SUBSTITUTE FOR SENATE BILL NO. 205

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,"

(MCL 554.601 to 554.616) by amending the title and by adding section 1c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- TITLE
- 2 An act to regulate relationships between landlords and tenants
- 3 relative to rental agreements for rental units; to guarantee full
- 4 and equal access to, and full and equal use and enjoyment of,

- 1 residential rental accommodations regardless of a tenant's or
- 2 prospective tenant's source of income; to regulate the payment,
- 3 repayment, use, and investment of security deposits; to provide for
- 4 commencement and termination inventories of rental units; to
- 5 provide for termination arrangements relative to rental units; to
- 6 provide for legal remedies; and to provide penalties.
- 7 Sec. 1c. (1) A landlord shall not, based on the source of
- 8 income of an otherwise eligible prospective or current tenant, do
- 9 any of the following:
- 10 (a) Deny or terminate a tenancy to the prospective or current
- 11 tenant.
- 12 (b) Make any distinction, discrimination, or restriction
- 13 against the prospective or current tenant in the price, terms,
- 14 conditions, fees, or privileges relating to the rental, lease, or
- 15 occupancy of a rental unit or in the furnishing of any facilities
- 16 or services in connection with the rental, lease, or occupancy of
- 17 the rental unit.
- 18 (c) Otherwise make unavailable or deny any rental unit to the
- 19 prospective or current tenant if the prospective or current tenant
- 20 would be eligible to rent the rental unit but for the individual's
- 21 source of income.
- 22 (d) Represent to the prospective tenant that a rental unit is
- 23 not available for inspection, rental, or lease when in fact it is
- 24 so available, or knowingly fail to bring a rental listing to the
- 25 prospective tenant's attention, or refuse to permit the prospective
- 26 tenant to inspect a rental unit.
- 27 (e) Make any distinction, discrimination, or restriction
- 28 against the prospective or current tenant in the price, terms,
- 29 conditions, fees, or privileges relating to the rental, lease, or

- occupancy of any rental unit on the basis of the prospective or current tenant's use of emergency rental assistance.
- 3 (f) If the landlord requires a prospective or current tenant 4 to have a certain threshold level of income, exclude any source of 5 income in the form of a rent voucher or subsidy when calculating 6 whether the income criteria have been met. This subdivision does 7 not apply to emergency rental assistance.
- 8 (g) Attempt to discourage the rental or lease of any rental 9 unit to the prospective or current tenant.
- (h) Publish, circulate, display, or cause to be published,
 circulated, or displayed any communication, notice, advertisement,
 or sign of any kind relating to the rental or lease of any rental
 unit that indicates a preference, limitation, or requirement based
 on any source of income.
- 15 (i) Assist, induce, incite, or coerce another person to commit 16 an act or engage in a practice that violates this subsection.
- (j) Coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of the person having exercised or enjoyed or having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected under this subsection.
- (2) A person alleging a violation of this section may bring a civil action for appropriate injunctive relief or damages, or both. As used in this subsection, "damages" means actual damages for
- 25 injury or loss caused by each violation of this section, or up to 3
- 26 times the monthly rent for the rental unit or units at issue,
- 27 whichever is less, together with court costs and reasonable
- 28 attorney fees.
- 29 (3) An action commenced under subsection (2) may be brought in

- 1 the circuit court for the county where the alleged violation
- 2 occurred, or for the county where the person against whom the civil
- 3 complaint is filed resides or where that person's principal place
- 4 of business is located.
- 5 (4) This section does not apply to a person if the person,
- 6 including all related entities to that person, is a landlord of
- 7 fewer than 5 rental units in this state. As used in this
- 8 subsection:
- 9 (a) "Person" means an individual, partnership, corporation,
- 10 association, limited liability company, or any other legal entity.
- 11 (b) "Related entity" means a person that, directly or
- 12 indirectly, controls, is controlled by, or is under common control
- 13 with another person.
- 14 Enacting section 1. This amendatory act does not take effect
- 15 unless Senate Bill No. 206 of the 102nd Legislature is enacted into
- **16** law.