

**SUBSTITUTE FOR
HOUSE BILL NO. 5718**

A bill to amend 1979 PA 214, entitled

"An act to provide for the disposition and sale of certain stolen or abandoned property recovered or discovered within a city, village, or township; and to provide for the disposition of the proceeds of sale and certain other property,"

by amending sections 1, 2, 3, and 4 (MCL 434.181, 434.182, 434.183, and 434.184), section 1 as amended by 2006 PA 556 and sections 2, 3, and 4 as amended by 1984 PA 258.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. **(1)** Except as otherwise provided in this section, a
2 law enforcement agency of a city, village, or township that
3 recovers stolen property or discovers abandoned personal property
4 within the city, village, or township, which is unclaimed for 6
5 months after recovery or discovery, shall report the recovery or
6 discovery of that property, including money, to the city or village

council or township board of trustees and shall request authority to dispose of the property as provided in this act or to give the property to the sheriff of the county to dispose of as provided in 1959 PA 54, MCL 434.171 to 434.174.

(2) If the property is an abandoned or stolen bicycle, the law enforcement agency may request authority from its governing body to donate the bicycle to a state licensed charitable organization.

(3) IF THE STOLEN PROPERTY OR ABANDONED PERSONAL PROPERTY IS NOT A WEAPON AND IS REUSABLE PROPERTY, THE LAW ENFORCEMENT AGENCY MAY REQUEST AUTHORITY FROM ITS GOVERNING BODY TO DONATE THE PROPERTY AS PROVIDED IN SECTION 2, TO AN ELIGIBLE RECIPIENT THAT, AT THE TIME OF THE DONATION, EXPECTS TO USE THE PROPERTY.

(4) AS USED IN THIS SECTION:

(A) "ELIGIBLE RECIPIENT" MEANS A CITY, VILLAGE, COUNTY, TOWNSHIP, SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, UNIVERSITY, COMMUNITY COLLEGE, PRIVATE NONPROFIT ORGANIZATION, PUBLIC SCHOOL ACADEMY, OR GOVERNMENTAL AUTHORITY, OR AN AGENCY OR DEPARTMENT OF A CITY, VILLAGE, COUNTY, TOWNSHIP, SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR A PRIVATE NONPROFIT ORGANIZATION.

(B) "PRIVATE NONPROFIT ORGANIZATION" MEANS A PRIVATE ORGANIZATION EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, 26 USC 501(C)(3).

Sec. 2. (1) The CITY OR village council or township board of trustees shall act upon the request of the law enforcement officer ~~within~~ **AGENCY UNDER SECTION 1** not less than 60 days **OR MORE THAN 6 MONTHS** after the receipt of the request. ~~and not more than 6 months after the receipt of the request.~~

(2) If the **CITY OR** village council or township board of trustees authorizes the law enforcement ~~officer~~**AGENCY** to give the property to the sheriff of the county, the law enforcement ~~officer~~**AGENCY** shall deliver the property to the sheriff within 10 days.

(3) If the **CITY OR** village council or township board of trustees authorizes the law enforcement ~~officer~~**AGENCY** to dispose of the property ~~pursuant to~~**THROUGH SALE UNDER** this act, the law enforcement ~~officer~~**AGENCY** shall conduct a sale of the property ~~in the manner~~**AS** provided in subsection (4).

(4) ~~The~~**IF THE LAW ENFORCEMENT AGENCY IS AUTHORIZED TO DISPOSE OF THE PROPERTY BY SALE, THE** law enforcement ~~officer~~**AGENCY** shall publish a notice in a newspaper of general circulation in the county not less than 5 days before the proposed sale of the property. The notice ~~shall~~**MUST** describe the property, including money, and ~~shall~~ state the time and place of the public sale at which the property may be purchased by the highest bidder. The law enforcement ~~officer~~**AGENCY** may obtain an appraisal to determine whether money, because of age, origin, metal content, or value as a collector's item, has a value other than its face value. Money ~~which~~**THAT** does not have a value other than its face value ~~shall~~**MUST** not be subject to the public sale provisions contained in this section. Until the date of the sale, the property may be claimed at the office of the law enforcement ~~officer~~**AGENCY**. If ownership of the property is proved, the property ~~shall~~**MUST** be turned over to the owner and the sale ~~shall~~**OF THAT PROPERTY MUST** be canceled. ~~insofar as the claimed property is concerned.~~

(5) **IF THE CITY OR VILLAGE COUNCIL OR TOWNSHIP BOARD OF**

1 TRUSTEES AUTHORIZES THE LAW ENFORCEMENT AGENCY TO DISPOSE OF THE
2 PROPERTY THROUGH DONATION, FOLLOWING A REQUEST UNDER SECTION 1(3),
3 THE LAW ENFORCEMENT AGENCY SHALL DONATE THE PROPERTY AS PROVIDED IN
4 SUBSECTION (6).

5 (6) IF THE LAW ENFORCEMENT AGENCY IS AUTHORIZED TO DISPOSE OF
6 THE PROPERTY BY DONATION, THE LAW ENFORCEMENT AGENCY SHALL PUBLISH
7 A NOTICE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY NOT
8 LESS THAN 5 DAYS BEFORE THE PROPOSED DONATION OF THE PROPERTY. THE
9 NOTICE MUST DESCRIBE THE PROPERTY AND PROVIDE THE ADDRESS OF THE
10 OFFICE OF THE LAW ENFORCEMENT AGENCY AND THE DATE THE PROPERTY WILL
11 BE DONATED. BEFORE THE DATE PROVIDED IN THE NOTICE, THE PROPERTY
12 MAY BE CLAIMED AT THE OFFICE OF THE LAW ENFORCEMENT AGENCY. IF
13 OWNERSHIP OF THE PROPERTY IS PROVED, THE PROPERTY MUST BE TURNED
14 OVER TO THE OWNER AND THE DONATION OF THAT PROPERTY MUST BE
15 CANCELED.

16 Sec. 3. The law enforcement ~~officer~~ **AGENCY** shall conduct the
17 sale of the unclaimed property and shall deposit the proceeds of
18 the sale, and money not subject to public sale, after deducting the
19 cost of the sale, including reasonable appraisal fees, with the
20 **CITY**, village, or township treasurer to the credit of the **CITY**,
21 village, or township general fund.

22 Sec. 4. (1) If, within 6 months after the sale **UNDER SECTION**
23 **2(4)**, the owner of the property files with the **CITY OR** village
24 council or township board of trustees a claim for the property and
25 proves a right to the property, the **CITY OR** village council or
26 township board of trustees shall direct the treasurer who received
27 the proceeds of the sale of that property to pay the owner the

1 amount of proceeds or the face value of money not subject to the
2 public sale provision contained in this act. The **CITY OR** village
3 council or township board of trustees shall not approve any claims
4 filed more than 6 months after the sale.

5 (2) A law enforcement ~~officer~~**AGENCY** disposing of property as
6 provided in this act ~~shall~~**IS** not ~~be~~ liable to the owner of that
7 property.

8 Enacting section 1. This amendatory act takes effect 90 days
9 after the date it is enacted into law.