



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 702 (Substitute S-3 as reported)
Sponsor: Senator Phil Pavlov
Committee: Education

CONTENT

The bill would amend the Educational Instruction Access Act to prohibit any deed restriction or affirmative use deed restriction on property sold by a local governmental body that affirmatively allowed for only one or more specified uses or purposes that did not include an educational use or purpose.

The bill also would repeal Section 1260 of the Revised School Code, which provides that, unless approved by the State Board of Education, a school board or intermediate school board may not impose any deed restriction prohibiting, or otherwise prohibit, property sold or transferred by the school board or intermediate school board from being used for any lawful public education purpose.

Under the Educational Instruction Access Act, a local governmental body offering property for sale, lease, or rent is prohibited from refusing to sell, lease, or rent that property to an educational institution or private school solely because that educational institution or private school intends to use the property for a lawful educational purpose. The Act also prohibits a local governmental body from imposing a deed restriction that prohibits property sold, leased, or transferred by that local governmental body from being used for a lawful educational purpose by an educational institution or private school.

Under the bill, a local governmental body could not impose, enforce, or apply any deed restriction that expressly, or by its operation, prohibited property sold, leased, or transferred by the local governmental body from being used for any lawful educational purpose by an educational institution or private school. Any deed restriction or affirmative use deed restriction that affirmatively allowed for only one or more specified uses or purposes that did not include an educational use or purpose would be prohibited. Any such deed restriction or affirmative use deed restriction in effect on the bill's effective date that prohibited or did not permit property previously used for an educational purpose from being used for any future educational purpose would be void.

If MCL 123.1045

Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bill would have an indeterminate impact on local governments and educational institutions, which would vary based on local policies, the specific contents of affirmative restrictions in place or under consideration, characteristics of individual property, and the market for similar properties in the area.

Date Completed: 12-13-17

Fiscal Analyst: Elizabeth Pratt

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Bill Analysis @ www.senate.michigan.gov/sfa

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