

HOUSE BILL NO. 5963

July 22, 2020, Introduced by Rep. Anthony and referred to the Committee on Regulatory Reform.

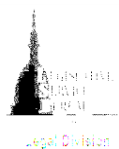
A bill to amend 1972 PA 348, entitled

"An act to regulate relationships between landlords and tenants relative to rental agreements for rental units; to regulate the payment, repayment, use and investment of security deposits; to provide for commencement and termination inventories of rental units; to provide for termination arrangements relative to rental units; to provide for legal remedies; and to provide penalties,"

by amending section 7 (MCL 554.607).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 7. **(1)** A security deposit may be used only for the
- 2 following purposes:



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1 (a) Reimburse the landlord for actual damages to the rental
2 unit or any ancillary facility that are the direct result of
3 conduct not reasonably expected in the normal course of habitation
4 of a dwelling.

5 (b) Pay the landlord for all rent in arrearage under the
6 rental agreement, rent due for premature termination of the rental
7 agreement by the tenant, and for utility bills not paid by the
8 tenant.

9 (2) Notwithstanding any other provisions in this act, during a
10 state of emergency declared by the governor under the emergency
11 management act, 1976 PA 390, MCL 30.401 to 30.421, or 1945 PA 302,
12 MCL 10.31 to 10.33, a tenant may request that the landlord use the
13 security deposit to cover the rent due for the rental unit. If the
14 landlord agrees to the request, the landlord shall apply the
15 security deposit to the rent due for the rental unit.

