

Legislative Analysis



LANDLORDS TO DISCLOSE FLOOD PLAIN

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House Bill 6548

Sponsor: Rep. Joan Bauer

Committee: Intergovernmental, Urban and Regional Affairs

Complete to 11-11-08

A SUMMARY OF HOUSE BILL 6548 AS INTRODUCED 10-15-08

The bill would amend the Landlord-Tenant Act (MCL 554.601b) to require landlords to disclose when their residential rental properties are in a flood zone.

The bill requires that as a condition to entering into a valid written lease, a landlord must inform a tenant in a written document signed by the landlord (as well as the tenant) that the premises that are the subject of the lease are located in a flood zone, if that is the case.

If a landlord violated this requirement and a tenant suffered a loss of, or damage to, his or her property because of a flood, then the tenant could terminate the lease and be entitled to recover from the landlord *all* of the following: actual damages; \$500 or one month's rent, whichever was greater; and court costs and reasonable attorney fees, if incurred.

The bill specifies that it would be a complete defense to an action that the landlord did not know that the property was located in a flood zone.

The bill would define "flood zone" to mean one or more of the following: (a) any area of land in the 100-year floodplain that is susceptible to being inundated by water from any source; (b) any area of land that has been identified by the Federal Emergency Management Agency under federal statute, 42 USC 4001; and (c) any area of land that borders any river, stream, or other natural body of water and is typically subject to flooding at least once per calendar year.

FISCAL IMPACT:

The bill would have no material budgetary impact on the state or local units of government. The act provides that the Attorney General or any affected individual may bring an action to enforce the act in a court of competent jurisdiction in the county where the defendant resides or does business. Any costs related to enforcement of the act, through the court system, would not be significant.

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