

# Legislative Analysis



## INCENTIVES FOR AFFORDABLE HOUSING

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**Senate Bill 110 (S-1) as reported from House committee**  
**Sponsor: Sen. Wayne Schmidt**  
**House Committee: Local Government**  
**Senate Committee: Local Government**  
**Complete to 12-17-18**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

Senate Bill 110 would amend Public Act 226 of 1988 to specify that the prohibition of local governmental units from controlling the amount of rent charged for leasing private residential property would not prohibit local governments from implementing voluntary incentives to increase the supply of moderate- or low-cost private residential property available for lease.

The act prohibits local governments from practicing “rent control,” where local governments enact an ordinance or resolution that controls how much rent private residential property owners can lease their property for, with the belief that it will make local housing more affordable. This prohibition does not apply to residential property in which the local government has a property interest.

The bill would specify that the prohibition on rent control does not limit local governments from implementing a plan to use voluntary incentives and agreements to increase the supply of moderate- or low-cost private residential property available for lease.

The act defines *local governmental unit* as any political subdivision of the state that provides local government services for residents in a geographically limited area and is empowered to act on that area’s behalf, such as a county, city, village, or township.

The bill would take effect 90 days after its enactment.

MCL 123.411

### HOUSE COMMITTEE ACTION:

The House Committee on Local Government reported the Senate-passed version of the bill without amendment.

**FISCAL IMPACT:**

Since the provisions of the bill are permissive, the bill would have no identifiable fiscal impact on state or local government.

Legislative Analyst: Nick Kelly  
Fiscal Analyst: Ben Gielczyk

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