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BILL ANALYSIS



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Senate Bill 702 (as introduced 12-5-17)
Sponsor: Senator Phil Pavlov
Committee: Education

Date Completed: 12-5-17

CONTENT

The bill would amend the Educational Instruction Access Act to prohibit any deed restriction or affirmative use 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.

Under the 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 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 restriction in effect on July 13, 2017 (the effective date of the Act) that prohibited or did not permit property previously used for an educational purpose from being used for any future educational purpose would be void.

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. Current law already prohibits deed restrictions that would limit the sale of local government or educational institution property to a purchaser for a lawful educational use. The bill would expand the prohibition to affirmative restrictions that would limit have the impact of limiting the sale of property for a lawful educational purpose.

Fiscal Analyst: Elizabeth Pratt

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