



MICHIGAN

LEGISLATIVE ACTION COMMITTEE

Community Associations Institute

2023-2024 Michigan End of Legislative Session Report

Community Associations Institute (CAI) Michigan Legislative Action Committee (MILAC) spent this two-year session advocating on behalf of the [approximately 1,439,000 Michiganders living in 584,700 homes in more than 8,650 community associations](#) across the state. The Michigan legislature was in session from January 11, 2023 through November 14, 2023 and from January 10, 2024 through December 19, 2024.

CAI MILAC Annual Advocacy Summit Recap

2023: On February 28, MILAC members and advocates met in Lansing, Mich., for the MILAC annual Legislative Advocacy Day to discuss their public policy priorities with legislators, including addressing the Marketable Record Title Act and reserve study and funding requirements and regulations. Alongside the lobby day, MILAC also hosted a virtual fly-in during which 10 advocates sent a total of 20 messages to 16 state legislators about the public policy priorities.

2024: On February 21, CAI Michigan Legislative Action Committee (MILAC) members and advocates met in Lansing, Mich., for the MILAC Legislative Advocacy Day to advocate again on behalf of the 1.439 million Michiganders living in community associations. Meeting with almost 15 state legislators and their staffs, MILAC spent the day advocating for stronger reserve study and funding regulations and policy as well as improvements to the Michigan Marketable Record Title Act.

CAI MILAC Legislative Advocacy Overview

More than 3923 bills were introduced in Michigan during this legislative session, and MILAC monitored 17 bills that would have directly affected community associations. Below is a brief overview:



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MARKETABLE RECORD TITLE ACT

2022 PA 235 was enacted in December 2022, which amended MCL 565.104 to exclude any land use restriction from applicability of the MRTA. However, there was a significant risk that after March 29, 2024, the MRTA could be used to invalidate recorded restrictions older than 40 years. MILAC **supported** an extension, which eventually passed as Public Act 20 of 2024, giving community associations until September 29, 2025, to take steps to preserve their recorded restrictions by recording a notice of claim. Before then, the LAC will continue its lobbying efforts to attempt to exempt as many community association restrictions from the MRTA as possible.

Status: **Extension granted until September 29, 2025**

HB 5019 – RESERVE STUDY LEGISLATION

MI LAC **initiated and supported** this legislation that aligns tightly with CAI National's updated [Reserves Public Policy](#), amending existing Michigan law that requires condominium associations to have a reserve fund by requiring associations to periodically conduct or update reserve studies. The bill requires an existing condominium to conduct a reserve study within 3 years of passage of the legislation, and every 5 years after that. This legislation applies to condominiums with a budget of \$20,000 or more or at least 20 units. For condominiums still under developer control, the bill would require a reserve study to take place at least 30 days before transition.

Status: **Died in committee. Will be reintroduced in 2025.**

HB 5028 – ENERGY-SAVING HOME IMPROVEMENTS

MILAC **opposed** this legislation as originally drafted, which infringes on the ability of community associations to determine the best environmental policy for its owners and residents. MILAC saw this bill as a flawed effort to promote sustainable energy in the State of Michigan and lobbied against its enactment. In addition, the bill had a number of other issues with terminology and lack of definitions.



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HB 5028 severely curtails the ability of community associations to make independent decisions regarding the installation of solar panels and other perceived energy-saving devices and would mandate that most of these items be permitted even over the objection of a majority of the community. HB 5028 overrides the architectural review authority of Michigan communities and also creates confusion in determining the primary responsibility for maintenance, repair, and replacement of solar panels and the roofing on which it is installed. The bill also lacks information on insurance implications of changes to common elements to install energy saving improvements and solar panels.

MILAC repeatedly met with members of the Senate's Energy and Policy Committee to discuss the reason for MILAC's opposition and worked throughout the legislative session to improve the language in the bill. As a result of an opposition campaign coordinated by MILAC, more than 45 Michiganders voiced their opposition, and because of that advocacy, MILAC was able to meet with the bill sponsors of the legislation to discuss concerns. Nonetheless, the Bill was introduced in September 2023, passed the House in November 2023, and then passed the Senate in June 2024.

Status: Enacted effective July 30, 2024 – Now Public Act 68 of 2024

HB 5940 (REPEAL OF 2024 PA 68 – HB 5028)

MILAC **supported** this legislation which would have repealed the recently enacted Public Act 68 of 2024 that infringes on the ability of community associations to determine the best environmental policy for its owners and residents.

Status: Died

HB 5630 and HB 5631 – ANTIDISCRIMINATION IN FORECLOSURES

MILAC **monitored** several antidiscrimination bills in the 2023-2024 legislative session, including legislation meant to prevent discrimination in foreclosures. This legislation makes modifications for requirements around notifications of eviction and foreclosure brought against people with disabilities. CAI'S public policy on [fair housing](#) demonstrates



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support for the right of all individuals to be free from illegal discrimination on the basis of race, color, religion, sex, familial status, national origin or disability.

Status: Died

HB 4003/SB 004 – ANTIDISCRIMINATION LEGISLATION

MILAC **monitored** several antidiscrimination bills in the 2023-2024 legislative session, including legislation that prohibits housing discrimination based on sexual orientation and gender identity. This legislation amends the Elliott-Larsen Civil Rights Act to include sexual orientation and gender identity or expression as protected categories under Elliott-Larsen Civil Rights Act. These amendments codify the prohibition against discrimination based on sexual orientation, gender identity or gender expression. CAI's public policy on [fair housing](#) demonstrates **support** for the right of all individuals to be free from illegal discrimination on the basis of race, color, religion, sex, familial status, national origin or disability.

Status: Enacted effective March 21, 2023 – Now Public Act 6 of 2023

SB 129 – REDEVELOPMENT PLANS

MILAC **monitored** this legislation which would allow municipalities to establish redevelopment plans for brownfields, or lots, the development of which might be complicated by the potential presence of a hazardous, contaminating, or otherwise polluting substance. MILAC monitored this legislation in case the legislation was amended in a way that would impact community associations.

Status: Enacted effective July 20, 2023 – Now Public Act 90 of 2023

HB 4837/SB 451 – TIMELY PAYMENT TO CONTRACTORS

MILAC **opposed** this legislation, as in the last legislative session, which would require owners to make “prompt payment,” defined as within 30 days of completion, to contractors or pay 12% interest.

Status: Died



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HB 558 – SOLAR GENERATORS

MILAC **opposed** this legislation which would infringe on the ability of community associations to determine the best environmental policy for its owners and residents regarding solar generators. In addition, the bill had a number of other issues with terminology and lack of definitions. More than 45 Michiganders voiced their opposition to the legislation and the bill was successfully stopped in the Senate in 2023.

Status: **Died**

HB 5438 – SHORT-TERM RENTAL REGULATION ACT

MILAC **monitored** this legislation which would create the “Short-Term Rental Regulation Act.” The Act would create several regulations for a property offered as a short-term rental, including safety and insurance standards, a requirement that a property offered as a short-term rental be properly registered with the Michigan Department of Licensing and Regulatory Affairs (LARA) and included in a short-term rental database, provisions allowing for limited local regulations on short-term rentals, and additional fees and requirements for rentals listed on a hosting platform. It would also establish a 6% tax for units rented 15 or more days in a year. The bill would take effect 60 days after it is enacted.

Status: **Died**

HB 4312 & HB 4313 – CONVERSION OF SUMMER RESORT ASSOCIATIONS INTO NONPROFIT CORPORATIONS

MILAC **monitored** this legislation which would permit the conversion of Summer Resort Associations into Nonprofit Corporations. CAI and MILAC **supported** the ability of associations to incorporate as nonprofit entities.

Status: **Passed House, Died in Senate**



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HB 4062, HB 4063, SB 205, SB 206 & SB 207 – DISCRIMINATION BASED ON SOURCE OF INCOME

MI LAC [monitored](#) several discrimination bills this session, including this legislation that prohibits housing discrimination based on source of income. CAI'S public policy on [fair housing](#) demonstrates support the right of all individuals to be free from illegal discrimination on the basis of race, color, religion, sex, familial status, national origin or disability. These Bills appear to have passed during the Lane Duck Session.

Status: Passed both chambers. Two are waiting for Governor Signature (HB 4062 & HB 4063). Three have been enacted into law (SB 205, SB 206, and SB 207).

Michigan Statutory Resource Corner

Generally, there are three laws in Michigan that regulate the activities of community associations: the Condominium Act (Does not apply to HOAs) [MCL 559.101 et seq.](#), the Non-profit Corporation Act [MCL 450.2101 et seq.](#), and the Cooperative Act (Does not apply to HOAs) [MCL 125.1401 et seq.](#)

GET INVOLVED IN CAI MICHIGAN ADVOCACY EFFORTS!

Track MI Legislation

CAI keeps track of legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock [here](#).

Support and Donate Today

CAI depends on professional lobbyists funded by community associations, businesses, and individuals to create the best public policy for the community association industry in Michigan. To support their efforts, visit caionline.org/lacdonate and select "Michigan."

Help Shape Future Legislation

Join our CAI Advocacy Ambassador program and become a part of the movement to create positive change. Your voice matters, so [sign up now](#) to make your mark!

CAI MI LAC and Chapter Contact Information:

[CAI Michigan Legislative Action Committee](#)

[Community Associations Institute – Michigan Chapter](#) - ced@cai-michigan.org - (734) 478-3756