



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5319 (Substitute H-1 as passed by the House)
Sponsor: Representative Shanelle Jackson
House Committee: Intergovernmental, Urban, and Regional Affairs
Senate Committee: Local, Urban and State Affairs

Date Completed: 3-4-08

CONTENT

The bill would amend the Housing Law of Michigan to allow the legislative body of a municipality to designate a violation of an ordinance prohibiting dangerous buildings as a blight violation.

Under the Housing Law, if a building or structure is found to be a dangerous building, an enforcing agency must issue a notice to that effect to the owner, agent, or lessee. The notice must specify the time and place of a hearing on whether the building or structure is a dangerous building. After the hearing, the hearing officer must make a decision either closing the proceedings or ordering the building or structure demolished, made safe, or properly maintained. If the owner, agent, or lessee fails or refuses to comply with the order, the hearing officer must file a report with the legislative body of the municipality, or with a board of appeals if one has been established, requesting that necessary action be taken to enforce the order.

A person who fails or refuses to comply with an order approved or modified by the legislative body or board of appeals within the time prescribed is guilty of a misdemeanor, punishable by imprisonment for a maximum of 120 days, or a fine of up to \$1,000, or both. The bill would make an exception to this provision.

Under the bill, if the legislative body of a municipality formed under the Home Rule City Act had enacted an ordinance that was substantially the same as Sections 138 to 142 of the Housing Law, the municipality could designate the violation of its ordinance as a blight violation in accordance with Section 4q of the Home Rule City Act. (That section authorizes cities with a certain population to establish an administrative hearings bureau to adjudicate and impose sanctions for violations of a charter or ordinance designated in a charter or ordinance as blight violations. An administrative hearings bureau and its hearing officers do not have the authority to impose a penalty of incarceration and may not impose a civil fine greater than \$10,000.)

Sections 138 to 142 of the Housing Law prohibit an owner or agent of an owner from keeping or maintaining any dwelling or part of a dwelling that is a dangerous building. Under the sections, a "dangerous building" is a building or structure that has one or more defects or is in a condition described in the Law, including noncompliance with a fire code, damaged by fire, wind, flood, neglect, or vandalism, or in such a condition that part of the building or structure is likely to fall or collapse because of dilapidation, deterioration, or faulty construction.

MCL 125.541b

Legislative Analyst: Craig Laurie

FISCAL IMPACT

The bill would have no fiscal impact on State revenue or expenditure. Local unit revenue could be increase to the degree that additional civil fines were imposed and/or changes resulting from the bill improved property values. Local unit expenses could rise to the extent that additional costs were incurred to address the larger array of potential blight violations.

To the extent that the bill resulted in fewer criminal convictions, local government would incur reduced costs of incarceration in local facilities, which vary by county, and there would be less penal fine revenue, which benefits public libraries.

Fiscal Analyst: David Zin

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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.