

# HOUSE BILL No. 4521

April 20, 1999, Introduced by Reps. Lockwood, Birkholz, Jamnick, Minore, DeWeese, Tabor, Reeves, Hager and Julian and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
(MCL 211.1 to 211.157) by adding sections 79, 79a, 79b, 79c, 79d,  
79e, and 79f.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**



























1 TRANSFERRED. THE CITY, VILLAGE, OR TOWNSHIP SHALL DO 1 OR MORE  
2 OF THE FOLLOWING WITH THE CERTIFIED ABANDONED PROPERTY:

3 (A) DEMOLISH ANY UNSAFE STRUCTURE LOCATED ON THE CERTIFIED  
4 ABANDONED PROPERTY.

5 (B) REMEDIATE ANY ENVIRONMENTAL CONTAMINATION FOUND ON THE  
6 CERTIFIED ABANDONED PROPERTY OR NOTIFY THE DEPARTMENT OF ENVIRON-  
7 MENTAL QUALITY OR OTHER APPROPRIATE AGENCY OF THE EXISTENCE OF  
8 ENVIRONMENTAL CONTAMINATION ON THE CERTIFIED ABANDONED PROPERTY.

9 (C) SELL THE CERTIFIED ABANDONED PROPERTY TO A PRIVATE PUR-  
10 CHASER BY AUCTION OR DIRECT MARKETING.

11 (D) MAKE THE CERTIFIED ABANDONED PROPERTY AVAILABLE UNDER  
12 THE URBAN HOMESTEAD ACT.

13 (E) TRANSFER THE CERTIFIED ABANDONED PROPERTY TO A NONPROFIT  
14 ORGANIZATION FOR REHABILITATION AND REUSE.

15 (F) RETAIN THE CERTIFIED ABANDONED PROPERTY FOR A SPECIFIC  
16 PUBLIC PURPOSE, INCLUDING, BUT NOT LIMITED TO, A PARK, ZOO, OR  
17 UNIVERSITY, OR AS PART OF AN EXISTING PROJECT WITH AN ANTICIPATED  
18 COMPLETION DATE OF NOT MORE THAN 2 YEARS AFTER THE CERTIFIED  
19 ABANDONED PROPERTY IS TRANSFERRED TO THE CITY, VILLAGE, OR  
20 TOWNSHIP.

21 (G) NOT MORE THAN 90 DAYS AFTER THE CERTIFIED ABANDONED  
22 PROPERTY IS TRANSFERRED TO THE CITY, VILLAGE, OR TOWNSHIP, TRANS-  
23 FER THE CERTIFIED ABANDONED PROPERTY TO THIS STATE.

24 (7) A COUNTY TREASURER SHALL DEPOSIT THE PROCEEDS FROM THE  
25 SALE OF CERTIFIED ABANDONED PROPERTY UNDER THIS SECTION INTO A  
26 RESTRICTED ACCOUNT DESIGNATED AS THE "CERTIFIED ABANDONED  
27 PROPERTY SALES PROCEEDS FOR THE YEAR \_\_\_\_". PROCEEDS IN THAT

1 ACCOUNT SHALL ONLY BE USED BY THE COUNTY TREASURER FOR THE  
2 FOLLOWING PURPOSES IN THE FOLLOWING ORDER:

3 (A) FIRST, ALL COSTS OF THE SALE OF CERTIFIED ABANDONED  
4 PROPERTY FOR THE YEAR SHALL BE PAID.

5 (B) SECOND, ANY COSTS OF THE FORECLOSURE PROCEEDINGS FOR THE  
6 YEAR, INCLUDING, BUT NOT LIMITED TO, COSTS OF MAILING, PUBLICA-  
7 TION, PERSONAL SERVICE, AND OUTSIDE CONTRACTORS, SHALL BE PAID.

8 (C) THIRD, ANY COSTS FOR THE SALE OF CERTIFIED ABANDONED  
9 PROPERTY OR FORECLOSURE PROCEEDINGS FOR ANY PRIOR YEAR THAT HAVE  
10 NOT BEEN PAID OR REIMBURSED FROM THAT PRIOR YEAR'S CERTIFIED  
11 ABANDONED PROPERTY SALES PROCEEDS SHALL BE PAID.

12 (D) FOURTH, 5% OF THE BALANCE OF THE PROCEEDS OF THE SALE  
13 AFTER THE COSTS SET FORTH IN SUBDIVISIONS (A), (B), AND (C) ARE  
14 PAID SHALL BE RESERVED FOR COSTS RELATED TO FUTURE YEARS' FORE-  
15 CLOSURES AND CERTIFIED ABANDONED PROPERTY SALES.

16 (E) FIFTH, THE DELINQUENT TAX REVOLVING FUND SHALL BE REIM-  
17 BURSED FOR ANY AMOUNTS THAT HAVE NOT BEEN CHARGED BACK TO A LOCAL  
18 UNIT OF GOVERNMENT IF THE LOCAL UNIT OF GOVERNMENT WAS PAID THE  
19 DELINQUENT TAX ON CERTIFIED ABANDONED PROPERTY OFFERED FOR SALE  
20 UNDER THIS SECTION FROM THE DELINQUENT TAX REVOLVING FUND,  
21 WHETHER OR NOT THAT CERTIFIED ABANDONED PROPERTY WAS SOLD.

22 (F) SIXTH, ANY REMAINING BALANCE SHALL BE DISTRIBUTED ON A  
23 PRO RATA BASIS TO ALL UNITS OF GOVERNMENT IN THE PROPORTION THAT  
24 THEIR TOTAL AD VALOREM TAXES BEAR TO THE AMOUNT DUE ON THE CERTI-  
25 FIED ABANDONED PROPERTY AS SET FORTH IN THE JUDGMENT ENTERED  
26 UNDER SECTION 79B.

1       (8) TWO OR MORE COUNTY TREASURERS MAY ELECT TO HOLD A JOINT  
2 SALE OF CERTIFIED ABANDONED PROPERTY AS PROVIDED IN THIS  
3 SECTION. IF 2 OR MORE COUNTY TREASURERS ELECT TO HOLD A JOINT  
4 SALE, CERTIFIED ABANDONED PROPERTY MAY BE SOLD UNDER THIS SECTION  
5 AT A LOCATION OUTSIDE OF THE COUNTY IN WHICH THE CERTIFIED ABAN-  
6 DONED PROPERTY IS LOCATED. THE SALE MAY BE CONDUCTED BY ANY  
7 COUNTY TREASURER PARTICIPATING IN THE JOINT SALE. THE SALE OF  
8 CERTIFIED ABANDONED PROPERTY UNDER THIS SECTION MAY BE HELD IN  
9 CONJUNCTION WITH A SALE HELD PURSUANT TO SECTION 781.

10       (9) AS USED IN THIS SECTION, "MINIMUM BID" IS THE MINIMUM  
11 AMOUNT ESTABLISHED BY THE COUNTY TREASURER FOR WHICH CERTIFIED  
12 ABANDONED PROPERTY MAY BE SOLD UNDER THIS SECTION. THE MINIMUM  
13 BID SHALL INCLUDE ALL OF THE FOLLOWING:

14       (A) ALL DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES DUE  
15 ON THE CERTIFIED ABANDONED PROPERTY AS OF MARCH 1 AS PROVIDED IN  
16 THE JUDGMENT ENTERED UNDER SECTION 79B.

17       (B) THE EXPENSES OF ADMINISTERING THE SALE, INCLUDING ALL  
18 PREPARATIONS FOR THE SALE. THE COUNTY TREASURER SHALL ESTIMATE  
19 THE COST OF PREPARING FOR AND ADMINISTERING THE ANNUAL SALE FOR  
20 PURPOSES OF PROPORTIONING THE COST FOR EACH PARCEL OF CERTIFIED  
21 ABANDONED PROPERTY INCLUDED IN THE SALE.

22       (C) ALL TAXES, INTEREST, PENALTIES, AND FEES DUE UP TO THE  
23 JUNE 30 IMMEDIATELY PRECEDING THE DATE OF SALE.

24       SEC. 79F. (1) IF A COUNTY TREASURER BELIEVES, OR HAS REASON  
25 TO BELIEVE, THAT ANY CERTIFIED ABANDONED PROPERTY SUBJECT TO SALE  
26 UNDER SECTION 79E CONTAINS ENVIRONMENTALLY HAZARDOUS MATERIALS  
27 AND WOULD BE ELIGIBLE FOR INCLUSION IN A PROJECT AUTHORIZED BY



1 THE BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA 381, MCL  
2 125.2651 TO 125.2672, OR IS IN A MINING AREA AS DEFINED IN SEC-  
3 TION 63101 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION  
4 ACT, 1994 PA 451, MCL 324.63101, THE COUNTY TREASURER MAY WITH-  
5 HOLD THE CERTIFIED ABANDONED PROPERTY FROM THE SALE PROVIDED FOR  
6 UNDER SECTION 79E. IF THE COUNTY TREASURER WITHHOLDS CERTIFIED  
7 ABANDONED PROPERTY FROM THE SALE PROVIDED FOR UNDER SECTION 79E  
8 AS PROVIDED IN THIS SUBSECTION, THE COUNTY TREASURER MAY TRANSFER  
9 THE CERTIFIED ABANDONED PROPERTY WITHHELD TO THE DEPARTMENT OF  
10 NATURAL RESOURCES.

11 (2) IF A COUNTY TREASURER TRANSFERS CERTIFIED ABANDONED  
12 PROPERTY TO THE DEPARTMENT OF NATURAL RESOURCES PURSUANT TO SUB-  
13 SECTION (1), THE COUNTY TREASURER SHALL FILE A CERTIFICATE IN  
14 SUBSTANTIALLY THE FOLLOWING FORM WITH THE REGISTER OF DEEDS IN  
15 THE COUNTY IN WHICH THE CERTIFIED ABANDONED PROPERTY IS LOCATED:

16 "CERTIFICATE OF COUNTY TREASURER  
17 TRANSFERRING TITLE TO CERTIFIED ABANDONED PROPERTY TO THE  
18 STATE OF MICHIGAN, DEPARTMENT OF NATURAL RESOURCES  
19 THE UNDERSIGNED COUNTY TREASURER OF THE COUNTY OF  
20 \_\_\_\_\_, HEREBY CERTIFIES AS FOLLOWS:

21 (A) THE CERTIFIED ABANDONED PROPERTY DESCRIBED BELOW WAS  
22 FORECLOSED PURSUANT TO A JUDGMENT OF THE CIRCUIT COURT ENTERED ON  
23 (INSERT DATE HERE) FOR NONPAYMENT OF TAXES AND THE FORMER  
24 OWNER(S) HAVE LOST ALL RIGHTS, TITLE, AND INTEREST IN THAT CERTI-  
25 FIED ABANDONED PROPERTY.

26 (B) BASED UPON INFORMATION AND BELIEF, EITHER THE COST OF  
27 REMEDIATING THE ENVIRONMENTAL HAZARDS ON THE CERTIFIED ABANDONED

1 PROPERTY EXCEEDS THE FAIR MARKET VALUE OF THE CERTIFIED ABANDONED  
 2 PROPERTY, INCLUDING THE AMOUNTS OWING ON THE TAX FORECLOSURE PRO-  
 3 CEEDING, OR THE CERTIFIED ABANDONED PROPERTY IS IN A MINING  
 4 AREA.

5 (C) PURSUANT TO SECTION 79F OF THE GENERAL PROPERTY TAX ACT,  
 6 1893 PA 206, MCL 211.79F, I HEREBY CONVEY ALL RIGHTS, TITLE, AND  
 7 INTEREST TO THE FOLLOWING DESCRIBED CERTIFIED ABANDONED PROPERTY  
 8 LOCATED IN THE \_\_\_\_\_ OF \_\_\_\_\_, COUNTY OF  
 9 \_\_\_\_\_:

10 (INSERT LEGAL DESCRIPTION HERE)

11 TO THE STATE OF MICHIGAN, DEPARTMENT OF NATURAL RESOURCES.

12 \_\_\_\_\_, COUNTY TREASURER

13 COUNTY OF \_\_\_\_\_

14 DATED: \_\_\_\_\_".

15 (3) A REGISTER OF DEEDS SHALL NOT CHARGE ANY FEE FOR RECORD-  
 16 ING A CERTIFICATE UNDER THIS SECTION.

17 (4) A COUNTY TREASURER SHALL SEND A COPY OF A CERTIFICATE  
 18 FILED UNDER THIS SECTION TO THE DIRECTOR OF THE DEPARTMENT OF  
 19 NATURAL RESOURCES AND THE ASSESSOR OF THE LOCAL TAX COLLECTING  
 20 UNIT IN WHICH THE CERTIFIED ABANDONED PROPERTY IS LOCATED.

21 Enacting section 1. This amendatory act does not take  
 22 effect unless all of the following bills of the 90th Legislature  
 23 are enacted into law:

24 (a) Senate Bill No. 343.

25 (b) Senate Bill No. \_\_\_\_\_ or House Bill No. \_\_\_\_\_ (request  
 26 no. 02652'99).

**1** (c) Senate Bill No. \_\_\_\_\_ or House Bill No. \_\_\_\_\_ (request  
**2** no. 02653'99).