

Legislative Analysis



COMBINATION RESIDENTIAL AND COMMERCIAL STRUCTURES

Phone: (517) 373-8080
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Senate Bill 986 (S-1) as passed by the Senate
Sponsor: Sen. Ed McBroom
House Committee: Regulatory Reform
Senate Committee: Regulatory Reform
Complete to 11-30-20

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

Senate Bill 986 would amend the Occupational Code to change definitions and provisions pertaining to those who build, repair, or maintain **residential structures**. Specifically, the bill would remove a reference to *combination residential and commercial structures* so that a person engaged in constructing, manufacturing, or erecting a combination residential and commercial structure would not have to obtain a license as a residential builder, and a person that repairs or rehabilitates a combination residential and commercial structure would not have to obtain a license as a residential maintenance and alteration contractor.

Residential structure would be redefined to mean one or both of the following:

- A detached one- or two-family dwelling, and all related facilities appurtenant to that dwelling, used or intended to be used as an adjunct of residential occupancy.
- A townhouse of not more than three stories above the grade plane in height with a separate means of egress, and all related facilities appurtenant to that townhouse, used or intended to be used as an adjunct of residential occupancy.

References to *combination residential and commercial structures* would also be removed from provisions pertaining to complaints and a penalty for failure to deliver to the purchaser the entire agreement of the parties.

In addition, the bill states that it is the intent of the legislature that the changes to the definitions apply retroactively beginning six years before the bill's effective date.

MCL 339.2401 and 339.2411

FISCAL IMPACT:

Senate Bill 986 would not have an appreciable fiscal impact on any unit of state or local government.

Legislative Analyst: Susan Stutzky
Fiscal Analyst: Marcus Coffin

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