

HOUSE BILL NO. 5984

July 23, 2020, Introduced by Reps. Haadsma, Hammoud, Shannon, Brixie, Sabo, Peterson, Sowerby, Tyrone Carter, Hood, Pohutsky, Hope, Kennedy, Chirkun, Anthony, Cherry, Hoadley, Stone, Brenda Carter, Clemente, Lasinski, Sneller, Bolden, Guerra, Pagan, Gay-Dagnogo and Koleszar and referred to the Committee on Commerce and Tourism.

A bill to create the rent and mortgage cancellation relief program act; to provide financial assistance to certain individuals, businesses, and financial institutions that were negatively impacted by the coronavirus pandemic; to prescribe duties and responsibilities of certain state departments; to prohibit the charging of certain fees and interests; and to create a fund.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the "rent



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1 and mortgage cancellation relief program act".

2 Sec. 2. As used in this act:

3 (a) "Business" means a business with 50 or less employees.

4 (b) "Coronavirus" means coronavirus disease 2019 (COVID-19).

5 (c) "Department" means the department of labor and economic
6 opportunity.

7 (d) "Fund" means the pandemic fund created in section 4.

8 (e) "Program" means the rent and mortgage cancellation relief
9 program created by the department pursuant to section 3.

10 Sec. 3. The department shall create and operate the rent and
11 mortgage cancellation relief program. The program must require the
12 department to make payment from the fund to an eligible landlord,
13 financial institution, or directly to an individual, financial
14 institution, or business that was unable to pay rent or make
15 mortgage payment due to the loss of employment or other financial
16 negative impact of the coronavirus pandemic.

17 Sec. 4. (1) The pandemic fund is created in the state
18 treasury.

19 (2) The state treasurer may receive money or other assets from
20 any source, including the coronavirus aid, relief, and economic
21 security act, Public Law 116-136, for deposit into the fund. The
22 state treasurer shall direct the investment of the fund. The state
23 treasurer shall credit to the fund interest and earnings from fund
24 investments.

25 (3) Money in the fund at the close of the fiscal year must
26 remain in the fund and must not lapse to the general fund.

27 (4) The department shall be the administrator of the fund for
28 auditing purposes.

29 (5) The department shall expend money from the fund, upon



1 appropriation, only for 1 or more of the following purposes related
2 to coronavirus:

3 (a) To reimburse a landlord, financial institution, or
4 mortgagor for unpaid back-rent or unpaid mortgage payment of
5 principal and interest on behalf of an individual or business
6 identified in subdivision (b) or (c).

7 (b) To provide financial assistance to an individual who is
8 unable to make a rent or mortgage payment and who can demonstrate
9 income loss caused by the coronavirus pandemic for the purpose of
10 paying unpaid back-rent or unpaid mortgage payment of principal and
11 interest.

12 (c) To provide financial assistance to a business that was
13 negatively impacted by the coronavirus pandemic for the purpose of
14 paying unpaid back-rent or unpaid mortgage payment of principal and
15 interest.

16 Sec. 6. To qualify for financial assistance under section
17 5(c), the business must provide documentation to the department
18 showing income loss as a result of the coronavirus pandemic.

19 Sec. 7. A landlord, business, or financial institution that
20 receives money under this act shall not charge a fee or interest on
21 the money received.

