

SENATE BILL No. 500

September 17, 2013, Introduced by Senators ANDERSON, HOPGOOD, ANANICH, JONES, BIEDA, JOHNSON, WHITMER, HUNTER, GREGORY and YOUNG and referred to the Committee on Families, Seniors and Human Services.

A bill to amend 1961 PA 236, entitled
"Revised judicature act of 1961,"
by amending section 4708 (MCL 600.4708), as amended by 2006 PA 128.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4708. (1) When property is forfeited under this chapter,
2 the unit of government that seized or filed a lien against the
3 property may sell the property that is not required to be destroyed
4 by law and that is not harmful to the public and may dispose of the
5 proceeds and any money, including any interest earned on money
6 deposited in a financial institution as described in section
7 4703(6), negotiable instrument, security, or other thing of value
8 that is forfeited pursuant to this chapter in the following order

1 of priority:

2 (a) Pay any outstanding security interest of a secured party
3 who did not have prior knowledge of, or consent to the commission
4 of, the crime.

5 (b) Satisfy any order of restitution in the prosecution for
6 the crime.

7 (c) Pay the claim of each person who shows that he or she is a
8 victim of the crime to the extent that the claim is not covered by
9 an order of restitution.

10 (d) Pay any outstanding lien against the property that has
11 been imposed by a governmental unit.

12 (e) Pay the proper expenses of the proceedings for forfeiture
13 and sale, including, but not limited to, expenses incurred during
14 the seizure process and expenses for maintaining custody of the
15 property, advertising, and court costs.

16 (f) The balance remaining after the payment of restitution,
17 the claims of victims, outstanding liens, and expenses shall be
18 distributed by the court having jurisdiction over the forfeiture
19 proceedings to the unit or units of government substantially
20 involved in effecting the forfeiture ~~Seventy five percent AS~~

21 **FOLLOWS:**

22 (i) **SUBJECT TO SUBPARAGRAPH (ii)**, 75% of the money received by a
23 unit of government under this subdivision shall be used to enhance
24 enforcement of the criminal laws and 25% of the money shall be used
25 to implement the **WILLIAM VAN REGENMORTER** crime victim's rights act,
26 1985 PA 87, MCL 780.751 to 780.834.

27 (ii) **IF THE PROPERTY WAS FORFEITED FOR A VIOLATION OF CHAPTER**

1 LXVIIIA OF THE MICHIGAN PENAL CODE, 1931 PA 328, MCL 750.462A TO
2 750.462J (HUMAN TRAFFICKING), 50% OF THE MONEY RECEIVED BY A UNIT
3 OF GOVERNMENT UNDER THIS SUBDIVISION SHALL BE FORWARDED TO THE
4 STATE TREASURER FOR DEPOSIT IN THE HUMAN TRAFFICKING PREVENTION
5 FUND CREATED IN THE HUMAN TRAFFICKING AND REPORTING ACT FOR USE ONLY
6 AS PROVIDED IN THAT ACT, 25% OF THE MONEY RECEIVED BY A LOCAL UNIT
7 OF GOVERNMENT UNDER THIS SUBDIVISION SHALL BE FORWARDED TO THE
8 CRIME VICTIM'S RIGHTS FUND CREATED IN SECTION 4 OF 1989 PA 196, MCL
9 780.904, AND 25% OF THE MONEY RECEIVED BY A UNIT OF GOVERNMENT
10 UNDER THIS SUBDIVISION SHALL BE USED TO ENHANCE ENFORCEMENT OF
11 CHAPTER LXVIIIA OF THE MICHIGAN PENAL CODE, 1931 PA 328, MCL
12 750.462A TO 750.462J (HUMAN TRAFFICKING).

13 (2) A unit of government receiving money under ~~this~~
14 ~~subdivision~~ **SUBSECTION (1) (F) (i)** shall report annually to the
15 department of **TECHNOLOGY**, management, and budget the amount of
16 money received under ~~this subdivision~~ **THAT SUBPARAGRAPH** that was
17 used to enhance enforcement of the criminal laws and the amount
18 that was used to implement the **WILLIAM VAN REGENMORTER** crime
19 victim's rights act, 1985 PA 87, MCL 780.751 TO 780.834. A UNIT OF
20 GOVERNMENT RECEIVING MONEY UNDER **SUBSECTION (1) (F) (ii)** SHALL REPORT
21 ANNUALLY TO THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET
22 THE AMOUNT OF MONEY RECEIVED UNDER THAT SUBPARAGRAPH THAT WAS
23 FORWARDED TO THE STATE TREASURER FOR DEPOSIT IN THE HUMAN
24 TRAFFICKING PREVENTION FUND AND THE AMOUNT THAT WAS USED TO ENHANCE
25 ENFORCEMENT OF CHAPTER LXVIIIA OF THE MICHIGAN PENAL CODE, 1931 PA
26 328, MCL 750.462A TO 750.462J (HUMAN TRAFFICKING).

27 (3) ~~(2)~~—In the course of selling real property pursuant to

1 **UNDER** subsection (1), the court that enters an order of forfeiture,
2 on motion of the unit of government to whom the property is
3 forfeited, may appoint a receiver to dispose of the real property
4 forfeited. The receiver is entitled to reasonable compensation. The
5 receiver has authority to do all of the following:

6 (a) List the forfeited real property for sale.

7 (b) Make whatever arrangements are necessary for the
8 maintenance and preservation of the forfeited real property.

9 (c) Accept offers to purchase the forfeited real property.

10 (d) Execute instruments transferring title to the forfeited
11 real property.

12 Enacting section 1. This amendatory act does not take effect
13 unless Senate Bill No. 499

14 of the 97th Legislature is enacted into law.