

SENATE BILL NO. 489

March 25, 1999, Introduced by Senators PETERS, SCHUETTE, BENNETT, JOHNSON, SHUGARS and STEIL and referred to the Committee on Economic Development, International Trade and Regulatory Affairs.

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 SEC. 79. (1) FOR TAXES LEVIED AFTER DECEMBER 31, 1998, CER-
2 TIFIED ABANDONED PROPERTY IS SUBJECT TO FORFEITURE, FORECLOSURE,
3 AND SALE FOR THE ENFORCEMENT AND COLLECTION OF THE DELINQUENT
4 TAXES AS PROVIDED IN THIS SECTION AND SECTIONS 79A TO 79F.
5 (2) CERTIFIED ABANDONED PROPERTY MAY BE REDEEMED AT ANY TIME
6 BEFORE THE ENTRY OF JUDGMENT FORECLOSING THE PROPERTY UNDER SEC-
7 TION 79B UPON PAYMENT TO THE COUNTY TREASURER OF ALL OF THE
8 FOLLOWING:

1 (A) THE TOTAL AMOUNT OF UNPAID DELINQUENT TAXES, INTEREST,
2 PENALTIES, AND FEES FOR WHICH THE CERTIFIED ABANDONED PROPERTY
3 WAS FORFEITED UNDER SECTION 79A.

4 (B) ALL ADDITIONAL TAXES, INTEREST, PENALTIES, AND FEES DUE
5 AFTER THE DATE THE PROPERTY WAS FORFEITED UNDER SECTION 79A.

6 (C) A PENALTY OF 1-1/2% PER MONTH OR FRACTION OF A MONTH,
7 CALCULATED FROM THE IMMEDIATELY PRECEDING OCTOBER 1.

8 (D) ALL EXPENSES OF SERVICE OF PROCESS.

9 (3) IF CERTIFIED ABANDONED PROPERTY IS REDEEMED AS PROVIDED
10 IN SUBSECTION (2), ALL OTHER LIENS AND ENCUMBRANCES SHALL BE
11 RESTORED TO THEIR ORIGINAL STATUS.

12 (4) IF CERTIFIED ABANDONED PROPERTY IS REDEEMED AS PROVIDED
13 UNDER SUBSECTION (2), THE FORMER OWNER DOES NOT ACQUIRE A TITLE
14 OR INTEREST IN THE CERTIFIED ABANDONED PROPERTY GREATER THAN THE
15 FORMER OWNER WOULD HAVE HAD IF THE CERTIFIED ABANDONED PROPERTY
16 HAD NOT BEEN FORFEITED TO THE COUNTY TREASURER.

17 (5) AS USED IN THIS SECTION AND SECTIONS 79A TO 79F:

18 (A) "CERTIFIED ABANDONED PROPERTY" MEANS PROPERTY CERTIFIED
19 AS CERTIFIED ABANDONED PROPERTY UNDER THE CERTIFICATION OF ABAN-
20 DONED PROPERTY FOR ACCELERATED FORECLOSURE ACT.

21 (B) "TAXES" INCLUDES UNPAID SPECIAL ASSESSMENTS OR OTHER
22 ASSESSMENTS THAT ARE DUE AND PAYABLE AT ANY TIME UP TO AND
23 INCLUDING THE DATE OF THE FORECLOSURE HEARING UNDER SECTION 79B.

24 SEC. 79A. (1) ON OCTOBER 1 IN EACH TAX YEAR, ALL OF THE
25 FOLLOWING SHALL OCCUR:

26 (A) CERTIFIED ABANDONED PROPERTY THAT IS DELINQUENT FOR
27 TAXES, INTEREST, PENALTIES, AND FEES IS FORFEITED TO THE COUNTY

1 TREASURER FOR THE TOTAL AMOUNT OF THE UNPAID DELINQUENT TAXES,
2 INTEREST, FEES, AND PENALTIES.

3 (B) THE COUNTY TREASURER SHALL ADD THE FOLLOWING FEES TO THE
4 FEES DUE UNDER THIS ACT AND THE CERTIFICATION OF ABANDONED PROP-
5 ERTY FOR ACCELERATED FORECLOSURE ACT ON CERTIFIED ABANDONED
6 PROPERTY:

7 (A) A \$150.00 TITLE SEARCH FEE.

8 (B) A FORECLOSURE FEE OF \$75.00.

9 (2) NOT LATER THAN NOVEMBER 1 IN EACH TAX YEAR, THE COUNTY
10 TREASURER SHALL ORDER AND OBTAIN A TITLE REPORT ON CERTIFIED
11 ABANDONED PROPERTY, TO DETERMINE ALL TITLE HOLDERS, MORTGAGE
12 HOLDERS, RECORDED LIEN HOLDERS, TAX LIEN HOLDERS, AND ANY OTHER
13 PERSON WITH A RECORDED INTEREST IN THE CERTIFIED ABANDONED
14 PROPERTY.

15 (3) ON DECEMBER 1 IN EACH TAX YEAR, THE COUNTY TREASURER
16 SHALL FURNISH TO THE FAMILY INDEPENDENCE AGENCY A LIST OF ANY
17 NAMES AND ADDRESSES OF THOSE PERSONS NOTIFIED PURSUANT TO SECTION
18 4 OF THE CERTIFICATION OF ABANDONED PROPERTY FOR ACCELERATED
19 FORECLOSURE ACT. THE FAMILY INDEPENDENCE AGENCY MAY PETITION THE
20 CIRCUIT COURT AT THE HEARING ON THE PETITION FOR FORECLOSURE
21 UNDER SECTION 79B TO WITHHOLD FROM THE CIRCUIT COURT'S JUDGMENT
22 CERTIFIED ABANDONED PROPERTY OWNED BY A PERSON WHO APPEARS TO THE
23 FAMILY INDEPENDENCE AGENCY TO BE INCOMPETENT OR WHO IS WITHOUT
24 MEANS OF SUPPORT. IF THE FAMILY INDEPENDENCE AGENCY FILES A
25 PETITION UNDER THIS SUBSECTION, THE FAMILY INDEPENDENCE AGENCY
26 SHALL SERVE A COPY OF THE PETITION ON THE COUNTY TREASURER. THE
27 FAMILY INDEPENDENCE AGENCY MAY REDEEM THE CERTIFIED ABANDONED

1 PROPERTY ON BEHALF OF A PERSON FOR WHOM THE FAMILY INDEPENDENCE
2 AGENCY FILES A PETITION UNDER THIS SECTION.

3 (4) NOT LATER THAN JANUARY 15 IN EACH TAX YEAR, THE COUNTY
4 TREASURER SHALL FILE A PETITION WITH THE CLERK OF THE CIRCUIT
5 COURT LISTING THE CERTIFIED ABANDONED PROPERTY TO BE FORECLOSED
6 UNDER SECTION 79B FOR THE TOTAL OF THE UNPAID DELINQUENT TAXES,
7 INTEREST, PENALTIES, AND FEES. IF AVAILABLE TO THE COUNTY TREA-
8 SURER, THE PETITION SHALL INCLUDE THE ADDRESS OF EACH PARCEL OF
9 CERTIFIED ABANDONED PROPERTY SET FORTH IN THE PETITION. THE
10 PETITION SHALL SEEK A JUDGMENT IN FAVOR OF THE COUNTY TREASURER
11 FOR THE UNPAID DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES
12 LISTED AGAINST EACH PARCEL OF CERTIFIED ABANDONED PROPERTY. IN
13 DEFAULT, THE PETITION SHALL REQUEST THAT A JUDGMENT BE ENTERED
14 VESTING ABSOLUTE TITLE TO EACH PARCEL OF CERTIFIED ABANDONED
15 PROPERTY IN THE COUNTY TREASURER, WITHOUT RIGHT OF REDEMPTION.
16 BEFORE THE DATE OF THE HEARING ON THE PETITION, THE COUNTY TREA-
17 SURER SHALL FILE WITH THE CLERK OF THE CIRCUIT COURT PROOF OF ANY
18 NOTICE, SERVICE, OR PUBLICATION REQUIRED UNDER THIS ACT OR THE
19 CERTIFICATION OF ABANDONED PROPERTY FOR ACCELERATED FORECLOSURE
20 ACT.

21 (5) NOT LATER THAN JANUARY 30 IN EACH TAX YEAR, THE COUNTY
22 TREASURER SHALL SERVE NOTICE ON ALL PERSONS DETERMINED TO HAVE AN
23 INTEREST IN THE CERTIFIED ABANDONED PROPERTY PURSUANT TO SUBSEC-
24 TION (2). THE NOTICE SHALL BE MADE BY PERSONAL SERVICE OR, IF
25 THE PERSON TO BE NOTIFIED IS LOCATED OUTSIDE OF THIS STATE, BY
26 CERTIFIED MAIL, RETURN RECEIPT REQUESTED. THE NOTICE SHALL
27 INCLUDE ALL OF THE FOLLOWING:

1 (A) THE DATE OF THE HEARING ON THE PETITION FOR FORECLOSURE
2 UNDER SECTION 79B.

3 (B) A STATEMENT THAT THE CERTIFIED ABANDONED PROPERTY WAS
4 CERTIFIED AS ABANDONED PROPERTY PURSUANT TO THE CERTIFICATION OF
5 ABANDONED PROPERTY FOR ACCELERATED FORECLOSURE ACT.

6 (C) THE AMOUNT OF THE UNPAID DELINQUENT TAXES, INTEREST,
7 PENALTIES, AND FEES AND ANY OTHER COSTS DUE ON THE CERTIFIED
8 ABANDONED PROPERTY.

9 (D) A STATEMENT THAT TITLE TO THE CERTIFIED ABANDONED PROP-
10 ERTY WILL VEST ABSOLUTELY IN THE COUNTY TREASURER WITHOUT FURTHER
11 RIGHT OF REDEMPTION, IF THE CERTIFIED ABANDONED PROPERTY IS NOT
12 REDEEMED AS PROVIDED IN SECTION 79B BEFORE JUDGMENT IS ENTERED
13 GRANTING THE PETITION FOR FORECLOSURE UNDER SECTION 79B.

14 (6) THE COUNTY TREASURER SHALL PUBLISH A NOTICE ONCE EACH
15 WEEK FOR 4 CONSECUTIVE WEEKS AFTER A PETITION FOR FORECLOSURE IS
16 FILED UNDER SECTION 79A. THE NOTICE SHALL BE PUBLISHED IN A
17 NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY DESIGNATED BY THE
18 COUNTY TREASURER. THE NEWSPAPER IN WHICH THE NOTICE IS PUBLISHED
19 SHALL FURNISH COPIES OF THE NOTICE TO THE COUNTY TREASURER AND
20 THE COUNTY TREASURER SHALL EXAMINE THE NOTICE FOR ACCURACY. THE
21 COUNTY TREASURER SHALL SEND A COPY OF THE NOTICE TO THE TREASURER
22 AND ASSESSOR OF THE LOCAL TAX COLLECTING UNIT IN WHICH THE CERTI-
23 FIED ABANDONED PROPERTY IS LOCATED. THE PUBLISHED NOTICE SHALL
24 INCLUDE ALL OF THE FOLLOWING:

25 (A) THE INFORMATION PROVIDED IN THE NOTICE SENT PURSUANT TO
26 SUBSECTION (5).

1 (B) A LIST OF ALL CERTIFIED ABANDONED PROPERTY SUBJECT TO
2 FORECLOSURE, INCLUDING A LEGAL DESCRIPTION OF EACH PARCEL OF
3 CERTIFIED ABANDONED PROPERTY.

4 (7) IF CERTIFIED ABANDONED PROPERTY IS REDEEMED AFTER THE
5 PETITION FOR FORECLOSURE IS FILED UNDER THIS SECTION, THE COUNTY
6 TREASURER SHALL REQUEST THAT THE CIRCUIT COURT REMOVE THAT CERTI-
7 FIED ABANDONED PROPERTY FROM THE PETITION FOR FORECLOSURE FILED
8 UNDER THIS SECTION BEFORE ENTRY OF JUDGMENT FORECLOSING THE CER-
9 TIFIED ABANDONED PROPERTY UNDER SECTION 79B.

10 (8) THE COUNTY TREASURER MAY WITHHOLD FROM THE PETITION FOR
11 FORECLOSURE FILED UNDER THIS SECTION CERTIFIED ABANDONED PROPERTY
12 THE TITLE TO WHICH IS HELD BY MINOR HEIRS OR PERSONS WHO ARE
13 INCOMPETENT OR WITHOUT MEANS OF SUPPORT UNTIL A GUARDIAN IS
14 APPOINTED TO PROTECT THAT PERSON'S RIGHTS AND INTERESTS. IF A
15 COUNTY TREASURER WITHHOLDS CERTIFIED ABANDONED PROPERTY FROM THE
16 PETITION FOR FORECLOSURE UNDER THIS SUBSECTION, A TAXING UNIT'S
17 LIEN FOR TAXES DUE OR THE COUNTY TREASURER'S RIGHT TO INCLUDE THE
18 CERTIFIED ABANDONED PROPERTY IN A SUBSEQUENT PETITION FOR FORE-
19 CLOSURE IS NOT PREJUDICED.

20 SEC. 79B. (1) IF A PETITION FOR FORECLOSURE IS FILED UNDER
21 SECTION 79A, THE CLERK OF THE CIRCUIT COURT IN WHICH THE PETITION
22 IS FILED SHALL IMMEDIATELY PRESENT THAT PETITION TO THE JUDGE OF
23 THAT CIRCUIT COURT.

24 (2) THE COURT SHALL IMMEDIATELY SET THE DATE, TIME, AND
25 PLACE FOR A HEARING ON THE PETITION FOR FORECLOSURE, WHICH HEAR-
26 ING SHALL BE HELD NOT MORE THAN 30 DAYS BEFORE THE MARCH 1
27 IMMEDIATELY SUCCEEDING THE DATE THE PETITION FOR FORECLOSURE IS

1 FILED. BEFORE THE DATE OF THE HEARING, THE COUNTY TREASURER
2 SHALL FILE WITH THE CLERK OF THE CIRCUIT COURT PROOF OF ANY
3 NOTICE, SERVICE, OR PUBLICATION REQUIRED UNDER THIS ACT OR THE
4 CERTIFICATION OF ABANDONED PROPERTY FOR ACCELERATED FORECLOSURE
5 ACT.

6 (3) A PERSON CLAIMING AN INTEREST IN A PARCEL OF CERTIFIED
7 ABANDONED PROPERTY SET FORTH IN THE PETITION FOR FORECLOSURE MAY
8 CONTEST THE PETITION OR THE VALIDITY OR CORRECTNESS OF THE UNPAID
9 DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES FOR 1 OR MORE OF
10 THE FOLLOWING REASONS:

11 (A) THE CERTIFIED ABANDONED PROPERTY IS NOT ABANDONED
12 PROPERTY.

13 (B) NO LAW AUTHORIZES THE TAX.

14 (C) THE PERSON APPOINTED TO DECIDE WHETHER A TAX SHALL BE
15 LEVIED UNDER A LAW OF THIS STATE ACTED WITHOUT JURISDICTION OR
16 DID NOT IMPOSE THE TAX IN QUESTION.

17 (D) THE PERSON OR CERTIFIED ABANDONED PROPERTY ASSESSED WAS
18 EXEMPT FROM THE TAX IN QUESTION OR WAS NOT LEGALLY ASSESSED.

19 (E) THE TAX HAS BEEN PAID.

20 (F) THE TAX WAS ASSESSED FRAUDULENTLY.

21 (4) A PERSON CLAIMING AN INTEREST IN A PARCEL OF CERTIFIED
22 ABANDONED PROPERTY SET FORTH IN THE PETITION FOR FORECLOSURE WHO
23 DESIRES TO CONTEST THAT PETITION SHALL FILE WRITTEN OBJECTIONS
24 WITH THE CLERK OF THE CIRCUIT COURT AND SERVE THOSE OBJECTIONS ON
25 THE COUNTY TREASURER. THE CIRCUIT COURT MAY ORDER ALL OF THE
26 FOLLOWING IN RULING ON OBJECTIONS TO A PETITION:

1 (A) AWARD COSTS AGAINST A PERSON CLAIMING THE CERTIFIED
2 ABANDONED PROPERTY IS NOT ABANDONED OR CONTESTING UNPAID
3 DELINQUENT TAXES, INTEREST, PENALTIES, OR FEES IF THE COURT FINDS
4 THAT THE CERTIFIED ABANDONED PROPERTY IS ABANDONED OR THE UNPAID
5 DELINQUENT TAXES, INTEREST, PENALTIES, OR FEES ARE VALID.

6 (B) AWARD COSTS AND A PENALTY OF \$100.00 AGAINST ANY PERSON
7 FALSELY CLAIMING AN INTEREST IN A PARCEL OF CERTIFIED ABANDONED
8 PROPERTY INCLUDED IN THE PETITION.

9 (5) IF THE COURT DETERMINES THAT THE OWNER OF CERTIFIED
10 ABANDONED PROPERTY SUBJECT TO FORECLOSURE IS INCOMPETENT OR IS
11 WITHOUT MEANS OF SUPPORT, THE COURT MAY WITHHOLD THAT CERTIFIED
12 ABANDONED PROPERTY FROM FORECLOSURE FOR 1 YEAR OR MAY ENTER AN
13 ORDER EXTENDING THE REDEMPTION PERIOD AS THE COURT DETERMINES TO
14 BE EQUITABLE. IF THE COURT WITHHOLDS CERTIFIED ABANDONED PROP-
15 ERTY FROM FORECLOSURE UNDER THIS SUBSECTION, A TAXING UNIT'S LIEN
16 FOR TAXES DUE IS NOT PREJUDICED AND THAT CERTIFIED ABANDONED
17 PROPERTY SHALL BE INCLUDED IN THE IMMEDIATELY SUCCEEDING YEAR'S
18 TAX FORECLOSURE PROCEEDING.

19 (6) THE CIRCUIT COURT SHALL ENTER JUDGMENT ON A PETITION FOR
20 FORECLOSURE FILED UNDER SECTION 79A NOT LESS THAN 10 DAYS AFTER
21 THE MARCH 1 IMMEDIATELY SUCCEEDING THE DATE THE PETITION FOR
22 FORECLOSURE IS FILED. IF THE CIRCUIT COURT ENTERS A DEFAULT
23 JUDGMENT AT THE HEARING ON THE PETITION FOR FORECLOSURE, THE CIR-
24 CUIT COURT SHALL FORECLOSE THE CERTIFIED ABANDONED PROPERTY AS
25 REQUESTED IN THE PETITION FOR FORECLOSURE. THE CIRCUIT COURT'S
26 JUDGMENT SHALL SPECIFY ALL OF THE FOLLOWING:

1 (A) THE LEGAL DESCRIPTION AND, IF KNOWN, THE STREET ADDRESS
2 OF THE CERTIFIED ABANDONED PROPERTY FORECLOSED AND THE UNPAID
3 DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES DUE ON EACH
4 PARCEL OF CERTIFIED ABANDONED PROPERTY.

5 (B) THAT FEE SIMPLE TITLE TO CERTIFIED ABANDONED PROPERTY
6 FORECLOSED BY THE JUDGMENT IS VESTED ABSOLUTELY IN THE COUNTY
7 TREASURER, WITHOUT ANY FURTHER RIGHTS OF REDEMPTION.

8 (C) THAT ALL LIENS AND ENCUMBRANCES AGAINST THE CERTIFIED
9 ABANDONED PROPERTY OF ANY KIND, EXCEPT CURRENT TAXES AND FUTURE
10 INSTALLMENTS OF SPECIAL ASSESSMENTS DUE AFTER THE IMMEDIATELY
11 SUCCEEDING JUNE 30, ARE TERMINATED.

12 (D) THAT THE COUNTY TREASURER HAS GOOD AND MARKETABLE FEE
13 SIMPLE TITLE TO THE CERTIFIED ABANDONED PROPERTY AND ANY SUBSE-
14 QUENT TRANSFER OF TITLE TO THAT CERTIFIED ABANDONED PROPERTY
15 SHALL BE BY WARRANTY DEED EXECUTED BY THE COUNTY TREASURER.

16 (E) THAT ANY RIGHTS OR INTEREST CLAIMED BY ANY PERSON TO THE
17 CERTIFIED ABANDONED PROPERTY IS TERMINATED AND THAT PERSON IS
18 ORDERED TO RELEASE THOSE RIGHTS OR THAT INTEREST TO THE COUNTY
19 TREASURER AND THAT THE CIRCUIT COURT SHALL ISSUE A WRIT OF POS-
20 SESSION OR RESTITUTION TO THE SHERIFF OR OTHER PROPER OFFICER OF
21 THE COUNTY IN WHICH THE CERTIFIED ABANDONED PROPERTY IS LOCATED
22 IN FAVOR OF A PERSON HOLDING A WARRANTY DEED EXECUTED BY THE
23 COUNTY TREASURER.

24 (7) FEE SIMPLE TITLE TO CERTIFIED ABANDONED PROPERTY SET
25 FORTH IN A PETITION FOR FORECLOSURE FILED UNDER SECTION 79A ON
26 WHICH DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES ARE NOT
27 PAID PRIOR TO THE ENTRY OF JUDGMENT SHALL VEST ABSOLUTELY IN THE

1 COUNTY TREASURER UPON ENTRY OF JUDGMENT, AND THE COUNTY TREASURER
2 SHALL HAVE ABSOLUTE TITLE TO THE CERTIFIED ABANDONED PROPERTY
3 WITH THE RIGHT TO ENFORCE THE TITLE TO THE CERTIFIED ABANDONED
4 PROPERTY AS A FREEHOLDER. THE COUNTY TREASURER'S TITLE IS NOT
5 SUBJECT TO ANY RECORDED OR UNRECORDED LIEN AND SHALL NOT BE
6 STAYED OR HELD INVALID EXCEPT AS PROVIDED IN SUBSECTION (8).

7 (8) THE COUNTY TREASURER OR A PERSON DETERMINED TO HAVE AN
8 INTEREST UNDER SECTION 79A(2) IN CERTIFIED ABANDONED PROPERTY
9 FORECLOSED UNDER THIS SECTION MAY APPEAL TO THE COURT OF APPEALS
10 THE CIRCUIT COURT'S JUDGMENT FORECLOSING CERTIFIED ABANDONED
11 PROPERTY. THE CIRCUIT COURT'S JUDGMENT FORECLOSING CERTIFIED
12 ABANDONED PROPERTY SHALL NOT BE STAYED OR HELD INVALID UNTIL THE
13 COURT OF APPEALS HAS REVERSED, MODIFIED, OR AFFIRMED THAT
14 JUDGMENT. TO APPEAL THE CIRCUIT COURT'S JUDGMENT FORECLOSING
15 CERTIFIED ABANDONED PROPERTY, A PERSON CONTESTING WHETHER THE
16 CERTIFIED ABANDONED PROPERTY IS ABANDONED PROPERTY OR THE VALID-
17 ITY OF THE DELINQUENT TAXES, INTEREST, PENALTIES, AND FEES FOR
18 WHICH THE CERTIFIED ABANDONED PROPERTY WAS FORECLOSED SHALL PAY
19 THE AMOUNT DETERMINED TO BE DUE TO THE COUNTY TREASURER WITHIN 10
20 DAYS AFTER THE CIRCUIT COURT'S JUDGMENT IS ENTERED, TOGETHER WITH
21 A NOTICE OF APPEAL. IF THE CIRCUIT COURT'S JUDGMENT IS AFFIRMED
22 ON APPEAL, THE AMOUNT DETERMINED TO BE DUE SHALL BE RETAINED BY
23 THE COUNTY TREASURER AND CREDITED TO THE PROPER FUND OR ACCOUNT
24 IN THAT COUNTY. IF THE CIRCUIT COURT'S JUDGMENT IS REVERSED OR
25 MODIFIED ON APPEAL, THE COUNTY TREASURER SHALL REFUND THE AMOUNT
26 DETERMINED TO BE DUE TO THE PERSON WHO APPEALED THE JUDGMENT IN
27 ACCORDANCE WITH THE ORDER OF THE COURT OF APPEALS.

1 (9) AS USED IN THIS SECTION, "ABANDONED PROPERTY" MEANS THAT
2 TERM AS DEFINED IN SECTION 2 OF THE CERTIFICATION OF ABANDONED
3 PROPERTY FOR ACCELERATED FORECLOSURE ACT.

4 SEC. 79C. FOR TAXES LEVIED AFTER DECEMBER 31, 1998, A
5 CHANGE IN OWNERSHIP OF CERTIFIED ABANDONED PROPERTY ON WHICH
6 TAXES HAVE BEEN RETURNED AS DELINQUENT OR THE CREATION OF ANY NEW
7 PROPERTY INTEREST IN CERTIFIED ABANDONED PROPERTY ON WHICH TAXES
8 HAVE BEEN RETURNED AS DELINQUENT, AFTER THE OCTOBER 1 IMMEDIATELY
9 PRECEDING THE COURT HEARING HELD PURSUANT TO SECTION 79B, SHALL
10 NOT CREATE ANY NEW INTEREST IN THE CERTIFIED ABANDONED PROPERTY
11 FOR WHICH NOTICE OF ANY SUBSEQUENT PROCEEDINGS UNDER THIS ACT IS
12 REQUIRED.

13 SEC. 79D. A COUNTY TREASURER IS IMMUNE FROM ANY LIABILITY
14 THAT MAY ACCRUE SOLELY FROM HOLDING TITLE TO THE CERTIFIED ABAN-
15 DONED PROPERTY FORECLOSED UNDER SECTION 79B.

16 SEC. 79E. (1) NOT LATER THAN THE FIRST TUESDAY IN JULY
17 IMMEDIATELY SUCCEEDING THE ENTRY OF JUDGMENT UNDER SECTION 79B
18 VESTING ABSOLUTE TITLE TO CERTIFIED ABANDONED PROPERTY IN THE
19 COUNTY TREASURER, A CITY, VILLAGE, OR TOWNSHIP THAT OPERATES AN
20 URBAN HOMESTEADING PROGRAM PURSUANT TO THE URBAN HOMESTEAD ACT
21 MAY PURCHASE ANY CERTIFIED ABANDONED PROPERTY LOCATED WITHIN THAT
22 CITY, VILLAGE, OR TOWNSHIP SET FORTH IN THE JUDGMENT AND SUBJECT
23 TO SALE UNDER THIS SECTION FOR USE IN THAT URBAN HOMESTEADING
24 PROGRAM BY PAYMENT TO THE COUNTY TREASURER OF THE MINIMUM BID.
25 IF CERTIFIED ABANDONED PROPERTY IS PURCHASED BY A CITY, VILLAGE,
26 OR TOWNSHIP UNDER THIS SUBSECTION, THE COUNTY TREASURER SHALL
27 CONVEY THE CERTIFIED ABANDONED PROPERTY BY WARRANTY DEED TO THE

1 PURCHASING CITY, VILLAGE, OR TOWNSHIP WITHIN 30 DAYS. THE
2 WARRANTY DEED SHALL VEST FEE SIMPLE TITLE TO THE CERTIFIED ABAN-
3 DONED PROPERTY IN THE CITY, VILLAGE, OR TOWNSHIP.

4 (2) SUBJECT TO SUBSECTION (1), BEGINNING ON THE THIRD
5 TUESDAY IN JULY IMMEDIATELY SUCCEEDING THE ENTRY OF THE JUDGMENT
6 UNDER SECTION 79B VESTING ABSOLUTE TITLE TO CERTIFIED ABANDONED
7 PROPERTY IN THE COUNTY TREASURER, THE COUNTY TREASURER, OR HIS OR
8 HER AUTHORIZED REPRESENTATIVE, SHALL HOLD 1 OR MORE PROPERTY
9 SALES AT 1 OR MORE CONVENIENT LOCATIONS AT WHICH CERTIFIED ABAN-
10 DONED PROPERTY FORECLOSED BY THE JUDGMENT ENTERED UNDER SECTION
11 79B SHALL BE SOLD BY AUCTION SALE. THE SALE OR SALES SHALL BE
12 COMPLETED WITHIN 15 DAYS. CERTIFIED ABANDONED PROPERTY SHALL BE
13 SOLD TO THE PERSON BIDDING THE HIGHEST AMOUNT ABOVE THE MINIMUM
14 BID. THE COUNTY TREASURER MAY REQUIRE FULL PAYMENT BY CASH, CER-
15 TIFIED CHECK, OR MONEY ORDER AT THE CLOSE OF EACH DAY'S BIDDING.
16 NOT MORE THAN 30 DAYS AFTER THE DATE OF A SALE UNDER THIS SUBSEC-
17 TION, THE COUNTY TREASURER SHALL CONVEY THE CERTIFIED ABANDONED
18 PROPERTY BY WARRANTY DEED TO THE PERSON BIDDING THE HIGHEST
19 AMOUNT ABOVE THE MINIMUM BID. THE DEED SHALL VEST FEE SIMPLE
20 TITLE TO THE CERTIFIED ABANDONED PROPERTY IN THE PERSON BIDDING
21 THE HIGHEST AMOUNT ABOVE THE MINIMUM BID.

22 (3) AFTER THE CONCLUSION OF THE SALE HELD PURSUANT TO SUB-
23 SECTION (2) AND NOT LATER THAN THE FIRST TUESDAY IN SEPTEMBER
24 IMMEDIATELY SUCCEEDING THAT SALE, A CITY, VILLAGE, OR TOWNSHIP
25 MAY PURCHASE ANY CERTIFIED ABANDONED PROPERTY NOT PREVIOUSLY SOLD
26 UNDER SUBSECTION (1) OR (2) BY PAYING THE MINIMUM BID TO THE
27 COUNTY TREASURER. IF CERTIFIED ABANDONED PROPERTY IS PURCHASED

1 BY A CITY, VILLAGE, OR TOWNSHIP UNDER THIS SUBSECTION, THE COUNTY
2 TREASURER SHALL CONVEY THE CERTIFIED ABANDONED PROPERTY BY WAR-
3 RANTY DEED TO THE PURCHASING CITY, VILLAGE, OR TOWNSHIP WITHIN 30
4 DAYS. THE WARRANTY DEED SHALL VEST FEE SIMPLE TITLE TO THE CER-
5 TIFIED ABANDONED PROPERTY IN THE CITY, VILLAGE, OR TOWNSHIP.

6 (4) BEGINNING ON THE THIRD TUESDAY IN SEPTEMBER IMMEDIATELY
7 SUCCEEDING THE SALE HELD PURSUANT TO SUBSECTION (2), ALL CERTI-
8 FIED ABANDONED PROPERTY NOT PREVIOUSLY SOLD BY THE COUNTY TREA-
9 SURER UNDER SUBSECTION (1), (2), OR (3) SHALL BE REOFFERED FOR
10 SALE, SUBJECT TO THE SAME REQUIREMENTS SET FORTH IN SUBSECTION
11 (2).

12 (5) BEGINNING ON THE THIRD TUESDAY IN NOVEMBER IMMEDIATELY
13 SUCCEEDING THE SALE HELD PURSUANT TO SUBSECTION (4), ALL CERTI-
14 FIED ABANDONED PROPERTY NOT PREVIOUSLY SOLD UNDER SUBSECTION (1),
15 (2), (3), OR (4) SHALL AGAIN BE REOFFERED FOR SALE. THE SALE IS
16 SUBJECT TO THE REQUIREMENTS SET FORTH IN SUBSECTION (2), EXCEPT
17 THAT THE MINIMUM BID SHALL NOT BE REQUIRED.

18 (6) ON DECEMBER 30 IMMEDIATELY SUCCEEDING THE DATE OF THE
19 SALE UNDER SUBSECTION (5), ALL CERTIFIED ABANDONED PROPERTY NOT
20 PREVIOUSLY SOLD BY THE COUNTY TREASURER UNDER THIS SECTION SHALL
21 BE TRANSFERRED BY WARRANTY DEED TO THE CITY, VILLAGE, OR TOWNSHIP
22 IN WHICH THE CERTIFIED ABANDONED PROPERTY IS LOCATED. THE DEED
23 SHALL VEST FEE SIMPLE TITLE TO THE CERTIFIED ABANDONED PROPERTY
24 IN THE CITY, VILLAGE, OR TOWNSHIP. THE CITY, VILLAGE, OR TOWN-
25 SHIP TO WHICH CERTIFIED ABANDONED PROPERTY IS TRANSFERRED UNDER
26 THIS SUBSECTION IS IMMUNE FROM ANY LIABILITY THAT MAY ACCRUE
27 SOLELY FROM HOLDING TITLE TO THE CERTIFIED ABANDONED PROPERTY

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. 487.

26

1 (c) Senate Bill No. 488.

2