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BILL ANALYSIS

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Senate Bill 867 (as reported without amendment)
Sponsor: Senator Laura M. Toy
Committee: Local, Urban and State Affairs

CONTENT

The bill would amend the Land Bank Fast Track Act to revise a provision that limits the ability of a land bank fast track authority to convey or dispose of property that represents a threat to public health, safety, and welfare or the environment.

Under the Act, if the Department of Environmental Quality (DEQ) determines that conditions on property transferred to a land bank fast track authority under Section 78m(15) of the General Property Tax Act represent an acute threat to public health, safety, and welfare, or to the environment, the authority may not convey, sell, lease, or otherwise dispose of the property until the DEQ determines that the threat has been eliminated and that the disposal of the property will not interfere with any response activities by the Department. (Section 78m(15) provides for the transfer of tax-delinquent foreclosed property to the State Land Bank Fast Track Authority that if the property is a facility under Part 201 of the Natural Resources and Environmental Response Act and the DEQ determines that conditions at the property are an acute threat to the public health, safety, and welfare or the environment; the DEQ proposes to undertake or is undertaking State-funded response activities; and the DEQ determines that the sale, retention, or transfer of the property except under this subsection would interfere with response activities by the Department.)

The bill would delete reference to Section 78m(15) of the General Property Tax Act, and refer instead to property transferred to a land bank fast track authority under Section 78m of that Act. (Section grants 78m the State the right of first refusal to purchase foreclosed property; allows a local unit of government to purchase the property if the State does not; and provides for the sale of property at auction, the return of unsold property to a local unit, the disposition of the proceeds of a sale, a joint sale by treasurers of adjoining counties, and the cancellation of liens on property transferred to the State. Section 78m also contains additional provisions concerning foreclosed property that is a facility.)

MCL 124.757

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 2-27-06

Fiscal Analyst: David Zin