

Act No. 204
Public Acts of 2024
Approved by the Governor
January 16, 2025
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**STATE OF MICHIGAN
102ND LEGISLATURE
REGULAR SESSION OF 2024**

Introduced by Reps. Grant and Breen

ENROLLED HOUSE BILL No. 4675

AN ACT to amend 2003 PA 258, entitled “An act to provide for the creation of land bank fast track authorities to assist governmental entities in the assembly and clearance of title to property in a coordinated manner; to facilitate the use and development of certain property; to promote economic growth; to prescribe the powers and duties of certain authorities; to provide for the creation and appointment of boards to govern land bank fast track authorities and to prescribe their powers and duties; to authorize the acquisition, maintenance, and disposal of interests in real and personal property; to authorize the conveyance of certain properties to a land bank fast track authority; to authorize the enforcement of tax liens and the clearing or quieting of title by a land bank fast track authority; to provide for the distribution and use of revenues collected or received by a land bank fast track authority; to prescribe powers and duties of certain public entities and state and local officers and agencies; to authorize the transfer and acceptance of property in lieu of taxes and the release of tax liens; to exempt property, income, and operations of a land bank fast track authority from tax; to extend protections against certain liabilities to a land bank fast track authority; and to repeal acts and parts of acts,” by amending sections 4, 13, and 14 (MCL 124.754, 124.763, and 124.764).

The People of the State of Michigan enact:

Sec. 4. (1) Except as otherwise provided in this act, an authority may do all things necessary or convenient to implement the purposes, objectives, and provisions of this act, and the purposes, objectives, and powers delegated to the board of directors of an authority by other laws or executive orders, including, but not limited to, all of the following:

- (a) Adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business.
- (b) Sue and be sued in its own name and plead and be impleaded, including, but not limited to, defending the authority in an action to clear title to property conveyed by the authority.
- (c) Borrow money and issue bonds and notes according to the provisions of this act.
- (d) Enter into contracts and other instruments necessary, incidental, or convenient to the performance of its duties and the exercise of its powers, including, but not limited to, interlocal agreements under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, for the joint exercise of powers under this act.
- (e) Solicit and accept gifts, grants, labor, loans, and other aid from any person, or the federal government, this state, or a political subdivision of this state or any agency of the federal government, this state, a political subdivision of this state, or an intergovernmental entity created under the laws of this state or participate in any other way in a program of the federal government, this state, a political subdivision of this state, or an intergovernmental entity created under the laws of this state.

(f) Procure insurance against loss in connection with the property, assets, or activities of the authority.

(g) Invest money of the authority, at the discretion of the board of directors of the authority, in instruments, obligations, securities, or property determined proper by the board of directors of the authority, and name and use depositories for its money.

(h) Employ legal and technical experts, other officers, agents, or employees, permanent or temporary, paid from the funds of the authority. The authority shall determine the qualifications, duties, and compensation of those it employs. The board of directors of an authority may delegate to 1 or more members, officers, agents, or employees any powers or duties it considers proper. Members of the board of directors of an authority shall serve without compensation but shall be reimbursed for actual and necessary expenses subject to available appropriations.

(i) Contract for goods and services and engage personnel as necessary and engage the services of private consultants, managers, legal counsel, engineers, accountants, and auditors for rendering professional financial assistance and advice payable out of any money of the authority.

(j) Study, develop, and prepare the reports or plans the authority considers necessary to assist it in the exercise of its powers under this act and to monitor and evaluate progress under this act.

(k) Enter into contracts for the management of, the collection of rent from, or the sale of real property held by an authority.

(l) Do all other things necessary or convenient to achieve the objectives and purposes of the authority or other laws that relate to the purposes and responsibility of the authority.

(2) The enumeration of a power in this act shall not be construed as a limitation on the general powers of an authority. The powers granted under this act are in addition to those powers granted by any other statute or charter.

(3) An authority, in its discretion, may contract with others, public or private, for the provision of all or a portion of the services necessary for the management and operation of the authority.

(4) If an authority holds a tax deed to abandoned property, the authority may quiet title to the property under section 79a of the general property tax act, 1893 PA 206, MCL 211.79a.

(5) The property of an authority and its income and operations are exempt from all taxes, special assessments, and user fees imposed by this state or a local unit of government of this state as provided in section 13.

(6) An authority shall not assist or expend any funds for, or related to, the development of a casino.

(7) An authority shall not levy any tax or special assessment.

(8) An authority shall not exercise the power of eminent domain or condemn property.

(9) An authority shall adopt a code of ethics for its directors, officers, and employees.

(10) An authority shall establish policies and procedures requiring the disclosure of relationships that may give rise to a conflict of interest. The governing body of an authority shall require that any member of the governing body with a direct or indirect interest in any matter before the authority disclose the member's interest to the governing body before the board takes any action on the matter.

Sec. 13. (1) Property of an authority is public property devoted to an essential public and governmental function and purpose. Income of the authority is considered to be for a public and governmental purpose.

(2) The property of the authority and its income and operation are exempt from all taxes and special assessments of this state or a local unit of government of this state.

(3) Beginning on the effective date of the amendatory act that added this subsection, in addition to the exemptions under subsection (2), property of the authority and its income and operation are exempt from any user fees imposed by a local unit of government of this state. This act does not prevent an authority from contracting with a local unit of government of this state for services. If an authority, or its tenant, enters into an express contract for services with a local unit of government of this state, a user fee may be charged for those services. A local unit of government of this state shall not provide services to an authority, or its tenant, unless an express contract is entered into for those services.

(4) Bonds or notes issued by the authority, and the interest on and income from those bonds and notes, are exempt from all taxation of this state or a local unit of government.

Sec. 14. (1) This act shall be construed liberally to effectuate the legislative intent and the purposes as complete and independent authorization for the performance of each and every act and thing authorized by this act, and all powers granted shall be broadly interpreted to effectuate the intent and purposes and not as a limitation of

powers. In the exercise of its powers and duties under this act and its powers relating to property held by the authority, the authority has complete control as fully and completely as if it represented a private property owner and is not subject to restrictions imposed on the authority by the charter, ordinances, or resolutions of a local unit of government.

(2) Unless permitted by this act or approved by an authority, any restrictions, standards, conditions, or prerequisites of a city, village, township, or county otherwise applicable to an authority and enacted after January 5, 2004 do not apply to an authority. This subsection is intended to prohibit special local legislation or ordinances applicable exclusively or primarily to an authority and not to exempt an authority from laws generally applicable to other persons or entities.

(3) The provisions of this act apply notwithstanding any resolution, ordinance, or charter provision to the contrary. This subsection is not intended to exempt an authority from local zoning or land use controls, including, but not limited to, those controls authorized under the Michigan zoning enabling act, 2006 PA 110, MCL 125.3101 to 125.3702, the local historic districts act, 1970 PA 169, MCL 399.201 to 399.215, or 1945 PA 344, MCL 125.71 to 125.84.

(4) The transfer to an authority of tax reverted property, the title to which involuntarily vested in this state under former section 67a of the general property tax act, 1893 PA 206, in a foreclosing governmental unit under section 78m(7) of the general property tax act, 1893 PA 206, MCL 211.78m, or in a qualified city pursuant to procedures established under the charter or ordinances of the qualified city, shall be construed as an involuntary transfer of property to the authority. After a transfer described in this subsection, the authority is considered to have assumed any governmental immunity or other legal defenses of this state, the foreclosing governmental unit, or the local unit of government related to the property and the manner in which title to the property was held by this state or the local unit of government.

(5) This section does not limit the application of section 13.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor