

**SUBSTITUTE FOR
SENATE BILL NO. 979**

A bill to amend 2003 PA 258, entitled
"Land bank fast track act,"
by amending sections 3 and 23 (MCL 124.753 and 124.773).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. As used in this act:

2 (a) "Authority" means a land bank fast track authority created
3 under section 15, section 23(4), or section 23(5).

4 (b) "Authority board" means the board of directors of the
5 state authority appointed under section 16.

6 (c) "Casino" means a casino regulated by this state under the
7 Michigan gaming control and revenue act, ~~the Initiated Law of 1996~~

1 **IL 1**, MCL 432.201 to 432.226, or a casino at which gaming is
2 conducted under the Indian gaming regulatory act, Public Law 100-
3 497, 102 Stat. 2467, and all property associated or affiliated with
4 the operation of the casino, including, but not limited to, a
5 parking lot, hotel, motel, or retail store.

6 (d) "County authority" means a county land bank fast track
7 authority created by a county foreclosing governmental unit under
8 section 23(4).

9 (e) "Department" means the department of **ENERGY**, labor, and
10 economic growth, a principal department of state government created
11 by section 225 of the executive organization act of 1965, 1965 PA
12 380, MCL 16.325, and renamed by Executive Order No. 1996-2, MCL
13 445.2001, and by Executive Order No. 2003-18.

14 (f) "Foreclosing governmental unit" means that term as defined
15 in section 78 of the general property tax act, 1893 PA 206, MCL
16 211.78.

17 (g) "Fund" means the land bank fast track fund created in
18 section 18.

19 (h) "Intergovernmental agreement" means a contractual
20 agreement between 1 or more governmental agencies, including, but
21 not limited to, an interlocal agreement to jointly exercise any
22 power, privilege, or authority that the agencies share in common
23 and that each might exercise separately under the urban cooperation
24 act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

25 (i) "Local authority" means a local land bank fast track
26 authority created by a qualified city under section 23(5).

27 (j) "Local unit of government" means a city, village,

1 township, county, or any intergovernmental, metropolitan, or local
2 department, agency, or authority, or other local political
3 subdivision.

4 (k) "Michigan economic development corporation" means the
5 public body corporate created under section 28 of article VII of
6 the state constitution of 1963 and the urban cooperation act of
7 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a contractual
8 interlocal agreement effective April 5, 1999, as amended, between
9 local participating economic development corporations formed under
10 the economic development corporations act, 1974 PA 338, MCL
11 125.1601 to 125.1636, and the Michigan strategic fund. If the
12 Michigan economic development corporation is unable for any reason
13 to perform its duties under this act, those duties may be exercised
14 by the Michigan strategic fund.

15 (l) "Michigan state housing development authority" means the
16 authority created under the state housing development authority act
17 of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

18 (m) "Michigan strategic fund" means the Michigan strategic
19 fund as described in the Michigan strategic fund act, 1984 PA 270,
20 MCL 125.2001 to ~~125.2093~~ **125.2094**.

21 (n) "Qualified city" means a city that ~~contains a first class~~
22 ~~school district~~ **HAS A POPULATION OF 750,000 OR MORE** and includes
23 any department or agency of ~~the~~ **THAT** city.

24 (o) "State administrative board" means the board created under
25 1921 PA 2, MCL 17.1 to 17.3, that exercises general supervisory
26 control over the functions and activities of all administrative
27 departments, boards, commissioners, and officers of the state and

1 of all state institutions.

2 (p) "State authority" means the land bank fast track authority
3 created under section 15.

4 (q) "Tax reverted property" means property that meets 1 or
5 more of the following criteria:

6 (i) The property was conveyed to this state under section 67a
7 of the general property tax act, 1893 PA 206, MCL 211.67a, and
8 subsequently was not sold at a public auction under section 131 of
9 the general property tax act, 1893 PA 206, MCL 211.131, except
10 property described in section 131 of the general property tax act,
11 1893 PA 206, MCL 211.131, that is withheld from sale by the
12 director of the department of natural resources as authorized in
13 that section.

14 (ii) The property was conveyed to this state under section 67a
15 of the general property tax act, 1893 PA 206, MCL 211.67a, and
16 subsequently was either redeemed by a local unit of government or
17 transferred to a local unit of government under section 2101 or
18 2102 of the natural resources and environmental protection act,
19 1994 PA 451, MCL 324.2101 and 324.2102, or under former section 461
20 of 1909 PA 223 except property transferred to a local unit of
21 government that is subject to a reverter clause under which the
22 property reverts to this state upon transfer by the local unit of
23 government.

24 (iii) The property was subject to forfeiture, foreclosure, and
25 sale for the collection of delinquent taxes as provided in sections
26 78 to 79a of the general property tax act, 1893 PA 206, MCL 211.78
27 to 211.79a, and both of the following apply:

1 (A) Title to the property vested in a foreclosing governmental
2 unit under section 78k of the general property tax act, 1893 PA
3 206, MCL 211.78k.

4 (B) The property was offered for sale at an auction but not
5 sold under section 78m of the general property tax act, 1893 PA
6 206, MCL 211.78m.

7 (iv) The property was obtained by or transferred to a local
8 unit of government under section 78m of the general property tax
9 act, 1893 PA 206, MCL 211.78m.

10 (v) Pursuant to the requirements of a city charter, the
11 property was deeded to or foreclosed by the city or a department or
12 agency of the city for unpaid delinquent real property taxes.

13 Sec. 23. (1) An authority may enter into an intergovernmental
14 agreement with the Michigan economic development corporation for
15 the joint exercise of powers and duties under this act, of the
16 powers and duties of the authority and the Michigan economic
17 development corporation, and for the provision of economic
18 development services related to the activities of the authority.

19 (2) An authority may enter into an intergovernmental agreement
20 with the Michigan state housing development authority for the joint
21 exercise of powers and duties under this act, of the powers and
22 duties of the authority and the Michigan state housing development
23 authority, and for the provision of redevelopment services related
24 to the activities of the authority.

25 (3) A county, city, qualified city, township, or village may
26 enter into an intergovernmental agreement with the state authority
27 providing for the transfer to the authority of tax reverted

1 property held by the county, city, township, or village, for title
2 clearance, for the disposition of the proceeds from the sale of the
3 property, and for other activities authorized under this act,
4 including the return or transfer of property under the control of
5 the authority to the county, city, township, or village. An
6 intergovernmental agreement under this subsection may not provide
7 for a separate legal or administrative entity to administer or
8 execute the agreement under section 7 of the urban cooperation act
9 of 1967, 1967 (Ex Sess) PA 7, MCL 124.507.

10 (4) A county foreclosing governmental unit may, with the
11 approval of the board of commissioners for that county and, if that
12 county has an elected county executive, with the concurrence of the
13 elected county executive, enter into an intergovernmental agreement
14 with the state authority providing for the exercise of the powers,
15 duties, functions, and responsibilities of an authority under this
16 act and for the creation of a county authority to exercise those
17 functions. If a county authority is created under this subsection,
18 the treasurer of the county shall be a member of the authority
19 board.

20 (5) A qualified city may enter into an intergovernmental
21 agreement with the state authority providing for the exercise of
22 the powers, duties, functions, and responsibilities of an authority
23 under this act and for the creation of a local authority to
24 exercise those functions.

25 (6) An intergovernmental agreement under subsection (4) or (5)
26 shall provide for all of the following:

27 (a) The incorporation of a county or local authority as a

Senate Bill No. 979 as amended June 8, 2010

1 public body corporate.

2 (b) The name of the authority.

3 (c) The size of the initial governing body of the county or
4 local authority, which shall be composed of an odd number of
5 members.

6 (d) The qualifications, method of selection, and terms of
7 office of the initial board members.

8 (e) A method for the adoption of articles of incorporation by
9 the governing body of the county or local authority.

10 (f) A method for the distribution of proceeds from the
11 activities of the county or local authority.

12 (g) A method for the dissolution of the local or county
13 authority and for the withdrawal from the authority of any
14 governmental agencies involved.

15 (h) Any other matters considered advisable by the
16 participating governmental agencies, consistent with this act.

17 **(I) IF A COUNTY <<EXECUTIVE, WITH THE CONCURRENCE OF THE**
LEGISLATIVE BODY>>, THAT IS LOCATED
18 **IN A COUNTY WITH A POPULATION OF MORE THAN 1,500,000, ENTERS INTO**
19 **AN INTERGOVERNMENTAL AGREEMENT WITH A QUALIFIED CITY<<, WITH THE**
APPROVAL OF THE MAYOR AND THE LEGISLATIVE BODY OF THE QUALIFIED CITY>>
TO JOINTLY
20 **OPERATE AN AUTHORITY UNDER SUBSECTION (4) OR (5), THE RESULTING**
21 **AUTHORITY SHALL BE CONSIDERED A REDEVELOPMENT AUTHORITY AND THE**
22 **INTERGOVERNMENTAL AGREEMENT SHALL PROVIDE THAT 1 OF THE MEMBERS OF**
23 **THE GOVERNING BODY SHALL BE APPOINTED BY THE GOVERNOR.**

24 (7) If under the charter of a qualified city the qualified
25 city collects delinquent city real property taxes and does not
26 return the delinquent taxes to the treasurer of the county in which
27 the qualified city is located under the general property tax act,

1 1893 PA 206, MCL 211.1 to ~~211.157~~ **211.155**, any of the following
2 property held by the qualified city may be transferred to a local
3 authority:

4 (a) Tax delinquent real property for which a lien has been
5 deemed sold to a city department director under the charter or
6 ordinances of the qualified city, except for property that was
7 deeded to a department director less than 2 years before the
8 proposed transfer to the local authority.

9 (b) Tax delinquent real property held by the city that has
10 been foreclosed by the qualified city and for which title has
11 vested in the city pursuant to procedures established under the
12 charter or ordinances of the qualified city.

13 (c) Any tax reverted property owned or under the control of
14 the qualified city.

15 (8) A qualified city may authorize the transfer with or
16 without consideration of any real property or interest in real
17 property to a local authority including, but not limited to, tax
18 reverted property or interests in tax reverted property held or
19 acquired after the creation of the local authority by the qualified
20 city, with the consent of the local authority.

21 (9) A qualified city and any agency or department of a
22 qualified city, or any other official public body, may do 1 or more
23 of the following:

24 (a) Anything necessary or convenient to aid a local authority
25 in fulfilling its purposes under this act.

26 (b) Lend, grant, transfer, appropriate, or contribute funds to
27 a local authority in furtherance of its purposes.

1 (c) Lend, grant, transfer, or convey funds to a local
2 authority that are received from the federal government or this
3 state or from any nongovernmental entity in aid of the purposes of
4 this act.

5 (10) A local authority may reimburse advances made by a
6 qualified city under subsection (9) or by any other person for
7 costs eligible to be incurred by the local authority with any
8 source of revenue available for use of the local authority under
9 this act and enter into agreements related to these reimbursements.
10 A reimbursement agreement under this subsection is not subject to
11 section 305 of the revised municipal finance act, 2001 PA 34, MCL
12 141.2305.

13 (11) A local authority may enter into agreements with the
14 county treasurer of the county in which the qualified city is
15 located for the collection of property taxes or the enforcement and
16 consolidation of tax liens within that qualified city for any
17 property or interest in property transferred to the local
18 authority.

19 (12) Unless specifically reserved or conditioned upon the
20 approval of the governing body of a qualified city, all powers
21 granted under this act to a local authority may be exercised by the
22 local authority without the approval of the governing body of the
23 qualified city, notwithstanding any charter, ordinance, or
24 resolution to the contrary.

25 (13) Prior to its effectiveness, an intergovernmental
26 agreement under this section shall be filed with the county clerk
27 of each county where a party to the agreement is located and with

1 the secretary of state.