

HOUSE BILL No. 5398

March 6, 2014, Introduced by Reps. Bumstead, Brown, Schmidt, Callton, Pscholka, Santana and Potvin and referred to the Committee on Local Government.

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. METHODS OF
5 ACQUISITION MAY INCLUDE, BUT ARE NOT LIMITED TO, AN EXCHANGE OF
6 PROPERTY OWNED BY THE COUNTY FOR PROPERTY OF APPROXIMATELY EQUAL
7 VALUE THAT IS OWNED BY THIS STATE, THE FEDERAL GOVERNMENT, OR OTHER
8 GOVERNMENTAL ENTITY.

9 (2) IF THE FORECLOSING GOVERNMENTAL UNIT FOR A COUNTY IS NOT
10 THIS STATE, AN AUTHORITY MAY, WITH THE CONSENT OF THE FORECLOSING

1 GOVERNMENTAL UNIT, CONVEY REAL PROPERTY OWNED BY THE AUTHORITY TO
2 THE FORECLOSING GOVERNMENTAL UNIT FOR NO MONETARY CONSIDERATION AS
3 PROVIDED IN SECTION 7 OF THE LAND BANK FAST TRACK ACT, 2003 PA 258,
4 MCL 124.757.

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

10 (4) A FORECLOSING GOVERNMENTAL UNIT SHALL EXECUTE AND RECORD
11 ALL DOCUMENTS NECESSARY TO EFFECTUATE A CONVEYANCE UNDER SUBSECTION
12 (1) OR (2), INCLUDING, BUT NOT LIMITED TO, A QUITCLAIM DEED OR
13 AFFIDAVIT OF JURISDICTIONAL TRANSFER. DOCUMENTS NECESSARY TO
14 EFFECTUATE A CONVEYANCE UNDER SUBSECTION (1) OR (2) MAY BE RECORDED
15 WITH THE REGISTER OF DEEDS IN THE COUNTY IN WHICH THE PROPERTY IS
16 LOCATED WITHOUT THE PAYMENT OF A FEE.

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

1 IN WHICH THE PROPERTY IS SOLD BY THE FORECLOSING GOVERNMENTAL UNIT.
2 (6) AS USED IN THIS SECTION, "AUTHORITY" MEANS A LAND BANK
3 FAST TRACK AUTHORITY CREATED UNDER THE LAND BANK FAST TRACK ACT,
4 2003 PA 258, MCL 124.751 TO 124.774.