



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bill 372 (as reported without amendment)

Sponsor: Senator Rosemary Bayer

Committee: Housing and Human Services

**CONTENT**

The bill would amend the landlord-tenant Act to do the following:

- Allow a landlord to elect to accept a reusable consumer screening report from a prospective tenant that was prepared at the prospective tenant's request.
- Prohibit a landlord that accepted a prospective tenant's screening report from collecting a rental application fee from that individual.
- Allow a landlord to charge a \$25 rental application fee upon declining to accept a screening report from a prospective tenant but specify that the fee only could be used by the landlord to obtain such a report if the landlord provided the following notification to the applicant.
- Require a landlord to notify a prospective tenant of certain information such as criteria for an application's denial or approval and information on the occupancy available, among other things.
- Prohibit a landlord from using a prospective tenant's credit score or the fact that the prospective tenant was a party to a judicial action involving a dispute that arose under a tenancy in which there was no finding of liability against the prospective tenant in determining a prospective tenant's eligibility for a lease.
- Upon denying or conditionally approving a prospective tenant's rental application, require a landlord to inform the prospective tenant of such and provide the prospective tenant a copy of the report relied on in the decision and an opportunity to meet with the landlord to discuss the decision.
- Allow a tenant to bring a civil action against a landlord who violated the bill's provisions for actual damages up to \$1,000, reasonable attorney fees, and the costs of bringing the action.

MCL 554.601 et al.

**BRIEF RATIONALE**

According to the National Low Income Housing Coalition, 27% of Michigan households rent their homes.<sup>1</sup> The Coalition found that 28% of the State's renter population make 30% of the Area Median Income (AMI), a threshold the U.S. Department of Housing and Urban Development uses to classify households as extremely low-income.<sup>2</sup> Low-income households face barriers in accessing rental housing. For example, a renter's poor credit score may deter a leasing company or landlord from approving an application, so a renter may be forced to apply to multiple rental properties and pay multiple application fees. Accordingly, it has been

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<sup>1</sup> National Low Income Housing Coalition, *2025 State Report: Michigan*, p. 2, 2025.

<sup>2</sup> Generally, the AMI is the midpoint of an area's income distribution; 50% of households in the region make more than the AMI, while 50% make less. The Coalition found Michigan's AMI as \$97,246 and 30% of the State's AMI as \$29,174. The monthly rent affordable at 30% AMI is \$729 a month, according to the Coalition.

suggested that the State help low-income renters access housing by regulating rental requirements and fees.

### **PREVIOUS LEGISLATION**

*(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)*

The bill is a reintroduction of Senate Bill 883 of the 2023-2024 Legislative Session.

Legislative Analyst: Abby Schneider

### **FISCAL IMPACT**

The bill would likely not have a fiscal impact on State or local courts. It would not generate revenue or create significant costs for courts. While a violation by a landlord under the language of the bill could increase costs for district courts, the use of reusable reports could indirectly reduce such costs.

Date Completed: 9-10-25

Fiscal Analyst: Michael Siracuse

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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.