



Senate Fiscal Agency
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**BILL ANALYSIS**

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House Bill 4138 (Substitute H-1 as passed by the House)
Sponsor: Representative Lorence Wenke
House Committee: Local Government and Urban Policy
Senate Committee: Local, Urban and State Affairs

Date Completed: 5-4-06

CONTENT

The bill would create the "Inclusive Home Design Act" to require that at least 50% of newly constructed family residential real estate receiving funding under the State Housing Development Authority Act be constructed so that the property complied with the accessibility provisions of the Michigan Building Code, adopted under the Single State Construction Code Act, for type "B" dwelling or sleeping units as defined in the Building Code. The requirement would begin on January 1, 2007, and apply to property newly constructed after December 31, 2006.

The bill also would require each applicant for assistance from the Michigan State Housing Development Authority (MSHDA) to submit an assurance that family residential real estate to be newly constructed after December 31, 2006, with funding provided by MSHDA would comply with the proposed Act. The assurance would have to be on forms developed and supplied by MSHDA.

The bill would define "family residential real estate" as real property located in this State, to be newly constructed for residential purposes and intended for occupancy by a single family, two families, or three families, that is constructed using funds provided under the State Housing Development Authority Act as a construction period loan, a bridge loan, or other temporary financing with a maximum term of 24 months. "Family residential real estate" would not include upper units in duplexes that are designed in an over-and-under fashion.

"Applicant" would mean one or more individuals, corporations, nonprofit corporations, partnerships, associations, limited liability companies, labor organizations, mutual corporations, joint stock companies, trusts, unincorporated associations, trustees, and entities formed under the State Housing Development Authority Act.

(Under Section 1102.1 of the Building Code, a type "B" dwelling unit or sleeping unit is "a dwelling unit or sleeping unit designed and constructed for accessibility in accordance with ICC [International Code Council] A117.1, consistent with the design and construction requirements of the federal Fair Housing Act. Chapter 11 of the Building Code controls the design and construction of facilities for accessibility to physically disabled individuals.)

The bill contains the following language: "This amendatory act does not take effect unless House Bill No. 4773 is introduced at anytime during the 93rd Legislature." (That bill, which was introduced on May 11, 2005, would amend the Revised Judicature Act to delete immunity for drug manufacturers in product liability actions for drugs that have been approved by the U.S. Food and Drug Administration.)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

According to the Department of Labor and Economic Growth, this bill could increase the costs of single unit projects, but these costs would be covered with Federal funds. The bill would have no impact on the General Fund.

The bill would have no fiscal impact on local government.

Fiscal Analyst: Elizabeth Pratt
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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.