

HOUSE BILL No. 4219

February 18, 2015, Introduced by Rep. Santana and referred to the Committee on Local Government.

A bill to amend 1978 PA 368, entitled
"Public health code,"
by amending section 7524 (MCL 333.7524), as amended by 2011 PA 161.

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
10 described in section 7521(1)(f) that are forfeited under this

1 article shall be deposited with the treasurer of the entity having
2 budgetary authority over the seizing agency and applied as follows:

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

7 (ii) The balance remaining after the payment of expenses shall
8 be distributed by the court having jurisdiction over the forfeiture
9 proceedings to the treasurer of the entity having budgetary
10 authority over the seizing agency. If more than 1 agency was
11 substantially involved in effecting the forfeiture, the court
12 having jurisdiction over the forfeiture proceeding shall equitably
13 distribute the money among the treasurers of the entities having
14 budgetary authority over the seizing agencies. **A SEIZING AGENCY**
15 **OPERATING IN A MUNICIPALITY WITH A POPULATION OF 600,000 OR MORE**
16 **SHALL DIRECT 5% OF THE FUNDS UNDER THIS SUBSECTION TO A COMMUNITY**
17 **ORGANIZATION OPERATING WITHIN THAT MUNICIPALITY.** A seizing agency
18 may direct that the **REMAINING** funds or a portion of the **REMAINING**
19 funds it would otherwise have received under this subsection be
20 paid to nonprofit organizations whose primary activity is to assist
21 law enforcement agencies with drug-related criminal investigations
22 and obtaining information for solving crimes. The money received by
23 a seizing agency under this subparagraph and all interest and other
24 earnings on money received by the seizing agency under this
25 subparagraph shall be used only for law enforcement purposes, as
26 appropriated by the entity having budgetary authority over the
27 seizing agency. A distribution made under this subparagraph shall

1 serve as a supplement to, and not a replacement for, funds
2 otherwise budgeted for law enforcement purposes.

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

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

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

17 (3) In the course of selling real property under subsection
18 (1)(b), the court that has entered an order of forfeiture may, on
19 motion of the agency to whom the property has been forfeited,
20 appoint a receiver to dispose of the real property forfeited. The
21 receiver ~~shall be~~ **IS** entitled to reasonable compensation. The
22 receiver ~~shall have~~ **HAS** authority to do all of the 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 under section 7523(1)(c) to pay the expenses of the proceedings of
5 forfeiture to the entity having budgetary authority over the
6 seizing agency.

7 (5) AS USED IN THIS SECTION, "COMMUNITY ORGANIZATION" MEANS AN
8 ORGANIZATION EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE
9 INTERNAL REVENUE CODE OF 1986.

10 Enacting section 1. This amendatory act takes effect 90 days
11 after the date it is enacted into law.