRMED BY AN INSPECTION UNDER SUBSECTION (3), THE LANDLORD SHALL
15 BEGIN CONTROL. IF TREATMENT IS NECESSARY, THE LANDLORD SHALL EMPLOY
16 A PEST MANAGEMENT PROFESSIONAL FOR THAT PURPOSE.

17 SEC. 1E. (1) IF A RENTAL UNIT IS FREE FROM BEDBUGS, THE TENANT
18 SHALL MAINTAIN THE RENTAL UNIT FREE FROM BEDBUGS. A TENANT SHALL
19 NOT MOVE ITEMS THAT ARE INFESTED INTO A RENTAL UNIT.

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

22 (3) IF A TENANT SUSPECTS THAT THE TENANT'S RENTAL UNIT IS
23 INFESTED, THE TENANT SHALL NOTIFY THE LANDLORD IN WRITING OR BY
24 ELECTRONIC NOTIFICATION WITHIN 2 DAYS.

25 (4) A TENANT SHALL DO BOTH OF THE FOLLOWING:

26 (A) GRANT REASONABLE ACCESS TO THE RENTAL UNIT TO THE LANDLORD
27 AND THE LANDLORD'S PEST MANAGEMENT PROFESSIONAL FOR INSPECTION,

1 CONTROL, AND TREATMENT.

2 (B) GRANT REASONABLE ACCESS TO THE RENTAL UNIT TO AN
3 ACCREDITED CANINE TEAM FOR INSPECTION AND FOLLOW-UP.

4 (C) COMPLY WITH THE CONTROL PROTOCOL ESTABLISHED BY THE
5 LANDLORD OR THE LANDLORD'S PEST MANAGEMENT PROFESSIONAL.

6 (5) A VIOLATION OF SUBSECTION (4) CONSTITUTES A SERIOUS AND
7 CONTINUING HEALTH HAZARD.

8 (6) A TENANT SHALL NOT TREAT A RENTAL UNIT.

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

14 (2) EXCEPT IN THE CASE OF NEGLIGENCE, A LANDLORD THAT COMPLIES
15 WITH THE REQUIREMENTS OF SECTION 1D IS NOT LIABLE FOR DAMAGES
16 ARISING FROM AN INFESTATION OR FROM CONTROL OR TREATMENT.

17 (3) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, THE
18 LANDLORD AND TENANT MAY AGREE IN WRITING HOW RESPONSIBILITY IS
19 ASSIGNED FOR CONTROL, TREATMENT, AND ANY OTHER COSTS ASSOCIATED
20 WITH AN INFESTATION.

21 (4) IN DETERMINING WHETHER THE LANDLORD OR A TENANT IS
22 RESPONSIBLE FOR AN INFESTATION IN A RENTAL UNIT, A COURT SHALL
23 CONSIDER THE TOTALITY OF THE CIRCUMSTANCES. THE TENANT IS NOT
24 RESPONSIBLE FOR DAMAGES UNLESS A COURT DETERMINES HE OR SHE CAUSED
25 THE INFESTATION.

26 SEC. 1G. (1) EXCEPT AS PROVIDED IN SUBSECTION (2), A COUNTY OR
27 MUNICIPALITY SHALL NOT ADOPT OR ENFORCE AN ORDINANCE THAT IMPOSES

1 REQUIREMENTS ON LANDLORDS OR TENANTS FOR CONTROL OR TREATMENT AND
2 THAT EXTENDS, REVISES, OR CONFLICTS WITH SECTION 1D, 1E, OR 1F.

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

6 Enacting section 1. This amendatory act takes effect 90 days
7 after the date it is enacted into law.