



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 6638 (Substitute H-1 as reported without amendment)
House Bill 6639 (Substitute H-1 as reported without amendment)
Sponsor: Representative LaMar Lemmons III (H.B. 6638)
Representative Leon Drolet (H.B. 6639)
House Committee: Commerce (H.B. 6638)
Government Operations (H.B. 6639)
Senate Committee: Transportation

CONTENT

House Bills 6638 (H-1) and 6639 (H-1) would amend Public Act 208 of 1949 (which regulates neighborhood area improvements) and Public Act 344 of 1945 (which governs blighted area rehabilitation), respectively, to define the term "blighted property"; allow a municipality to acquire blighted property only by condemnation; and require eminent domain proceedings to be conducted in accordance with the State Constitution, in addition to State law or local charter.

Under the bills, "blighted property" would mean property that meets any of the following criteria:

- Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.
- Is an attractive nuisance because of physical condition or use.
- Is a fire hazard or is otherwise dangerous to the safety of people or property.
- Has had the utilities, plumbing, heating, or sewerage disconnected, destroyed, removed, or rendered ineffective for at least one year so that the property is unfit for its intended use.
- Is improved real property that has remained vacant for five consecutive years and is not maintained in accordance with applicable local housing or property maintenance codes or ordinances.
- Has code violations posing a severe and immediate health or safety threat and has not been substantially rehabilitated within one year after the receipt of notice to rehabilitate from the appropriate code enforcement agency or final determination of any appeal, whichever is later.
- Is tax reverted property owned by a municipality, a county, or the State.
- Is owned or under the control of a land bank fast track authority.

MCL 125.942 & 125.944 (H.B. 6638)
125.72 et al. (H.B. 6639)

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bills would have an indeterminate effect on State and local revenue and expenses depending upon the characteristics of the property affected by the bills.

Date Completed: 12-13-06

Fiscal Analyst: David Zin