



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4171 (Substitute S-1 as reported)
Sponsor: Representative John Pastor
House Committee: Judiciary
Senate Committee: Judiciary

CONTENT

The bill would amend Chapter 57 (Summary Proceedings to Recover Possession of Premises) of the Revised Judicature Act to require a court to award damages for labor by a landlord, property manager, or tenant in repairing premises in the same manner as if a third party made the repairs; and require a landlord's, property manager's, or tenant's labor to be compensated at a rate the court determined to be reasonable based on usual and customary charges for the repairs. The bill would take effect on July 1, 2006, and apply to an action filed after that date.

Chapter 57 provides for civil actions in district court or a municipal court to recover the possession of premises and obtain certain ancillary relief. Except as provided by court rules, a party to summary proceedings may join claims and counterclaims for money judgment for damages attributable to wrongful entry, detainer, or possession, for breach of the lease or contract under which the premises were held, or for waste or malicious destruction to the premises. The court may order separate summary disposition of the claim for possession, without prejudice to any other claims or counterclaims. A claim or counterclaim for money judgment may not exceed the amount in controversy that otherwise limits the court's jurisdiction.

The bill specifies that, if the court awarded damages for physical injury to the premises by making an award for or based on the cost of repairs, the court would have to award damages for labor expended by a landlord or property manager in repairing the premises in the same manner as it would if the repairs were performed by a third party.

In addition, if the court determined that the landlord breached the lease or contract by failing to repair the premises and awarded damages by making an award for or based on the cost of repairs, the court would have to award damages for labor expended by the tenant in repairing the premises in the same manner as it would if the repairs were performed by a third party.

MCL 600.5739

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

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

Date Completed: 5-3-06

Fiscal Analyst: Stephanie Yu