

HOUSE BILL No. 4012

January 13, 1999, Introduced by Rep. Jelinek and referred to the Committee on Family and Civil Law.

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 2 (MCL 554.602).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) A landlord may require a security deposit for
2 each rental unit. A security deposit shall be required and main-
3 tained in accordance with the terms of this act and shall not
4 exceed 1-1/2 months' rent.

5 (2) IN THE CASE WHERE MORE THAN 1 TENANT SIGNS A RENTAL
6 AGREEMENT, THE LANDLORD SHALL ALLOW THE APPORTIONMENT OF THE
7 SECURITY DEPOSIT EQUALLY AMONG THE PARTIES.

1 (3) UPON EXPIRATION OR TERMINATION OF A LEASE IN WHICH 1 OR
2 MORE TENANTS HAVE SIGNED A RENTAL AGREEMENT AND APPORTIONED THE
3 SECURITY DEPOSIT, THE LANDLORD SHALL RETURN THE APPORTIONED SHARE
4 OF THE SECURITY DEPOSIT TO THE TENANTS IN THE MANNER PROVIDED FOR
5 UNDER THIS ACT. THE LANDLORD MAY RENEW THE LEASE WITH SUBSTI-
6 TUTED PARTIES OR MAY EXECUTE A NEW LEASE AND SHALL ACCEPT AN
7 APPORTIONED SECURITY DEPOSIT. THIS SUBSECTION DOES NOT ALLOW A
8 LANDLORD TO RETAIN AN APPORTIONED SHARE OF A SECURITY DEPOSIT
9 BELONGING TO A TENANT NOT SUBJECT TO THE RENEWED OR NEW LEASE.