

SUBSTITUTE FOR
HOUSE BILL NO. 5398

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.155) by adding section 78r.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 78R. (1) A FORECLOSING GOVERNMENTAL UNIT FOR A COUNTY
2 OTHER THAN THIS STATE MAY ACQUIRE PROPERTY OWNED BY THIS STATE, THE
3 FEDERAL GOVERNMENT, OR OTHER GOVERNMENTAL ENTITY TO FACILITATE THE
4 SALE OF TAX REVERTED PROPERTY UNDER SECTION 78M WITH THE CONSENT OF
5 THIS STATE, THE FEDERAL GOVERNMENT, OR OTHER GOVERNMENTAL ENTITY
6 THAT OWNS THE PROPERTY. METHODS OF ACQUISITION MAY INCLUDE, BUT ARE
7 NOT LIMITED TO, AN EXCHANGE OF PROPERTY OWNED BY THE COUNTY FOR
8 PROPERTY OF APPROXIMATELY EQUAL VALUE THAT IS OWNED BY THIS STATE,
9 THE FEDERAL GOVERNMENT, OR OTHER GOVERNMENTAL ENTITY. FOR PURPOSES

1 OF THIS SUBSECTION, "GOVERNMENTAL ENTITY" INCLUDES AN AUTHORITY.

2 (2) IF THE FORECLOSING GOVERNMENTAL UNIT FOR A COUNTY IS NOT
3 THIS STATE, AN AUTHORITY MAY, WITH THE CONSENT OF THE FORECLOSING
4 GOVERNMENTAL UNIT, CONVEY REAL PROPERTY OWNED BY THE AUTHORITY TO
5 THE FORECLOSING GOVERNMENTAL UNIT AS PROVIDED IN SECTION 7 OF THE
6 LAND BANK FAST TRACK ACT, 2003 PA 258, MCL 124.757, INCLUDING FOR
7 NO MONETARY CONSIDERATION.

8 (3) THE CONVEYANCE OF PROPERTY TO A FORECLOSING GOVERNMENTAL
9 UNIT UNDER SUBSECTION (1) OR (2), COSTS INCURRED BY THE FORECLOSING
10 GOVERNMENTAL UNIT RELATING TO THAT PROPERTY, AND A SUBSEQUENT SALE
11 OR TRANSFER OF THAT PROPERTY BY THE FORECLOSING GOVERNMENTAL UNIT
12 SHALL BE DEEMED TO REPRESENT A FAIR EXCHANGE OF VALUE FOR VALUE.

13 (4) A PARTY TO A CONVEYANCE UNDER SUBSECTION (1) OR (2) SHALL
14 EXECUTE AND RECORD ALL DOCUMENTS NECESSARY TO EFFECTUATE THE
15 CONVEYANCE, INCLUDING, BUT NOT LIMITED TO, A QUITCLAIM DEED OR
16 AFFIDAVIT OF JURISDICTIONAL TRANSFER WITH THE REGISTER OF DEEDS IN
17 THE COUNTY IN WHICH THE PROPERTY IS LOCATED.

18 (5) PROPERTY ACQUIRED BY A FORECLOSING GOVERNMENTAL UNIT UNDER
19 SUBSECTION (1) OR (2) SHALL BE OFFERED FOR SALE BY THE FORECLOSING
20 GOVERNMENTAL UNIT AT A PROPERTY SALE UNDER SECTION 78M(2) AND MAY
21 BE OFFERED FOR SALE AS A GROUP WITH 1 OR MORE OTHER PARCELS UNDER
22 SECTION 78M(2). PROPERTY ACQUIRED BY A FORECLOSING GOVERNMENTAL
23 UNIT UNDER SUBSECTION (1) OR (2) MAY NOT BE CONVEYED OR TRANSFERRED
24 TO A CITY, VILLAGE, TOWNSHIP, OR COUNTY UNDER SECTION 78M(1) OR
25 (3). ANY NET PROCEEDS FROM THE SALE OF PROPERTY ACQUIRED BY A
26 FORECLOSING GOVERNMENTAL UNIT UNDER SUBSECTION (1) OR (2) SHALL BE
27 DEPOSITED INTO THE ACCOUNT DESIGNATED UNDER SECTION 78M(8) AS THE

1 DELINQUENT TAX PROPERTY SALES PROCEEDS FOR THE YEAR IN WHICH THE
2 PROPERTY IS SOLD BY THE FORECLOSING GOVERNMENTAL UNIT.

3 (6) THIS SECTION DOES NOT ALTER THE POWERS, DUTIES, FUNCTIONS,
4 OR RESPONSIBILITIES OF AN AUTHORITY UNDER THE LAND BANK FAST TRACT
5 ACT, 2003 PA 258, MCL 124.751 TO 124.774.

6 (7) AS USED IN THIS SECTION, "AUTHORITY" MEANS A LAND BANK
7 FAST TRACK AUTHORITY CREATED UNDER THE LAND BANK FAST TRACK ACT,
8 2003 PA 258, MCL 124.751 TO 124.774.