

SENATE BILL NO. 539

October 03, 2023, Introduced by Senators ANTHONY, KLINEFELT, MCMORROW, JOHNSON, GEISS, CAVANAGH and BAYER and referred to the Committee on Housing and Human Services.

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 section 9 (MCL 554.609).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. **(1)** In case of damage to the rental unit or other
2 obligation against the security deposit, the landlord shall mail to
3 the tenant, within 30 days after the termination of occupancy, a

1 **notice of damages that contains** an itemized list of damages claimed
2 for which the security deposit may be used as provided in section
3 7, including the estimated cost of repair of each property damaged
4 item and the amounts and bases on which ~~he~~**the landlord** intends to
5 assess the tenant. ~~The list shall~~

6 **(2) Except as otherwise provided in subsection (3), the notice**
7 **of damages must** be accompanied by a check or money order for the
8 difference between the damages claimed and the amount of the
9 security deposit held by the landlord and ~~shall~~**must** not include
10 any damages that were claimed on a previous termination inventory
11 checklist prior to the tenant's occupancy of the rental unit.

12 **(3) Beginning on the effective date of the amendatory act that**
13 **added this subsection, a notice of damages may not be accompanied**
14 **by a check or money order as described in subsection (2) if the**
15 **landlord sends the difference between the damages claimed and the**
16 **amount of the security deposit held by the landlord as described in**
17 **subsection (2) to the tenant's account at a financial institution**
18 **through direct deposit or electronic transfer. A landlord that**
19 **complies with this subsection must deposit the amount determined in**
20 **accordance with subsection (2) to the tenant's account in a**
21 **financial institution within 10 days after mailing the notice of**
22 **damages.**

23 **(4) The notice of damages shall**~~must~~ include the following
24 statement in 12 point boldface type ~~which shall be~~**that is** at least
25 4 points larger than the body of the notice: "You must respond to
26 this notice by mail within 7 days after receipt of ~~same,~~**the notice**
27 **of damages**, otherwise you will forfeit the amount claimed for
28 damages.".