

HOUSE BILL No. 6416

September 6, 2006, Introduced by Rep. Hildenbrand and referred to the Committee on Judiciary.

A bill to amend 1978 PA 368, entitled
"Public health code,"
by amending section 7524 (MCL 333.7524), as amended by 1994 PA 8.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7524. (1) When property is forfeited under this article,
2 ~~or pursuant to section 17766a,~~ the local unit of government that
3 seized the property may do any of the following, or if the property
4 is seized by or in the custody of the state, the state may do any
5 of the following, subject to section 7523(1)(d):

6 (a) Retain it for official use.

7 (b) Sell that which is not required to be destroyed by law and
8 which is not harmful to the public. The proceeds and any money,

House Bill No. 6416 as amended November 30, 2006

negotiable instruments, securities, or any other thing of value as described in section 7521(1)(f) that are forfeited pursuant to this article shall be deposited with the treasurer of the entity having budgetary authority over the seizing agency and applied as follows:

(i) For the payment of proper expenses of the proceedings for forfeiture and sale, including expenses incurred during the seizure process, maintenance of custody, advertising, and court costs, except as otherwise provided in subsection (4).

(ii) The balance remaining after the payment of expenses shall be distributed by the court having jurisdiction over the forfeiture proceedings to the treasurer of the entity having budgetary authority over the seizing agency. If more than 1 agency was substantially involved in effecting the forfeiture, the court having jurisdiction over the forfeiture proceeding shall equitably distribute the money among the treasurers of the entities having budgetary authority over the seizing agencies. **A SEIZING AGENCY MAY DIRECT THAT THE FUNDS OR A PORTION OF THE FUNDS IT WOULD OTHERWISE HAVE RECEIVED UNDER THIS SUBSECTION BE PAID TO [NONPROFIT ORGANIZATIONS WHOSE PRIMARY ACTIVITY IS TO ASSIST LAW ENFORCEMENT AGENCIES WITH DRUG-RELATED CRIMINAL INVESTIGATIONS AND OBTAINING INFORMATION FOR SOLVING CRIMES.]** The money

received **BY A SEIZING AGENCY** under this subparagraph and all interest and other earnings on money received **BY THE SEIZING AGENCY** under this subparagraph shall be used to enhance law enforcement efforts pertaining to this article, ~~or section 17766a,~~ as appropriated by the entity having budgetary authority over the seizing agency. A distribution made under this subparagraph shall serve as a supplement to, and not a replacement for, the funds budgeted on January 1, 1991, for law enforcement efforts pertaining

1 to this article. ~~or section 17766a.~~

2 (c) Require the administrator to take custody of the property
3 and remove it for disposition in accordance with law.

4 (d) Forward it to the bureau for disposition.

5 (2) Notwithstanding subsection (1), this state or local units
6 of government may donate lights for plant growth or scales
7 forfeited under this article ~~or section 17766a~~ to elementary or
8 secondary schools or institutions of higher education that request
9 in writing to receive those lights or scales pursuant to this
10 subsection, for educational purposes. This state or local units of
11 government shall donate lights and scales pursuant to this
12 subsection to elementary or secondary schools or institutions of
13 higher education in the order in which the written requests are
14 received. This state or local units of government may limit the
15 number of lights and scales available to each requestor.

16 (3) In the course of selling real property pursuant to
17 subsection (1)(b), the court that has entered an order of
18 forfeiture may, on motion of the agency to whom the property has
19 been forfeited, appoint a receiver to dispose of the real property
20 forfeited. The receiver shall be entitled to reasonable
21 compensation. The receiver shall have authority to do all of the
22 following:

23 (a) List the forfeited real property for sale.

24 (b) Make whatever arrangements are necessary for the
25 maintenance and preservation of the forfeited real property.

26 (c) Accept offers to purchase the forfeited real property.

27 (d) Execute instruments transferring title to the forfeited

1 real property.

2 (4) If a court enters an order of forfeiture, the court may
3 order a person who claimed an interest in the forfeited property
4 pursuant to section 7523(1)(c) to pay the expenses of the
5 proceedings of forfeiture to the entity having budgetary authority
6 over the seizing agency.