

Senate Fiscal Agency
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SFA



BILL ANALYSIS

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Senate Bill 256 (as reported without amendment)
Sponsor: Senator Bill Bullard, Jr.
Committee: Local, Urban and State Affairs

Date Completed: 4-15-98

RATIONALE

Under Chapter 57 of the Revised Judicature Act, a landlord may seek to recover possession of any premises, such as an apartment, condominium property, or mobile home, by initiating a civil action, known as summary proceedings, in a district or municipal court. Chapter 57 and court rules establish procedures for the expeditious recovery of property. The Act also permits a court to assess against a party the taxable costs of a proceeding, which are the expenses resulting from a civil action. While some court costs increased during the past few years due to rising administrative costs, the costs assessable in summary proceedings have not changed since Chapter 57 was enacted by Public Act 120 of 1972. Some people believe that these costs should be increased to reflect higher administrative court costs.

CONTENT

The bill would amend the Revised Judicature Act to increase the maximum amount of taxable costs a court may allow in a civil action to recover possession of premises.

Currently, in proceedings under Chapter 57 of the Act, costs may be allowed in the same amounts as are provided by law in other civil actions in the same court, except as otherwise provided in the Act. The court also may allow as taxable costs certain amounts that cannot exceed the maximum set under the Act. The bill would increase those maximum amounts as follows:

- \$150, up from \$20, for a motion that results in dismissal or judgment.
- \$125, up from \$15, for a judgment taken by default.
- \$150, up from \$20, for the trial of a claim for possession only.

- \$150, up from \$20, for the trial of a claim for damages only.
- \$175, up from \$30, for a trial including both a claim for possession and a claim for money judgment.

MCL 600.5759

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Public Act 120 of 1972 added Chapter 57 to the Revised Judicature Act to allow summary proceedings for the recovery of premises. Among its provisions, Public Act 120 permits a court in these cases to assess certain taxable costs. Some people contend that the amounts specified in 1972 are no longer sufficient to cover the costs incurred by a party in a case. For example, \$20 does not pay today's costs for hiring a lawyer to file a motion. The bill would increase the maximum amounts of taxable costs that a judge may assess to levels that would reflect an inflationary increase of 3% for each of the 25 years since the fees were first enacted. The assessment of these costs still would be left to a judge's discretion, but could not exceed the amounts specified in the bill.

Response: Some people question whether the maximum amounts for taxable costs proposed in the bill would be higher than costs that currently may be assessed in other civil actions.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: B. Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.