

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4484**

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 78b, 78c, 78d, 78f, 78g, 78i, 78k, 78l, 78m, 131, and 131e (MCL 211.78b, 211.78c, 211.78d, 211.78f, 211.78g, 211.78i, 211.78k, 211.78l, 211.78m, 211.131, and 211.131e), sections 78b, 78c, 78d, and 78l as added and sections 131 and 131e as amended by 1999 PA 123, section 78f as amended by 2001 PA 95, sections 78g and 78k as amended by 2001 PA 94, section 78i as amended by 2001 PA 101, and section 78m as amended by 2001 PA 99; and to repeal acts and parts of acts.

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

1       Sec. 78b. Except as otherwise provided in section 79 for  
2 certified abandoned property, on the June 1 immediately  
3 succeeding the date that unpaid taxes are returned to the county  
4 treasurer for forfeiture, foreclosure, and sale under section

1 60a(1) or (2) or returned to the county treasurer as delinquent  
2 under section 78a, the county treasurer shall send notice of all  
3 the following by first-class mail, address correction requested,  
4 to the person to whom a tax bill for property returned for  
5 delinquent taxes was last sent or to the person identified as the  
6 owner of property returned for delinquent taxes, to a person  
7 entitled to notice of the return of delinquent taxes under  
8 section 78a(4), and to a person to whom a tax certificate for  
9 property returned for delinquent taxes was issued pursuant to  
10 section 71, as shown on the current records of the county  
11 treasurer:

12 (a) The date property on which unpaid taxes were returned as  
13 delinquent will be forfeited to the county treasurer for those  
14 unpaid delinquent taxes, interest, penalties, and fees.

15 (b) A statement that a person who holds a legal interest in  
16 the property may lose that interest as a result of the forfeiture  
17 and subsequent foreclosure proceeding.

18 (c) A legal description or parcel number of the property and  
19 the street address of the property, if ~~possible~~ **available**.

20 (d) The person or persons to whom the notice is addressed.

21 (e) The unpaid delinquent taxes, interest, penalties, and  
22 fees due on the property.

23 (f) A statement that unless those unpaid delinquent taxes,  
24 interest, penalties, and fees are paid ~~within 21 days after~~  
25 ~~judgment is entered in the foreclosure proceeding~~ **on or before**  
26 **the March 31 immediately succeeding the entry in an uncontested**  
27 **case of a judgment foreclosing the property under section 78k,**

1 absolute title to the property shall vest in the foreclosing  
2 governmental unit.

3 (g) A statement of the person's rights of redemption and  
4 notice that the rights of redemption will expire ~~21 days after~~  
5 ~~the court enters an order foreclosing the property~~ **on the**  
6 **March 31 immediately succeeding the entry in an uncontested case**  
7 **of a judgment foreclosing the property under section 78k.**

8 Sec. 78c. Except as otherwise provided in section 79 for  
9 certified abandoned property, on the September 1 immediately  
10 succeeding the date that unpaid taxes are returned to the county  
11 treasurer for forfeiture, foreclosure, and sale under section  
12 60a(1) or (2) or returned to the county treasurer as delinquent  
13 under section 78a, the county treasurer shall send notice of all  
14 the following by first-class mail, address correction requested,  
15 to the person to whom a tax bill for property returned for  
16 delinquent taxes was last sent or to the person identified as the  
17 owner of property returned for delinquent taxes, to a person  
18 entitled to notice of the return of delinquent taxes under  
19 section 78a(4), and to a person to whom a tax certificate for  
20 property returned for delinquent taxes was issued pursuant to  
21 section 71, as shown on the current records of the county  
22 treasurer:

23 (a) The date property on which unpaid taxes were returned as  
24 delinquent will be forfeited to the county treasurer for those  
25 unpaid delinquent taxes, interest, penalties, and fees.

26 (b) A statement that a person who holds a legal interest in  
27 the property may lose that interest as a result of the forfeiture

1 and subsequent foreclosure proceeding.

2 (c) A legal description or parcel number of the property and  
3 the street address of the property, if ~~possible~~ **available**.

4 (d) The person or persons to whom the notice is addressed.

5 (e) The unpaid delinquent taxes, interest, penalties, and  
6 fees due on the property.

7 (f) A schedule of the additional fees that will accrue on the  
8 immediately succeeding October 1 pursuant to section 78d if the  
9 unpaid delinquent taxes, interest, penalties, and fees due on the  
10 property are not paid.

11 (g) A statement that unless those unpaid delinquent taxes,  
12 interest, penalties, and fees are paid ~~within 21 days after~~  
13 ~~judgment is entered in the foreclosure proceeding~~ **on or before**  
14 **the March 31 immediately succeeding the entry in an uncontested**  
15 **case of a judgment foreclosing the property under section 78k,**  
16 absolute title to the property shall vest in the foreclosing  
17 governmental unit.

18 (h) A statement of the person's rights of redemption and  
19 notice that the rights of redemption will expire ~~21 days after~~  
20 ~~the court enters an order foreclosing the property~~ **on the**  
21 **March 31 immediately succeeding the entry in an uncontested case**  
22 **of a judgment foreclosing the property under section 78k.**

23 Sec. 78d. Except as otherwise provided in section 79 for  
24 certified abandoned property, on the October 1 immediately  
25 succeeding the date that unpaid taxes are returned to the county  
26 treasurer for forfeiture, foreclosure, and sale under section  
27 60a(1) or (2) or returned to the county treasurer as delinquent

1 under section 78a, the county treasurer shall add a \$15.00 fee —  
2 ~~as adjusted under section 78p,~~ on each parcel of property for  
3 which the delinquent taxes, interest, penalties, and fees remain  
4 unpaid.

5       Sec. 78f. (1) Except as otherwise provided in section 79  
6 for certified abandoned property, not later than the February 1  
7 immediately succeeding the date that unpaid taxes were returned  
8 to the county treasurer for forfeiture, foreclosure, and sale  
9 under section 60a(1) or (2) or returned to the county treasurer  
10 as delinquent under section 78a, the county treasurer shall send  
11 a notice by certified mail, return receipt requested, to the  
12 person to whom a tax bill for property returned for delinquent  
13 taxes was last sent and, if different, to the person identified  
14 as the owner of property returned for delinquent taxes as shown  
15 on the current records of the county treasurer and to those  
16 persons identified under section 78e(2). The notice required  
17 under this subsection shall include all of the following:

18       (a) The date property on which those unpaid taxes were  
19 returned as delinquent will be forfeited to the county treasurer  
20 for the unpaid delinquent taxes, interest, penalties, and fees.

21       (b) A statement that a person who holds a legal interest in  
22 the property may lose that interest as a result of the forfeiture  
23 and subsequent foreclosure proceeding.

24       (c) A legal description or parcel number of the property and  
25 the street address of the property, if ~~possible~~ **available**.

26       (d) The person to whom the notice is addressed.

27       (e) The unpaid delinquent taxes, interest, penalties, and

1 fees due on the property.

2 (f) A schedule of the additional interest, penalties, and  
3 fees that will accrue on the immediately succeeding March 1  
4 pursuant to section 78g if those unpaid delinquent taxes,  
5 interest, penalties, and fees due on the property are not paid.

6 (g) A statement that unless those unpaid delinquent taxes,  
7 interest, penalties, and fees are paid ~~within 21 days after~~  
8 ~~judgment is entered in the foreclosure proceeding~~ **on or before**  
9 **the March 31 immediately succeeding the entry in an uncontested**  
10 **case of a judgment foreclosing the property under section 78k,**  
11 absolute title to the property shall vest in the foreclosing  
12 governmental unit.

13 (h) A statement of the person's rights of redemption and  
14 notice that the rights of redemption will expire ~~21 days after~~  
15 ~~the court enters an order foreclosing the property~~ **on the**  
16 **March 31 immediately succeeding the entry in an uncontested case**  
17 **of a judgment foreclosing the property under section 78k.**

18 (2) The notice required under subsection (1) shall also be  
19 mailed to the property by first-class mail, addressed to  
20 "occupant", if the notice was not sent to the occupant of the  
21 property pursuant to subsection (1).

22 (3) A county treasurer may insert 1 or more additional  
23 notices in a newspaper published and circulated in the county in  
24 which the property is located, if there is one. If no newspaper  
25 is published in that county, publication may be made in a  
26 newspaper published and circulated in an adjoining county.

27 (4) The county treasurer may publish the street address, **if**

1 **available**, of property subject to forfeiture under section 78g on  
2 the immediately succeeding March 1 for delinquent taxes or the  
3 street address, **if available**, of property subject to forfeiture  
4 under section 78g on the immediately succeeding March 1 for  
5 delinquent taxes and the name of the person to whom a tax bill  
6 for property returned for delinquent taxes was last sent and, if  
7 different, the name of the person identified as the owner of the  
8 property returned for delinquent taxes as shown on the current  
9 records of the county treasurer in a newspaper published and  
10 circulated in the county in which the property is located, if  
11 there is one. If no newspaper is published in that county,  
12 publication may be made in a newspaper published and circulated  
13 in an adjoining county.

14       Sec. 78g. (1) Except as otherwise provided in this  
15 subsection, on March 1 in each tax year, certified abandoned  
16 property and property that is delinquent for taxes, interest,  
17 penalties, and fees for the immediately preceding 12 months or  
18 more is forfeited to the county treasurer for the total amount of  
19 those unpaid delinquent taxes, interest, penalties, and fees. If  
20 property is forfeited to a county treasurer under this  
21 subsection, the foreclosing governmental unit does not have a  
22 right to possession of the property until ~~21 days after a~~  
23 ~~judgment of foreclosure is entered~~ **the April 1 immediately**  
24 **succeeding the entry of a judgment foreclosing the property under**  
25 **section 78k or in a contested case until 22 days after the entry**  
26 **of a judgment foreclosing the property** under section 78k. If  
27 property is forfeited to a county treasurer under this

1 subsection, the county treasurer shall add a \$175.00 fee ~~—, as~~  
2 ~~adjusted under section 78p,~~ to each parcel of property for which  
3 those delinquent taxes, interest, penalties, and fees remain  
4 unpaid. A county treasurer shall withhold a parcel of property  
5 from forfeiture for any reason determined by the state tax  
6 commission. The procedure for withholding a parcel of property  
7 from forfeiture under this subsection shall be determined by the  
8 state tax commission.

9 (2) Not more than 45 days after property is forfeited under  
10 subsection (1), the county treasurer shall record with the county  
11 register of deeds a certificate in a form determined by the  
12 ~~state treasurer~~ **department of treasury** for each parcel of  
13 property forfeited to the county treasurer, specifying that the  
14 property has been forfeited to the county treasurer and not  
15 redeemed and that absolute title to the property shall vest in  
16 the county treasurer ~~21 days after entry of a judgment of~~  
17 ~~foreclosure~~ **on the March 31 immediately succeeding the entry of**  
18 **a judgment foreclosing the property under section 78k, or in a**  
19 **contested case 21 days after the entry of a judgment foreclosing**  
20 **the property** under section 78k. If a certificate of forfeiture  
21 is recorded in error, the county treasurer shall record with the  
22 county register of deeds a certificate of error in a form  
23 prescribed by the department of treasury. A certificate  
24 submitted to the county register of deeds for recording under  
25 this subsection need not be notarized and may be authenticated by  
26 a digital signature of the county treasurer or by other  
27 electronic means. If the county has elected under section 78 to

1 have this state foreclose property under this act forfeited to  
2 the county treasurer under this section, the county treasurer  
3 shall immediately transmit to the ~~state treasurer~~ **department of**  
4 **treasury** a copy of each certificate recorded under this  
5 subsection. The county treasurer shall upon collection transmit  
6 to the ~~state treasurer~~ **department of treasury** within 30 days  
7 the fee added to each parcel under ~~section 78g(1)~~ **subsection**  
8 **(1)**, which may be paid from the county's delinquent tax revolving  
9 fund and shall be deposited in the land reutilization fund  
10 created under section 78n.

11 (3) Property forfeited to the county treasurer under  
12 subsection (1) may be redeemed at any time ~~before 21 days after~~  
13 ~~the entry of judgment foreclosing the property~~ **on or before the**  
14 **March 31 immediately succeeding the entry of a judgment**  
15 **foreclosing the property under section 78k, or in a contested**  
16 **case within 21 days of the entry of a judgment foreclosing the**  
17 **property** under section 78k upon payment to the county treasurer  
18 of all of the following:

19 (a) The total amount of unpaid delinquent taxes, interest,  
20 penalties, and fees for which the property was forfeited.

21 (b) In addition to the interest calculated under sections  
22 60a(1) or (2) and 78a(3), additional interest computed at a  
23 noncompounded rate of 1/2% per month or fraction of a month on  
24 the taxes that were originally returned as delinquent, computed  
25 from the March 1 preceding the forfeiture.

26 (c) All recording fees and all fees for service of process or  
27 notice.

1           (4) If property is redeemed by a person with a legal interest  
2 as provided under subsection (3), any unpaid taxes not returned  
3 as delinquent to the county treasurer under section 78a are not  
4 extinguished.

5           (5) If property is redeemed by a person with a legal interest  
6 as provided under subsection (3), the person redeeming does not  
7 acquire a title or interest in the property greater than that  
8 person would have had if the property had not been forfeited to  
9 the county treasurer, but the person redeeming, other than the  
10 owner, is entitled to a lien for the amount paid to redeem the  
11 property in addition to any other lien or interest the person may  
12 have, which shall be recorded within 30 days with the register of  
13 deeds by the person entitled to the lien. The lien acquired  
14 shall have the same priority as the existing lien, title, or  
15 interest.

16           (6) If property is redeemed as provided under subsection (3),  
17 the county treasurer shall issue a redemption certificate in  
18 quadruplicate in a form prescribed by the department of  
19 treasury. One of the quadruplicate certificates shall be  
20 delivered to the person making the redemption payment, 1 shall be  
21 filed in the office of the county treasurer, 1 shall be recorded  
22 in the office of the county register of deeds, and 1 shall be  
23 immediately transmitted to the department of treasury if this  
24 state is the foreclosing governmental unit. The county treasurer  
25 shall also make a note of the redemption certificate in the tax  
26 record kept in his or her office, with the name of the person  
27 making the final redemption payment, the date of the payment, and

1 the amount paid. If the county treasurer accepts partial  
2 redemption payments, the county treasurer shall include in the  
3 tax record kept in his or her office the name of the person or  
4 persons making each partial redemption payment, the date of each  
5 partial redemption payment, the amount of each partial redemption  
6 payment, and the total amount of all redemption payments. A  
7 certificate and the entry of the certificate in the tax record by  
8 the county treasurer is prima facie evidence of a redemption  
9 payment in the courts of this state. A certificate submitted to  
10 the county register of deeds for recording under this subsection  
11 need not be notarized and may be authenticated by a digital  
12 signature of the county treasurer or by other electronic means.  
13 If a redemption certificate is recorded in error, the county  
14 treasurer shall record with the county register of deeds a  
15 certificate of error in a form prescribed by the department of  
16 treasury. A copy of a certificate of error recorded under this  
17 section shall be immediately ~~transferred~~ **transmitted** to the  
18 department of treasury if this state is the foreclosing  
19 governmental unit.

20 **(7) If a foreclosing governmental unit has reason to believe**  
21 **that a property forfeited under this section may be the site of**  
22 **environmental contamination, the foreclosing governmental unit**  
23 **shall provide the department of environmental quality with any**  
24 **information in the possession of the foreclosing governmental**  
25 **unit that suggests the property may be the site of environmental**  
26 **contamination.**

27 Sec. 78i. (1) Not later than May 1 immediately succeeding

1 the forfeiture of property to the county treasurer under section  
2 78g, the foreclosing governmental unit shall initiate a ~~title~~  
3 **search of records identified in subsection (6)** to identify the  
4 owners of a property interest in the property who are entitled to  
5 notice under this section of the show cause hearing under  
6 section 78j and the foreclosure hearing under section 78k. The  
7 foreclosing governmental unit may enter into a contract with 1 or  
8 more authorized representatives to perform ~~the~~ a title search  
9 **or may request from 1 or more authorized representatives another**  
10 **title search product to identify the owners of a property**  
11 **interest in the property as** required under this subsection ~~and~~  
12 **or to perform** ~~the~~ other functions ~~set forth in this section~~  
13 **required for the collection of delinquent taxes under this act.**

14 (2) ~~The~~ **After conducting the search of records under**  
15 **subsection (1), the** foreclosing governmental unit or its  
16 authorized representative shall determine the address reasonably  
17 calculated to apprise those owners of a property interest of the  
18 ~~pendency of the~~ show cause hearing under section 78j and the  
19 foreclosure hearing under section 78k and shall send notice of  
20 the show cause hearing under section 78j and the foreclosure  
21 hearing under section 78k to those owners, to a person entitled  
22 to notice of the return of delinquent taxes under section 78a(4),  
23 and to a person to whom a tax deed for property returned for  
24 delinquent taxes was issued pursuant to section 72 as determined  
25 by the records of the state treasurer **or county treasurer as**  
26 **applicable**, by certified mail, return receipt requested, not less  
27 than 30 days before the show cause hearing. ~~The failure of the~~

1 ~~foreclosing governmental unit to comply with any provision of~~  
2 ~~this section shall not invalidate any proceeding under this act~~  
3 ~~if the owner of a property interest or a person to whom a tax~~  
4 ~~deed was issued is accorded the minimum due process required~~  
5 ~~under the state constitution of 1963 and the constitution of the~~  
6 ~~United States.~~ If after conducting the search of records under  
7 subsection (1) the foreclosing governmental unit is unable to  
8 determine an address reasonably calculated to inform a person  
9 with an interest in a forfeited property, or if the foreclosing  
10 governmental unit discovers a deficiency in notice under  
11 subsection (4), the following shall be considered reasonable  
12 steps by the foreclosing governmental unit or its authorized  
13 representative to ascertain the address of a person entitled to  
14 notice under this section or to ascertain an address necessary to  
15 correct the deficiency in notice under subsection (4):

16 (a) For an individual, a search of the records of the probate  
17 court for the county in which the property is located.

18 (b) For an individual, a search of the qualified voter file  
19 established under section 509o of the Michigan election law, 1954  
20 PA 116, MCL 168.509o, which is authorized by this subdivision.

21 (c) For a partnership, a search of partnership records filed  
22 with the county clerk.

23 (d) For a business entity other than a partnership, a search  
24 of business entity records filed with the department of labor and  
25 economic growth.

26 (3) The foreclosing governmental unit or its authorized  
27 representative or authorized agent shall make a personal visit to

1 each parcel of property forfeited to the county treasurer under  
2 section 78g to ascertain whether or not the property is  
3 occupied. If the property appears to be occupied, the  
4 foreclosing governmental unit or its authorized representative  
5 shall do all of the following:

6 (a) Attempt to personally serve upon a person occupying the  
7 property notice of the show cause hearing under section 78j and  
8 the foreclosure hearing under section 78k.

9 (b) If a person occupying the property is personally served,  
10 orally inform the occupant that the property will be foreclosed  
11 and the occupants will be required to vacate unless all forfeited  
12 unpaid delinquent taxes, interest, penalties, and fees are paid,  
13 of the time within which all forfeited unpaid delinquent taxes,  
14 interest, penalties, and fees must be paid, and of agencies or  
15 other resources that may be available to assist the owner to  
16 avoid loss of the property.

17 (c) If the occupant appears to lack the ability to understand  
18 the advice given, notify the family independence agency or  
19 provide the occupant with the names and telephone number of the  
20 agencies that may be able to assist the occupant.

21 (d) If the foreclosing governmental unit or its authorized  
22 representative is not able to personally meet with the occupant,  
23 the foreclosing governmental unit or its authorized  
24 representative shall place the notice in a conspicuous manner on  
25 the property and shall also place in a conspicuous manner on the  
26 property a notice that explains, in plain English, that the  
27 property will be foreclosed unless forfeited unpaid delinquent

1 taxes, interest, penalties, and fees are paid, the time within  
2 which forfeited unpaid delinquent taxes, interest, penalties, and  
3 fees must be paid, and the names, addresses, and telephone  
4 numbers of agencies or other resources that may be available to  
5 assist the occupant to avoid loss of the property. If this state  
6 is the foreclosing governmental unit within a county, the  
7 department of natural resources shall perform the personal visit  
8 to each parcel of property under this subsection on behalf of  
9 this state.

10 (4) If the foreclosing governmental unit or its authorized  
11 representative discovers any deficiency in the provision of  
12 notice, the foreclosing governmental unit shall take reasonable  
13 steps in good faith to correct that deficiency not later than 30  
14 days before the show cause hearing under section 78j, **if**  
15 **possible**.

16 (5) If the foreclosing governmental unit or its authorized  
17 representative is unable to ascertain the address reasonably  
18 calculated to apprise the owners of a property interest entitled  
19 to notice under this section, or is unable to ~~serve~~ **notify** the  
20 owner of a property interest **under subsection (2)**, ~~service of~~  
21 the notice shall be made by publication. A notice shall be  
22 published for 3 successive weeks, once each week, in a newspaper  
23 published and circulated in the county in which the property is  
24 located, if there is one. If no paper is published in that  
25 county, publication shall be made in a newspaper published and  
26 circulated in an adjoining county. This publication shall be  
27 instead of ~~service~~ **notice** under subsection (2).

1           (6) The owner of a property interest is entitled to notice  
2 under this section of the show cause hearing under section 78j  
3 and the foreclosure hearing under section 78k if that owner's  
4 interest was identifiable by reference to any of the following  
5 sources before the date that the county treasurer records the  
6 certificate required under section 78g(2):

7           (a) ~~Records~~ **Land title records** in the office of the county  
8 register of deeds.

9           (b) Tax records in the office of the county treasurer.

10          (c) ~~Records~~ **Tax records** in the office of the local  
11 assessor.

12          (d) ~~Records~~ **Tax records** in the office of the local  
13 treasurer.

14          (7) The notice required under subsections ~~(1)~~ **(2)** and (3)  
15 shall include all of the following:

16          (a) The date on which the property was forfeited to the  
17 county treasurer.

18          (b) A statement that the person notified may lose his or her  
19 interest in the property as a result of the foreclosure  
20 proceeding under section 78k.

21          (c) A legal description or parcel number of the property and  
22 the street address of the property, if ~~possible~~ **available**.

23          (d) The person to whom the notice is addressed.

24          (e) The total taxes, interest, penalties, and fees due on the  
25 property.

26          (f) The date and time of the show cause hearing under section  
27 78j.

1 (g) The date and time of the hearing on the petition for  
2 foreclosure under section 78k, and a statement that unless the  
3 forfeited unpaid delinquent taxes, interest, penalties, and fees  
4 are paid ~~within 21 days after judgment is entered in the~~  
5 ~~foreclosure proceeding~~ **on or before the March 31 immediately**  
6 **succeeding the entry of a judgment foreclosing the property under**  
7 **section 78k, or in a contested case within 21 days of the entry**  
8 **of a judgment foreclosing the property** under section 78k, the  
9 title to the property shall vest absolutely in the foreclosing  
10 governmental unit.

11 (h) An explanation of the person's rights of redemption and  
12 notice that the rights of redemption will expire ~~21 days after~~  
13 ~~judgment is entered in the foreclosure proceeding~~ **on the March**  
14 **31 immediately succeeding the entry of a judgment foreclosing the**  
15 **property under section 78k, or in a contested case 21 days after**  
16 **the entry of a judgment foreclosing the property** under section  
17 78k.

18 (8) The published notice required under subsection (5) shall  
19 include all of the following:

20 (a) A legal description or parcel number of each property.

21 (b) The street address of each property, if ~~possible~~  
22 **available.**

23 (c) The name of any person or entity entitled to notice under  
24 this section who has not been notified under subsection ~~(1)~~ **(2)**  
25 or (3).

26 (d) The date and time of the show cause hearing under  
27 section 78j.

1 (e) The date and time of the hearing on the petition for  
2 foreclosure under section 78k.

3 (f) A statement that unless all forfeited unpaid delinquent  
4 taxes, interest, penalties, and fees are paid ~~within 21 days~~  
5 ~~after judgment is entered in the foreclosure proceeding~~ **on or**  
6 **before the March 31 immediately succeeding the entry of a**  
7 **judgment foreclosing the property under section 78k, or in a**  
8 **contested case within 21 days of the entry of a judgment**  
9 **foreclosing the property** under section 78k, the title to the  
10 property shall vest absolutely in the foreclosing governmental  
11 unit.

12 (g) A statement that a person with an interest in the  
13 property may lose his or her interest in the property as a result  
14 of the foreclosure proceeding under section 78k.

15 (9) The owner of a property interest who has been properly  
16 served with a notice of the show cause hearing under section 78j  
17 and the foreclosure hearing under section 78k and who failed to  
18 redeem the property as provided under this act shall not assert  
19 any of the following:

20 (a) That notice was insufficient or inadequate on the grounds  
21 that some other owner of a property interest was not also  
22 served.

23 (b) That the redemption period provided under this act was  
24 extended in any way on the grounds that some other owner of a  
25 property interest was not also served.

26 **(10) The failure of the foreclosing governmental unit to**  
27 **comply with any provision of this section shall not invalidate**

1 any proceeding under this act if the owner of a property interest  
2 or a person to whom a tax deed was issued is accorded the minimum  
3 due process required under the state constitution of 1963 and the  
4 constitution of the United States.

5 (11) ~~(10)~~ As used in this section, "authorized  
6 representative" includes all of the following:

7 (a) A title insurance company or agent licensed to conduct  
8 business in this state.

9 (b) An attorney licensed to practice law in this state.

10 (c) A person accredited in **land** title search procedures by a  
11 nationally recognized organization in the field of **land** title  
12 searching.

13 (d) A person with demonstrated experience ~~in the field of~~  
14 ~~title~~ searching **land title records**, as determined by the  
15 foreclosing governmental unit.

16 (12) The provisions of this section relating to notice of the  
17 show cause hearing under section 78j and the foreclosure hearing  
18 under section 78k are exclusive and exhaustive. Other  
19 requirements relating to notice or proof of service under other  
20 law, rule, or legal requirement are not applicable to notice and  
21 proof of service under this section.

22 Sec. 78k. (1) If a petition for foreclosure is filed under  
23 section 78h, ~~before~~ **not later than** the date of the hearing, the  
24 foreclosing governmental unit shall file with the clerk of the  
25 circuit court proof of service of the notice of the show cause  
26 hearing under section 78j, proof of service of the notice of the  
27 foreclosure hearing under this section, and proof of the personal

1 visit to the property and publication under section 78i.

2 (2) A person claiming an interest in a parcel of property set  
3 forth in the petition for foreclosure may contest the validity or  
4 correctness of the forfeited unpaid delinquent taxes, interest,  
5 penalties, and fees for 1 or more of the following reasons:

6 (a) No law authorizes the tax.

7 (b) The person appointed to decide whether a tax shall be  
8 levied under a law of this state acted without jurisdiction, or  
9 did not impose the tax in question.

10 (c) The property was exempt from the tax in question, or the  
11 tax was not legally levied.

12 (d) The tax has been paid within the time limited by law for  
13 payment or redemption.

14 (e) The tax was assessed fraudulently.

15 (f) The description of the property used in the assessment  
16 was so indefinite or erroneous that the forfeiture was void.

17 (3) A person claiming an interest in a parcel of property set  
18 forth in the petition for foreclosure who desires to contest that  
19 petition shall file written objections with the clerk of the  
20 circuit court and serve those objections on the foreclosing  
21 governmental unit **prior to the date of the hearing required under**  
22 **this section.**

23 (4) If the court determines that the owner of property  
24 subject to foreclosure is a minor heir, is incompetent, is  
25 without means of support, or is undergoing a substantial  
26 financial hardship, the court may withhold that property from  
27 foreclosure for 1 year or may enter an order extending the

1 redemption period as the court determines to be equitable. If  
2 the court withholds property from foreclosure under this  
3 subsection, a taxing unit's lien for taxes due is not prejudiced  
4 and that property shall be included in the immediately succeeding  
5 year's tax foreclosure proceeding.

6 (5) The circuit court shall enter **final** judgment on a  
7 petition for foreclosure filed under section 78h ~~not more than~~  
8 ~~10 days after the March 1 immediately succeeding the date the~~  
9 ~~petition for foreclosure is filed~~ **at any time after the hearing**  
10 **under this section but not later than the March 30 immediately**  
11 **succeeding the hearing with the judgment effective on the March**  
12 **31 immediately succeeding the hearing** for uncontested cases or 10  
13 days after the conclusion of the hearing for contested cases.  
14 All redemption rights to the property expire ~~21 days after the~~  
15 ~~circuit court enters a judgment foreclosing the property as~~  
16 ~~requested in the petition for foreclosure~~ **on the March 31**  
17 **immediately succeeding the entry of a judgment foreclosing the**  
18 **property under this section, or in a contested case 21 days after**  
19 **the entry of a judgment foreclosing the property under this**  
20 **section.** The circuit court's judgment shall specify all of the  
21 following:

22 (a) The legal description and, if known, the street address  
23 of the property foreclosed and the forfeited unpaid delinquent  
24 taxes, interest, penalties, and fees due on each parcel of  
25 property.

26 (b) That fee simple title to property foreclosed by the  
27 judgment will vest absolutely in the foreclosing governmental

1 unit, except as otherwise provided in subdivisions (c) and (e),  
2 without any further rights of redemption, if all forfeited  
3 delinquent taxes, interest, penalties, and fees are not paid  
4 ~~within 21 days after entry of the judgment~~ **on or before the**  
5 **March 31 immediately succeeding the entry of a judgment**  
6 **foreclosing the property under this section, or in a contested**  
7 **case within 21 days of the entry of a judgment foreclosing the**  
8 **property under this section.**

9 (c) That all liens against the property, including any lien  
10 for unpaid taxes or special assessments, except future  
11 installments of special assessments and liens recorded by this  
12 state or the foreclosing governmental unit pursuant to the  
13 natural resources and environmental protection act, 1994 PA 451,  
14 MCL 324.101 to 324.90106, are extinguished, if all forfeited  
15 delinquent taxes, interest, penalties, and fees are not paid  
16 ~~within 21 days after entry of the judgment~~ **on or before the**  
17 **March 31 immediately succeeding the entry of a judgment**  
18 **foreclosing the property under this section, or in a contested**  
19 **case within 21 days of the entry of a judgment foreclosing the**  
20 **property under this section.**

21 (d) That, except as otherwise provided in subdivisions (c)  
22 and (e), the foreclosing governmental unit has good and  
23 marketable fee simple title to the property, if all forfeited  
24 delinquent taxes, interest, penalties, and fees are not paid  
25 ~~within 21 days after entry of the judgment~~ **on or before the**  
26 **March 31 immediately succeeding the entry of a judgment**  
27 **foreclosing the property under this section, or in a contested**

1 case within 21 days of the entry of a judgment foreclosing the  
2 property under this section.

3 (e) That all existing recorded and unrecorded interests in  
4 that property are extinguished, except a visible or recorded  
5 easement or right-of-way, private deed restrictions, or  
6 restrictions or other governmental interests imposed pursuant to  
7 the natural resources and environmental protection act, 1994  
8 PA 451, MCL 324.101 to 324.90106, if all forfeited delinquent  
9 taxes, interest, penalties, and fees are not paid ~~within 21 days~~  
10 ~~after entry of the judgment~~ on or before the March 31  
11 immediately succeeding the entry of a judgment foreclosing the  
12 property under this section, or in a contested case within 21  
13 days of the entry of a judgment foreclosing the property under  
14 this section.

15 (f) A finding that all persons entitled to notice and an  
16 opportunity to be heard have been provided that notice and  
17 opportunity. A person shall be deemed to have been provided  
18 notice and an opportunity to be heard if the foreclosing  
19 governmental unit followed the procedures for provision of notice  
20 by mail, for visits to forfeited property, and for publication  
21 under section 78i, or if 1 or more of the following apply:

22 (i) The person had constructive notice of the hearing under  
23 this section by acquiring an interest in the property after the  
24 date the notice of forfeiture is recorded under section 78g.

25 (ii) The person appeared at the hearing under this section or  
26 filed written objections with the clerk of the circuit court  
27 under subsection (3) prior to the hearing.

1 (iii) Prior to the hearing under this section, the person had  
2 actual notice of the hearing.

3 (g) A judgment entered under this section is a final order  
4 with respect to the property affected by the judgment and except  
5 as provided in subsection (7) shall not be modified, stayed, or  
6 held invalid after the March 31 immediately succeeding the entry  
7 of a judgment foreclosing the property under this section, or for  
8 contested cases 21 days after the entry of a judgment foreclosing  
9 the property under this section.

10 (6) Except as otherwise provided in subsection (5)(c) and  
11 (e), fee simple title to property set forth in a petition for  
12 foreclosure filed under section 78h on which forfeited delinquent  
13 taxes, interest, penalties, and fees are not paid ~~within 21 days~~  
14 ~~after the entry of judgment~~ on or before the March 31  
15 immediately succeeding the entry of a judgment foreclosing the  
16 property under this section, or in a contested case within 21  
17 days of the entry of a judgment foreclosing the property under  
18 this section, shall vest absolutely in the foreclosing  
19 governmental unit, and the foreclosing governmental unit shall  
20 have absolute title to the property. The foreclosing  
21 governmental unit's title is not subject to any recorded or  
22 unrecorded lien and shall not be stayed or held invalid except as  
23 provided in subsection (7) or (9).

24 (7) The foreclosing governmental unit or a person claiming to  
25 have a property interest under section 78i in property foreclosed  
26 under this section may appeal the circuit court's order or the  
27 circuit court's judgment foreclosing property to the court of

1 appeals. An appeal under this subsection is limited to the  
2 record of the proceedings in the circuit court under this section  
3 and shall not be de novo. The circuit court's judgment  
4 foreclosing property shall be stayed until the court of appeals  
5 has reversed, modified, or affirmed that judgment. If an appeal  
6 under this subsection stays the circuit court's judgment  
7 foreclosing property, the circuit court's judgment is stayed only  
8 as to the property that is the subject of that appeal and the  
9 circuit court's judgment foreclosing other property that is not  
10 the subject of that appeal is not stayed. To appeal the circuit  
11 court's judgment foreclosing property, a person appealing the  
12 judgment shall pay to the county treasurer the amount determined  
13 to be due to the county treasurer under the judgment ~~within 21~~  
14 ~~days after the circuit court's judgment is entered~~ **on or before**  
15 **the March 31 immediately succeeding the entry of a judgment**  
16 **foreclosing the property under this section, or in a contested**  
17 **case within 21 days of the entry of a judgment foreclosing the**  
18 **property under this section,** together with a notice of appeal.  
19 If the circuit court's judgment foreclosing the property is  
20 affirmed on appeal, the amount determined to be due shall be  
21 refunded to the person who appealed the judgment. If the circuit  
22 court's judgment foreclosing the property is reversed or modified  
23 on appeal, the county treasurer shall refund the amount  
24 determined to be due to the person who appealed the judgment, if  
25 any, and retain the balance in accordance with the order of the  
26 court of appeals.

27 (8) The foreclosing governmental unit shall record a notice

1 of judgment for each parcel of foreclosed property in the office  
2 of the register of deeds for the county in which the foreclosed  
3 property is located in a form prescribed by the department of  
4 treasury.

5 (9) After the entry of a judgment foreclosing the property  
6 under this section, if the property has not been transferred  
7 under section 78m to a person other than the foreclosing  
8 governmental unit, a foreclosing governmental unit may cancel the  
9 foreclosure by recording with the register of deeds for the  
10 county in which the property is located a certificate of error in  
11 a form prescribed by the department of treasury, if the  
12 foreclosing governmental unit discovers any of the following:

13 (a) The foreclosed property was not subject to taxation on  
14 the date of the assessment of the unpaid taxes for which the  
15 property was foreclosed.

16 (b) The description of the property used in the assessment of  
17 the unpaid taxes for which the property was foreclosed was so  
18 indefinite or erroneous that the forfeiture of the property was  
19 void.

20 (c) The taxes for which the property was foreclosed had been  
21 paid to the proper officer within the time provided under this  
22 act for the payment of the taxes or the redemption of the  
23 property.

24 (d) A certificate, including a certificate issued under  
25 section 135, or other written verification authorized by law was  
26 issued by the proper officer within the time provided under this  
27 act for the payment of the taxes for which the property was

1 foreclosed or for the redemption of the property.

2 (e) An owner of an interest in the property entitled to  
3 notice under section 78i was not provided notice sufficient to  
4 satisfy the minimum requirements of due process required under  
5 the state constitution of 1963 and the constitution of the United  
6 States.

7 (f) A judgment of foreclosure was entered under this section  
8 in violation of an order issued by a United States bankruptcy  
9 court.

10 (10) A certificate of error submitted to the county register  
11 of deeds for recording under subsection (9) need not be notarized  
12 and may be authenticated by a digital signature of the  
13 foreclosing governmental unit or by other electronic means.

14 Sec. 78l. (1) If a judgment for foreclosure is entered  
15 under section 78k and all existing recorded and unrecorded  
16 interests in a parcel of property are extinguished as provided in  
17 section 78k, the owner of any extinguished recorded or unrecorded  
18 interest in that property who claims that he or she did not  
19 receive any notice required under this act shall not bring an  
20 action for possession of the property against any subsequent  
21 owner, but may only bring an action to recover monetary damages  
22 as provided in this section.

23 (2) The court of claims has original and exclusive  
24 jurisdiction in any action to recover monetary damages under this  
25 section.

26 (3) An action to recover monetary damages under this section  
27 shall not be brought more than 2 years after a judgment for

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1 foreclosure is entered under section 78k.

2 (4) Any monetary damages recoverable under this section shall  
3 be determined as of the date a judgment for foreclosure is  
4 entered under section 78k and shall not exceed the fair market  
5 value of the ~~property~~ **interest in the property held by the**  
6 **person bringing the action under this section** on that date, **less**  
7 **any taxes, interest, penalties, and fees owed << >> on**  
8 **the property as of that date.**

9 (5) **The right to sue for monetary damages under this section**  
10 **is not transferable except by testate or intestate succession.**

11 Sec. 78m. (1) Not later than the first Tuesday in July, ~~or~~  
12 ~~the first Tuesday in September if a sale is not held under~~  
13 ~~subsection (2),~~ immediately succeeding the entry of judgment  
14 under section 78k vesting absolute title to tax delinquent  
15 property in the foreclosing governmental unit, this state is  
16 granted the right of first refusal to purchase property at the  
17 greater of the minimum bid or its fair market value by paying  
18 that amount to the foreclosing governmental unit if the  
19 foreclosing governmental unit is not this state. If this state  
20 elects not to purchase the property under its right of first  
21 refusal, a city, village, or township may purchase for a public  
22 purpose any property located within that city, village, or  
23 township set forth in the judgment and subject to sale under this  
24 section by payment to the foreclosing governmental unit of the  
25 minimum bid. If a city, village, or township does not purchase  
26 that property, the county in which that property is located may  
27 purchase that property under this section by payment to the

1 foreclosing governmental unit of the minimum bid. If property is  
2 purchased by a city, village, township, or county under this  
3 subsection, the foreclosing governmental unit shall convey the  
4 property to the purchasing city, village, township, or county  
5 within 30 days. If property purchased by a city, village,  
6 township, or county under this subsection is subsequently sold  
7 for an amount in excess of the minimum bid and all costs incurred  
8 relating to demolition, renovation, improvements, or  
9 infrastructure development, the excess amount shall be returned  
10 to the delinquent tax property sales proceeds account for the  
11 year in which the property was purchased by the city, village,  
12 township, or county or, if this state is the foreclosing  
13 governmental unit within a county, to the land reutilization fund  
14 created under section 78n. Upon the request of the foreclosing  
15 governmental unit, a city, village, township, or county that  
16 purchased property under this subsection shall provide to the  
17 foreclosing governmental unit without cost information regarding  
18 any subsequent sale or transfer of the property. This subsection  
19 applies to the purchase of property by this state, a city,  
20 village, or township, or a county prior to a sale held under  
21 subsection (2). ~~or, if no sale is held under subsection (2),~~  
22 ~~prior to a sale held under subsection (4).~~

23 (2) Subject to subsection (1), beginning on the third Tuesday  
24 in July immediately succeeding the entry of the judgment under  
25 section 78k vesting absolute title to tax delinquent property in  
26 the foreclosing governmental unit **and ending on the immediately**  
27 **succeeding first Tuesday in November**, the foreclosing

1 governmental unit, or its authorized ~~representative~~ **agent**, at  
2 the option of the foreclosing governmental unit, ~~may hold 1 or~~  
3 ~~more~~ **shall hold at least 2** property sales at 1 or more  
4 convenient locations at which property foreclosed by the judgment  
5 entered under section 78k shall be sold by auction sale, **which**  
6 **may include an auction sale conducted via an internet website.**  
7 Notice of the time and location of the ~~sale~~ **sales** shall be  
8 published not less than 30 days before ~~the~~ **each** sale in a  
9 newspaper published and circulated in the county in which the  
10 property is located, if there is one. If no newspaper is  
11 published in that county, publication shall be made in a  
12 newspaper published and circulated in an adjoining county. ~~The~~  
13 ~~sale or sales~~ **Each sale** shall be completed ~~within 15 days.~~  
14 ~~Property~~ **before the first Tuesday in November immediately**  
15 **succeeding the entry of judgment under section 78k vesting**  
16 **absolute title to the tax delinquent property in the foreclosing**  
17 **governmental unit. Except as provided in subsection (5),**  
18 **property** shall be sold to the person bidding the highest amount  
19 above the minimum bid. The foreclosing governmental unit may  
20 sell parcels individually or may offer 2 or more parcels for sale  
21 as a group. The minimum bid for a group of parcels shall equal  
22 the sum of the minimum bid for each parcel included in the  
23 group. **The foreclosing governmental unit may adopt procedures**  
24 **governing the conduct of the sale and may cancel the sale prior**  
25 **to the issuance of a deed under this subsection if authorized**  
26 **under the procedures.** The foreclosing governmental unit may  
27 require full payment by cash, certified check, or money order at

1 the close of each day's bidding. Not more than 30 days after the  
2 date of a sale under this subsection, the foreclosing  
3 governmental unit shall convey the property by deed to the person  
4 bidding the highest amount above the minimum bid. The deed shall  
5 vest fee simple title to the property in the person bidding the  
6 highest amount above the minimum bid, **unless the foreclosing**  
7 **governmental unit discovers a defect in the foreclosure of the**  
8 **property under sections 78 to 78/.** If this state is the  
9 foreclosing governmental unit within a county, the department of  
10 natural resources shall conduct the sale of property under this  
11 subsection and subsections (4) and (5) on behalf of this state.

12 (3) ~~If a sale has been~~ **For sales** held under subsection (2),  
13 after the conclusion of that sale, and ~~not later than the first~~  
14 ~~Tuesday in September immediately succeeding that sale~~ **prior to**  
15 **any additional sale held under subsection (2),** a city, village,  
16 or township may purchase any property not previously sold under  
17 subsection (1) or (2) by paying the minimum bid to the  
18 foreclosing governmental unit. If a city, village, or township  
19 does not purchase that property, the county in which that  
20 property is located may purchase that property under this section  
21 by payment to the foreclosing governmental unit of the minimum  
22 bid. ~~If property is purchased by a city, village, township, or~~  
23 ~~county under this subsection, the foreclosing governmental unit~~  
24 ~~shall convey the property to the purchasing city, village,~~  
25 ~~township, or county within 30 days.~~

26 (4) ~~Beginning on the third Tuesday in September immediately~~  
27 ~~succeeding the entry of the judgment of foreclosure, all property~~

1 ~~not previously sold by the foreclosing governmental unit under~~  
2 ~~subsection (1), (2), or (3) shall be offered or reoffered for~~  
3 ~~sale, subject to the same requirements set forth in subsection~~  
4 ~~(2).~~ **If property is purchased by a city, village, township, or**  
5 **county under subsection (3), the foreclosing governmental unit**  
6 **shall convey the property to the purchasing city, village, or**  
7 **township within 30 days.**

8 (5) ~~Beginning on the third Tuesday in November immediately~~  
9 ~~succeeding the sale held pursuant to subsection (4), all property~~  
10 ~~not previously sold under subsection (1), (2), (3), or (4) shall~~  
11 ~~again be reoffered for sale. The sale is subject to the~~  
12 ~~requirements set forth in subsection (2), except that the minimum~~  
13 ~~bid shall not be required.~~ **All property subject to sale under**  
14 **subsection (2) shall be offered for sale at not less than 2 sales**  
15 **conducted as required by subsection (2). The final sale held**  
16 **under subsection (2) shall be held not less than 28 days after**  
17 **the previous sale under subsection (2). At the final sale held**  
18 **under subsection (2), the sale is subject to the requirements of**  
19 **subsection (2), except that the minimum bid shall not be**  
20 **required. However, the foreclosing governmental unit may**  
21 **establish a reasonable opening bid at the sale to recover the**  
22 **cost of the sale of the parcel or parcels.**

23 (6) **On or before** December 1 immediately succeeding the date  
24 of the sale under subsection (5), a list of all property not  
25 previously sold by the foreclosing governmental unit under this  
26 section shall be transferred to the clerk of the city, village,  
27 or township in which the property is located. The city, village,

1 or township may object in writing to the transfer of 1 or more  
2 parcels of property set forth on that list. On **or before**  
3 December 30 immediately succeeding the date of the sale under  
4 subsection (5), all property not previously sold by the  
5 foreclosing governmental unit under this section shall be  
6 transferred to the city, village, or township in which the  
7 property is located, except those parcels of property to which  
8 the city, village, or township has objected. **Property located in**  
9 **both a village and a township may be transferred under this**  
10 **subsection only to a village.** The city, village, or township may  
11 make the property available under the urban homestead act, 1999  
12 PA 127, MCL 125.2701 to 125.2709, or for any other lawful  
13 purpose.

14 (7) If property not previously sold is not transferred to the  
15 city, village, or township in which the property is located under  
16 subsection (6), the foreclosing governmental unit shall retain  
17 possession of that property. **If the foreclosing governmental**  
18 **unit retains possession of the property and the foreclosing**  
19 **governmental unit is this state, title to the property shall vest**  
20 **in the land bank fast track authority created under section 15 of**  
21 **the land bank fast track act.**

22 (8) A foreclosing governmental unit shall deposit the  
23 proceeds from the sale of property under this section into a  
24 restricted account designated as the "delinquent tax property  
25 sales proceeds for the year \_\_\_\_". The foreclosing  
26 governmental unit shall direct the investment of the account.  
27 The foreclosing governmental unit shall credit to the account

1 interest and earnings from account investments. Proceeds in that  
2 account shall only be used by the foreclosing governmental unit  
3 for the following purposes in the following order of priority:

4 (a) The delinquent tax revolving fund shall be reimbursed for  
5 all taxes, interest, and fees on all of the property, whether or  
6 not all of the property was sold.

7 (b) All costs of the sale of property for the year shall be  
8 paid.

9 (c) Any costs of the foreclosure proceedings for the year,  
10 including, but not limited to, costs of mailing, publication,  
11 personal service, and outside contractors shall be paid.

12 (d) Any costs for the sale of property or foreclosure  
13 proceedings for any prior year that have not been paid or  
14 reimbursed from that prior year's delinquent tax property sales  
15 proceeds shall be paid.

16 (e) Any costs incurred by the foreclosing governmental unit  
17 in maintaining property foreclosed under section 78k before the  
18 sale under this section shall be paid, including costs of any  
19 environmental remediation.

20 (f) If the foreclosing governmental unit is not this state,  
21 any of the following:

22 (i) Any costs for the sale of property or foreclosure  
23 proceedings for any subsequent year that are not paid or  
24 reimbursed from that subsequent year's delinquent tax property  
25 sales proceeds shall be paid from any remaining balance in any  
26 prior year's delinquent tax property sales proceeds account.

27 (ii) Any costs for the defense of title actions.

1 (iii) Any costs incurred in administering the foreclosure and  
2 disposition of property forfeited for delinquent taxes under this  
3 act.

4 (g) If the foreclosing governmental unit is this state, any  
5 remaining balance shall be transferred to the land reutilization  
6 fund created under section 78n.

7 (9) Two or more county treasurers of adjacent counties may  
8 elect to hold a joint sale of property as provided in this  
9 section. If 2 or more county treasurers elect to hold a joint  
10 sale, property may be sold under this section at a location  
11 outside of the county in which the property is located. The sale  
12 may be conducted by any county treasurer participating in the  
13 joint sale. **A joint sale held under this subsection may include  
14 or be an auction sale conducted via an internet website.**

15 (10) The foreclosing governmental unit shall record a deed  
16 for any property transferred under this section with the county  
17 register of deeds. The foreclosing governmental unit may charge  
18 a fee in excess of the minimum bid and any sale proceeds for the  
19 cost of recording a deed under this subsection.

20 (11) As used in this section, "minimum bid" is the minimum  
21 amount established by the foreclosing governmental unit for which  
22 property may be sold under this section. The minimum bid shall  
23 include all of the following:

24 (a) All delinquent taxes, interest, penalties, and fees due  
25 on the property. If a city, village, or township purchases the  
26 property, the minimum bid shall not include any taxes levied by  
27 that city, village, or township and any interest, penalties, or

1 fees due on those taxes.

2 (b) The expenses of administering the sale, including all  
3 preparations for the sale. The foreclosing governmental unit  
4 shall estimate the cost of preparing for and administering the  
5 annual sale for purposes of prorating the cost for each property  
6 included in the sale.

7 (12) For property transferred to this state under subsection  
8 (1), a city, village, or township under subsection (6) or  
9 retained by a foreclosing governmental unit under subsection (7),  
10 all taxes due on the property as of the December 31 following the  
11 transfer or retention of the property are canceled effective on  
12 that December 31.

13 (13) For property sold under this section, transferred to  
14 this state under subsection (1), a city, village, or township  
15 under subsection (6), or retained by a foreclosing governmental  
16 unit under subsection (7), all liens for costs of demolition,  
17 safety repairs, debris removal, or sewer or water charges due on  
18 the property as of the December 31 immediately succeeding the  
19 sale, transfer, or retention of the property are canceled  
20 effective on that December 31. This subsection does not apply to  
21 liens recorded by the department of environmental quality under  
22 this act or the land bank fast track authority act.

23 (14) If property foreclosed under section 78k and held by or  
24 under the control of a foreclosing governmental unit is a  
25 facility as defined under section 20101(1)(o) of the natural  
26 resources and environmental protection act, 1994 PA 451, MCL  
27 324.20101, prior to the sale or transfer of the property under

1 this section, the property is subject to all of the following:

2 (a) Upon reasonable written notice from the department of  
3 environmental quality, the foreclosing governmental unit shall  
4 provide access to the department of environmental quality, its  
5 employees, contractors, and any other person expressly authorized  
6 by the department of environmental quality to conduct response  
7 activities at the foreclosed property. Reasonable written notice  
8 under this subdivision may include, but is not limited to, notice  
9 by electronic mail or facsimile, if the foreclosing governmental  
10 unit consents to notice by electronic mail or facsimile prior to  
11 the provision of notice by the department of environmental  
12 quality.

13 (b) If requested by the department of environmental quality  
14 to protect public health, safety, and welfare or the environment,  
15 the foreclosing governmental unit shall grant an easement for  
16 access to conduct response activities on the foreclosed property  
17 as authorized under chapter 7 of the natural resources and  
18 environmental protection act, 1994 PA 451, MCL 324.20101 to  
19 324.20302.

20 (c) If requested by the department of environmental quality  
21 to protect public health, safety, and welfare or the environment,  
22 the foreclosing governmental unit shall place and record deed  
23 restrictions on the foreclosed property as authorized under  
24 chapter 7 of the natural resources and environmental protection  
25 act, 1994 PA 451, MCL 324.20101 to 324.20302.

26 (d) The department of environmental quality may place an  
27 environmental lien on the foreclosed property as authorized under

1 section 20138 of the natural resources and environmental  
2 protection act, 1994 PA 451, MCL 324.20138.

3 (15) If property foreclosed under section 78k and held by or  
4 under the control of a foreclosing governmental unit is a  
5 facility as defined under section 20101(1)(o) of the natural  
6 resources and environmental protection act, 1994 PA 451, MCL  
7 324.20101, prior to the sale or transfer of the property under  
8 this section, the department of environmental quality shall  
9 request and the foreclosing governmental unit shall transfer the  
10 property to the state land bank fast track authority created  
11 under section 15 of the land bank fast track act if all of the  
12 following apply:

13 (a) The department of environmental quality determines that  
14 conditions at a foreclosed property are an acute threat to the  
15 public health, safety, and welfare, to the environment, or to  
16 other property.

17 (b) The department of environmental quality proposes to  
18 undertake or is undertaking state-funded response activities at  
19 the property.

20 (c) The department of environmental quality determines that  
21 the sale, retention, or transfer of the property other than under  
22 this subsection would interfere with response activities by the  
23 department of environmental quality.

24 Sec. 131. (1) The director of the department of natural  
25 resources may withhold from sale any property that he or she  
26 determines to be suitable for state forests, state parks, state  
27 game refuges, public hunting, or recreational grounds. The

1 director of the department of natural resources may set a minimum  
2 price for property not withheld from sale. Property not withheld  
3 from sale and not held by a local tax collecting unit shall be  
4 offered for sale by the director of the department of natural  
5 resources, at a price to be determined by the director of the  
6 department of natural resources, pursuant to 1873 PA 21,  
7 MCL 322.261 to 322.266. A bid shall not be accepted for less  
8 than the minimum price set by the director of the department of  
9 natural resources. If no bids are received or accepted by the  
10 director of the department of natural resources, the director of  
11 the department of natural resources may sell the property to a  
12 person applying to purchase the property at a price not less than  
13 the minimum price affixed by the director of the department of  
14 natural resources. The proceeds of the sale, after deducting  
15 costs paid for maintaining the property in condition to protect  
16 the public health and safety shall be accounted for to the state,  
17 county, local tax collecting unit, and school district in which  
18 the property is situated, pro rata according to their interests  
19 in the property arising from the nonpayment of taxes and special  
20 assessments on the property as that interest appears in the  
21 offices of the state, county, city, and local tax collecting unit  
22 treasurers. A person who purchases property under this section  
23 shall, in addition to paying the purchase price, pay to the state  
24 a fee of \$10.00 per parcel of property purchased, plus 5% of the  
25 purchase price. The \$10.00 charge and 5% of the purchase price  
26 shall be transmitted to the ~~state treasurer~~ **department of**  
27 **treasury** for deposit in the general fund of this state to the

1 credit of the delinquent property tax administration fund. This  
2 section does not apply to sales conducted under section 78m. **For**  
3 **each parcel of property under the jurisdiction of the director of**  
4 **the department of natural resources under this section, the**  
5 **director of the department of natural resources shall continue to**  
6 **perform the functions assigned under this section until the**  
7 **parcel of property is transferred to the state land bank fast**  
8 **track authority under section 20 of the land bank fast track act.**

9 (2) A deed issued under this section shall remain subject to  
10 any restrictions or notices approved by this state or the  
11 foreclosing governmental unit and recorded with the register of  
12 deeds pursuant to the natural resources and environmental  
13 protection act, 1994 PA 451, MCL 324.101 to 324.90106.

14 Sec. 131e. (1) For all property the title to which vested  
15 in this state under this section after October 25, 1976, the  
16 redemption period on property deeded to the state under section  
17 67a shall be extended until the owners of a recorded property  
18 interest in the property have been notified of a hearing before  
19 the department of treasury. Proof of the notice of ~~the~~ a  
20 hearing **under this section** shall be recorded with the register of  
21 deeds in the county in which the property is located **in a form**  
22 **prescribed by the department of treasury. If a notice is**  
23 **recorded in error, the department of treasury or a local unit of**  
24 **government may correct the error by recording a certificate of**  
25 **error with the register of deeds. A notice under this subsection**  
26 **need not be notarized and may be authenticated by digital**  
27 **signature or other electronic means.**

1           (2) For all property the title to which vested in this state  
2 under this section after October 25, 1976, 1 hearing shall be  
3 held to allow each owner of a recorded property interest the  
4 opportunity to show cause why the tax sale and the deed to the  
5 state should be canceled for any reason specified in section 98.  
6 The hearing shall be held after the expiration of the redemption  
7 periods provided in section 131c. The department of treasury may  
8 hold combined or separate show cause hearings for different  
9 owners of a recorded property interest.

10           (3) For tax reverted property that was transferred to a local  
11 unit of government under section 2101 or 2102 of the natural  
12 resources and environmental protection act, 1994 PA 451, MCL  
13 324.2101 and 324.2102, or under former section 461 of 1909 PA  
14 223, if the local unit of government determines that the owner of  
15 a recorded property interest was not properly served with a  
16 notice of the hearing under this section, the local unit of  
17 government may conduct a hearing to show cause why the tax sale  
18 and tax deed to the state should be canceled for any reason  
19 specified in section 98. Notice of the hearing shall be provided  
20 to the department of treasury, which may provide evidence why the  
21 tax sale and tax deed to the state should not be set aside. The  
22 local unit of government may hold combined or separate show cause  
23 hearings for different owners of a recorded property interest.

24           (4) ~~(3)~~ For all property the title to which vested in this  
25 state under this section after October 25, 1976, after expiration  
26 of the redemption periods provided in section 131c, on the first  
27 Tuesday in November after title to the property vests in this

1 state, an owner of a recorded property interest may redeem the  
2 property up to 30 days following the date of hearing for that  
3 owner of a recorded property interest provided by this section by  
4 payment of the amounts set forth in subsection ~~—(4)—~~ (5) and in  
5 section 131c(1), plus an additional penalty of 50% of the tax on  
6 which foreclosure was made. The additional penalty shall be  
7 credited to the delinquent property tax administration fund. A  
8 redemption under this section shall reinstate title as provided  
9 in section 131c(4).

10 (5) ~~—(4)—~~ For all property the title to which vested in this  
11 state under this section after October 25, 1976, if property  
12 redeemed under this section has been exempt from taxes levied in  
13 any year after the year of foreclosure because a deed to that  
14 property was issued to the state, an amount equal to the sum of  
15 the following amounts shall be paid, as required by subsection  
16 ~~—(3)—~~ (4), before redemption of the property:

17 (a) For taxes and ad valorem special assessments levied  
18 before January 1, 1997, an amount computed by applying the  
19 special assessment and ad valorem property tax rates levied by  
20 taxing units in which the property is located in the years the  
21 property was exempt against the most recently established state  
22 equalized valuation of the property. For taxes and ad valorem  
23 special assessments levied after December 31, 1996, an amount  
24 computed by applying the special assessment and ad valorem  
25 property tax rates levied by taxing units in which the property  
26 is located in the years the property was exempt against the most  
27 recently established taxable value of the property. For purposes

1 of this subsection, special assessments do not include special  
2 assessments or special assessment installments deferred under  
3 section 67a.

4 (b) If the levy of an ad valorem special assessment on the  
5 property's taxable value is found to be invalid by a court of  
6 competent jurisdiction, the levy of the ad valorem special  
7 assessment may be levied on the property's state equalized  
8 value.

9 (c) Interest on the delinquent taxes or special assessments  
10 to be computed from the date title vested in this state to the  
11 date of the application to redeem under this section.

12 (d) Interest and penalties on taxes and special assessments  
13 identified by subdivision (a) that would have been imposed by law  
14 or charter and would have accrued if the property had not been  
15 exempt, computed from the date title vested in the state to the  
16 date of the application to redeem under this section.

17 (6) ~~(5)~~ For all property the title to which vested in this  
18 state under this section after October 25, 1976, the owner of a  
19 recorded property interest who has been properly served with a  
20 notice of ~~the~~ a hearing under this section and who fails to  
21 redeem the property as provided under this section shall not  
22 assert any of the following:

23 (a) That notice was insufficient or inadequate on the grounds  
24 that some other owner of a property interest was not also  
25 served.

26 (b) That the redemption period provided under this section  
27 was extended in any way on the grounds that some other owner of a

1 property interest was not also served.

2           (7) For tax reverted property that was transferred to a local  
3 unit of government under section 2101 or 2102 of the natural  
4 resources and environmental protection act, 1994 PA 451, MCL  
5 324.2101 and 324.2102, or under former section 461 of 1909 PA  
6 223, the local unit of government may initiate an expedited quiet  
7 title and foreclosure action to quiet title to the property in  
8 the same manner as a land bank fast track authority under section  
9 9 of the land bank fast track act. A local unit of government  
10 may initiate an action under this subsection as an alternative to  
11 a hearing by the local unit of government under this section.

12           (8) As used in this section, "local unit of government" means  
13 a county, city, village, or township and includes a department or  
14 agency of the county, city, village, or township.

15           Enacting section 1. Section 78i(12) of the general property  
16 tax act, 1893 PA 206, MCL 211.78i, as added by this amendatory  
17 act and section 78k(5) of the general property tax act, 1893 PA  
18 206, MCL 211.78k, as amended by this amendatory act are curative  
19 and are intended to express the original intent of the  
20 legislature concerning the application of 1999 PA 123, section  
21 78i of the general property tax act, 1893 PA 206, MCL 211.78i, as  
22 amended by 2001 PA 101 and section 78k of the general property  
23 tax act, 1893 PA 206, MCL 211.78k, as amended by 2001 PA 94.

24           Enacting section 2. Section 78p of the general property tax  
25 act, 1893 PA 206, MCL 211.78p, is repealed.

26           Enacting section 3. This amendatory act is not intended to  
27 and shall not be construed to modify or alter the ruling of the

House Bill No. 4484 as amended December 11, 2003

1 Michigan supreme court in Smith v <<Cliffs>> on the Bay Condominium  
2 Association, docket no. 111587.

3 Enacting section 4. This amendatory act does not take  
4 effect unless all of the following bills of the 92nd Legislature  
5 are enacted into law:

- 6 (a) House Bill No. 4480.  
7 (b) House Bill No. 4481.  
8 (c) House Bill No. 4482.  
9 (d) House Bill No. 4483.  
10 (e) House Bill No. 4488.