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House Bill 4871 (Substitute H-2 as passed by the House)
Sponsor: Representative Ruth Ann Jamnick
House Committee: Judiciary
Senate Committee: Judiciary

Date Completed: 2-26-04

CONTENT

The bill would amend the Revised Judicature Act to increase certain taxable costs that the court may allow under Chapter 57 ("Summary Proceedings to Recover Possession of Premises"). The bill would take effect on July 1, 2004.

The Act specifies that, in proceedings under Chapter 57, costs may be allowed in the same amounts as are provided by law in other civil actions in the same court, except for certain costs specifically provided for under the Act in the Supreme Court and the circuit court (MCL 600.2441). The court also may allow as taxable costs under Chapter 57 certain maximum amounts for particular proceedings. (Taxable costs are amounts that a court may require a nonprevailing party to pay to a prevailing party for expenses of the litigation.) The bill would increase those taxable costs as shown in Table 1.

Table 1

Proceeding	Current Maximum	Proposed Maximum
Motion resulting in dismissal or judgment	\$20	\$75
Judgment taken by default ^{a)}	\$15	\$75
Trial of a claim for possession only	\$20	\$150
Trial of a claim for damages only ^{b)}	\$20	\$150
Trial including both a claim for possession and a claim for a money judgment	\$30	\$150
^{a)} The bill would add "or consent". ^{b)} The bill would refer to a claim for "a money judgment" rather than for "damages".		

The Act requires the judge, in determining taxable costs in tenancy cases, to consider whether the jury or judge found that a portion of the rent allegedly due to the plaintiff was excused by reason of the plaintiff's breach of the lease or breach of statutory covenants. The bill would retain this requirement.

(Under Chapter 57, a landlord may initiate a civil action in district or municipal court to seek to recover possession of premises, such as land, an apartment, condominium property, or a mobile home that is used or intended for use primarily as a dwelling or as a place for commercial or industrial operations or storage. An action may be commenced for such reasons as failure or refusal to pay rent; refusal to vacate the premises after termination of a lease; violation of the terms of a lease; causing a serious and continuing health hazard; taking

possession by forcible entry, holding possession by force after a peaceable entry, or coming into possession by trespass; or continuing in possession of the premises after the sale of the property. Chapter 57 and court rules contain procedures for the expedited recovery of the property.)

MCL 600.5759

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have an indeterminate impact on the State and local units of government. Revenue received or costs incurred would depend on the number of cases in which the State or a local unit of government was involved in summary proceedings and whether the State or local unit was the prevailing party.

Fiscal Analyst: Bethany Wicksall