

**SUBSTITUTE FOR
HOUSE BILL NO. 4349**

A bill to amend 1978 PA 368, entitled
"Public health code,"
by amending section 7524 (MCL 333.7524), as amended by 2006 PA 558.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7524. (1) When property is forfeited under this article,
2 the local unit of government that seized the property may do any of
3 the following, or if the property is seized by or in the custody of
4 the state, the state may do any of the following, subject to
5 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,
9 negotiable instruments, securities, or any other thing of value as

1 described in section 7521(1)(f) that are forfeited ~~pursuant to~~
2 **UNDER** this article shall be deposited with the treasurer of the
3 entity having budgetary authority over the seizing agency and
4 applied as follows:

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

9 (ii) The balance remaining after the payment of expenses shall
10 be distributed by the court having jurisdiction over the forfeiture
11 proceedings to the treasurer of the entity having budgetary
12 authority over the seizing agency. If more than 1 agency was
13 substantially involved in effecting the forfeiture, the court
14 having jurisdiction over the forfeiture proceeding shall equitably
15 distribute the money among the treasurers of the entities having
16 budgetary authority over the seizing agencies. A seizing agency may
17 direct that the funds or a portion of the funds it would otherwise
18 have received under this subsection be paid to nonprofit
19 organizations whose primary activity is to assist law enforcement
20 agencies with drug-related criminal investigations and obtaining
21 information for solving crimes. The money received by a seizing
22 agency under this subparagraph and all interest and other earnings
23 on money received by the seizing agency under this subparagraph
24 shall be used ~~to enhance~~ **ONLY FOR** law enforcement ~~efforts~~
25 ~~pertaining to this article~~ **PURPOSES**, as appropriated by the entity
26 having budgetary authority over the seizing agency. A distribution
27 made under this subparagraph shall serve as a supplement to, and

not a replacement for, ~~the funds~~ **OTHERWISE** budgeted ~~on January 1,~~
~~1991,~~ for law enforcement ~~efforts pertaining to this article~~

PURPOSES.

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

(d) Forward it to the bureau for disposition.

(2) Notwithstanding subsection (1), this state or local units
of government may donate lights for plant growth or scales
forfeited under this article to elementary or secondary schools or
institutions of higher education that request in writing to receive
those lights or scales pursuant to this subsection, for educational
purposes. This state or local units of government shall donate
lights and scales ~~pursuant to~~ **UNDER** this subsection to elementary
or secondary schools or institutions of higher education in the
order in which the written requests are received. This state or
local units of government may limit the number of lights and scales
available to each requestor.

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

(a) List the forfeited real property for sale.

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

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

2 (d) Execute instruments transferring title to the forfeited
3 real property.

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