August 13, 2003, Introduced by Senators SCHAUER, LELAND and GOSCHKA and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

A bill to amend 1993 PA 92, entitled

"Seller disclosure act,"

by amending the title and section 15 (MCL 565.965) and by adding section 14a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to require certain disclosures in connection with

B transfers of residential property; and to provide for certain

4 penalties and remedies.

Sec. 14a. (1) A transferor shall not deliver false or

inaccurate information to a transferee in a disclosure under this

7 act or fail to deliver to a transferee information that is

8 required to be delivered in a disclosure required under this

9 act.

(2) A person who knowingly violates subsection (1) is guilty

00754'03 DRM

- 1 of a misdemeanor punishable by imprisonment for not more than 6
- 2 months or a fine of not more that \$2,500.00, or both.
- 3 (3) A transferee who suffers a loss as a result of a
- 4 violation of subsection (1) in which the transferor knew or
- 5 should have known that the information was false or inaccurate,
- 6 or that the information was required to be delivered, may bring
- 7 an action in a court of competent jurisdiction to recover actual
- 8 damages resulting from that violation or \$2,500.00, whichever is
- 9 greater. Actual damages include the reasonable expenses of the
- 10 transferee in repairing a condition of the property as to which
- 11 false or inaccurate information was provided or information was
- 12 omitted. A transferee may also recover reasonable attorney fees
- 13 in an action under this subsection. An action under this
- 14 subsection may be commenced at any time within 2 years after the
- 15 transferee discovers the existence of the claim.
- 16 Sec. 15. An agent of a transferor shall is not be
- 17 civilly or criminally liable for any violation of this act by a
- 18 transferor unless -any the agent knowingly acts in concert with
- 19 a transferor to violate this act.

00754'03 Final Page DRM