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House Bill 5817 (Substitute H-1 as reported by the Committee of the Whole)

House Bill 5818 (Substitute H-1 as reported with amendments)

House Bill 5819 (Substitute H-2 as reported by the Committee of the Whole)

Sponsor: Representative Steve Tobocman (H.B. 5817)

Representative Leon Drolet (H.B. 5818) Representative John Garfield (H.B. 5819)

House Committee: Government Operations

Senate Committee: Transportation

## **CONTENT**

<u>House Bill 5817 (H-1)</u> would amend Public Act 40 of 1965, which provides for allowances for moving personal property from real property acquired by a public agency, to do the following:

- -- Increase from \$1,000 to \$5,250 the maximum payment to reimburse an individual or family who must relocate due to a condemnation proceeding.
- -- Establish a \$3,500 fixed payment that a person with a leasehold interest of less than six months could elect to receive instead of a moving allowance or any other payment under the Act, other State law, or Federal law.
- -- Allow a court to award attorney fees and costs to a person with a leasehold interest of less than six months who brought a successful action to recover the moving allowance or fixed payment.

House Bill 5818 (H-1) would amend the Uniform Condemnation Procedures Act (UCPA) to allow a court to award reasonable attorney or expert witness fees to a person who brought an unsuccessful challenge to a condemnation action that involved the relocation of an indigent person, if the court found that he or she had a reasonable and good faith claim that the property was not being taken for a public use. (This provision would not apply to a proceeding concerning the taking of property for the construction of a government-owned transportation project.)

<u>House Bill 5819 (H-2)</u> would amend the UCPA to require payment to be made to an owner or relocated person at least 30 days before physical dispossession, and provide that an individual could not be required to move until he or she had a reasonable opportunity of up to 180 days after payment of moving expenses or the moving allowance under Public Act 40 of 1965 to relocate to a comparable replacement dwelling.

The bills are tie-barred to each other. They would take effect on December 23, 2006.

MCL 213.352 (H.B. 5817)

213.66 (H.B. 5818)

213.59 (H.B. 5819)

Legislative Analyst: Julie Koval

## **FISCAL IMPACT**

The bills would result in an indeterminate increase in land acquisition costs for the State and local units of government.

Date Completed: 6-21-06 Fiscal Analyst: Bill Bowerman