

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4483

A bill 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.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 CHAPTER 1

2 GENERAL PROVISIONS

3 Sec. 1. This act shall be known and may be cited as the  
4 "land bank fast track act".

5 Sec. 2. The legislature finds that there exists in this  
6 state a continuing need to strengthen and revitalize the economy  
7 of this state and local units of government in this state and  
8 that it is in the best interests of this state and local units of  
9 government in this state to assemble or dispose of public  
10 property, including tax reverted property, in a coordinated  
11 manner to foster the development of that property and to promote  
12 economic growth in this state and local units of government in  
13 this state. It is declared to be a valid public purpose for a  
14 land bank fast track authority created under this act to acquire,  
15 assemble, dispose of, and quiet title to property under this  
16 act. It is further declared to be a valid public purpose for a  
17 land bank fast track authority created under this act to provide  
18 for the financing of the acquisition, assembly, disposition, and  
19 quieting of title to property, and for a land bank fast track  
20 authority to exercise other powers granted to a land bank fast

1 track authority under this act. The legislature finds that a  
2 land bank fast track authority created under this act and powers  
3 conferred by this act constitute a necessary program and serve a  
4 necessary public purpose.

5 Sec. 3. As used in this act:

6 (a) "Authority" means a land bank fast track authority  
7 created under section 15, section 23(4), or section 23(5).

8 (b) "Authority board" means the board of directors of the  
9 state authority appointed under section 16.

10 (c) "Casino" means a casino regulated by this state under the  
11 Michigan gaming control and revenue act, the Initiated Law of  
12 1996, MCL 432.201 to 432.226, or a casino at which gaming is  
13 conducted under the Indian gaming regulatory act, Public Law  
14 100-497, 102 Stat. 2467, and all property associated or  
15 affiliated with the operation of the casino, including, but not  
16 limited to, a parking lot, hotel, motel, or retail store.

17 (d) "County authority" means a county land bank fast track  
18 authority created by a county foreclosing governmental unit under  
19 section 23(4).

20 (e) "Department" means the department of labor and economic  
21 growth, a principal department of state government created by  
22 section 225 of the executive organization act of 1965, 1965 PA  
23 380, MCL 16.325, and renamed by Executive Order No. 1996-2, MCL  
24 445.2001, and by Executive Order No. 2003-18.

25 (f) "Foreclosing governmental unit" means that term as  
26 defined in section 78 of the general property tax act, 1893 PA  
27 206, MCL 211.78.

1 (g) "Fund" means the land bank fast track fund created in  
2 section 18.

3 (h) "Intergovernmental agreement" means a contractual  
4 agreement between 1 or more governmental agencies, including, but  
5 not limited to, an interlocal agreement to jointly exercise any  
6 power, privilege, or authority that the agencies share in common  
7 and that each might exercise separately under the urban  
8 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to  
9 124.512.

10 (i) "Local authority" means a local land bank fast track  
11 authority created by a qualified city under section 23(5).

12 (j) "Local unit of government" means a city, village,  
13 township, county, or any intergovernmental, metropolitan, or  
14 local department, agency, or authority, or other local political  
15 subdivision.

16 (k) "Michigan economic development corporation" means the  
17 public body corporate created under section 28 of article VII of  
18 the state constitution of 1963 and the urban cooperation act of  
19 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a  
20 contractual interlocal agreement effective April 5, 1999, as  
21 amended, between local participating economic development  
22 corporations formed under the economic development corporations  
23 act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan  
24 strategic fund. If the Michigan economic development corporation  
25 is unable for any reason to perform its duties under this act,  
26 those duties may be exercised by the Michigan strategic fund.

27 (l) "Michigan state housing development authority" means the

1 authority created under the state housing development authority  
2 act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

3 (m) "Michigan strategic fund" means the Michigan strategic  
4 fund as described in the Michigan strategic fund act, 1984 PA  
5 270, MCL 125.2001 to 125.2093.

6 (n) "Qualified city" means a city that contains a first class  
7 school district and includes any department or agency of the  
8 city.

9 (o) "State administrative board" means the board created  
10 under 1921 PA 2, MCL 17.1 to 17.3, that exercises general  
11 supervisory control over the functions and activities of all  
12 administrative departments, boards, commissioners, and officers  
13 of the state and of all state institutions.

14 (p) "State authority" means the land bank fast track  
15 authority created under section 15.

16 (q) "Tax reverted property" means property that meets 1 or  
17 more of the following criteria:

18 (i) The property was conveyed to this state under section 67a  
19 of the general property tax act, 1893 PA 206, MCL 211.67a, and  
20 subsequently was not sold at a public auction under section 131  
21 of the general property tax act, 1893 PA 206, MCL 211.131, except  
22 property described in section 131 of the general property tax  
23 act, 1893 PA 206, MCL 211.131, that is withheld from sale by the  
24 director of the department of natural resources as authorized in  
25 that section.

26 (ii) The property was conveyed to this state under section  
27 67a of the general property tax act, 1893 PA 206, MCL 211.67a,

1 and subsequently was either redeemed by a local unit of  
2 government or transferred to a local unit of government under  
3 section 2101 or 2102 of the natural resources and environmental  
4 protection act, 1994 PA 451, MCL 324.2101 and 324.2102, or under  
5 former section 461 of 1909 PA 223 except property transferred to  
6 a local unit of government that is subject to a reverter clause  
7 under which the property reverts to this state upon transfer by  
8 the local unit of government.

9 (iii) The property was subject to forfeiture, foreclosure,  
10 and sale for the collection of delinquent taxes as provided in  
11 sections 78 to 79a of the general property tax act, 1893 PA 206,  
12 MCL 211.78 to 211.79a, and both of the following apply:

13 (A) Title to the property vested in a foreclosing  
14 governmental unit under section 78k of the general property tax  
15 act, 1893 PA 206, MCL 211.78k.

16 (B) The property was offered for sale at an auction but not  
17 sold under section 78m of the general property tax act, 1893  
18 PA 206, MCL 211.78m.

19 (iv) The property was obtained by or transferred to a local  
20 unit of government under section 78m of the general property tax  
21 act, 1893 PA 206, MCL 211.78m.

22 (v) Pursuant to the requirements of a city charter, the  
23 property was deeded to or foreclosed by the city or a department  
24 or agency of the city for unpaid delinquent real property taxes.

25 Sec. 4. (1) Except as otherwise provided in this act, an  
26 authority may do all things necessary or convenient to implement  
27 the purposes, objectives, and provisions of this act, and the

1 purposes, objectives, and powers delegated to the board of  
2 directors of an authority by other laws or executive orders,  
3 including, but not limited to, all of the following:

4 (a) Adopt, amend, and repeal bylaws for the regulation of its  
5 affairs and the conduct of its business.

6 (b) Sue and be sued in its own name and plead and be  
7 impleaded, including, but not limited to, defending the authority  
8 in an action to clear title to property conveyed by the  
9 authority.

10 (c) Borrow money and issue bonds and notes according to the  
11 provisions of this act.

12 (d) Enter into contracts and other instruments necessary,  
13 incidental, or convenient to the performance of its duties and  
14 the exercise of its powers, including, but not limited to,  
15 interlocal agreements under the urban cooperation act of 1967,  
16 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, for the joint  
17 exercise of powers under this act.

18 (e) Solicit and accept gifts, grants, labor, loans, and other  
19 aid from any person, or the federal government, this state, or a  
20 political subdivision of this state or any agency of the federal  
21 government, this state, a political subdivision of this state, or  
22 an intergovernmental entity created under the laws of this state  
23 or participate in any other way in a program of the federal  
24 government, this state, a political subdivision of this state, or  
25 an intergovernmental entity created under the laws of this  
26 state.

27 (f) Procure insurance against loss in connection with the

1 property, assets, or activities of the authority.

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

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

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

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

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



1 authority.

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

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

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

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

16 (5) The property of an authority and its income and  
17 operations are exempt from all taxation by this state or any of  
18 its political subdivisions.

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

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

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

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

27 (10) An authority shall establish policies and procedures

1 requiring the disclosure of relationships that may give rise to a  
2 conflict of interest. The governing body of an authority shall  
3 require that any member of the governing body with a direct or  
4 indirect interest in any matter before the authority disclose the  
5 member's interest to the governing body before the board takes  
6 any action on the matter.

7       Sec. 5. (1) Except as provided in section 4(8), an  
8 authority may acquire by gift, devise, transfer, exchange,  
9 foreclosure, purchase, or otherwise on terms and conditions and  
10 in a manner the authority considers proper, real or personal  
11 property, or rights or interests in real or personal property.

12       (2) Real property acquired by an authority by purchase may be  
13 by purchase contract, lease purchase agreement, installment sales  
14 contract, land contract, or otherwise, except as provided in  
15 section 4(8). The authority may acquire real property or rights  
16 or interests in real property for any purpose the authority  
17 considers necessary to carry out the purposes of this act,  
18 including, but not limited to, 1 or more of the following  
19 purposes:

20       (a) The use or development of property the authority has  
21 otherwise acquired.

22       (b) To facilitate the assembly of property for sale or lease  
23 to any other public or private person, including, but not limited  
24 to, a nonprofit or for profit corporation.

25       (c) To protect or prevent the extinguishing of any lien,  
26 including a tax lien, held by the authority or imposed upon  
27 property held by the authority.

1 (3) An authority may also acquire by purchase, on terms and  
2 conditions and in a manner the authority considers proper,  
3 property or rights or interest in property from 1 or more of the  
4 following sources:

5 (a) The department of natural resources under section 2101 or  
6 2102 of the natural resources and environmental protection act,  
7 1994 PA 451, MCL 324.2101 and 324.2102.

8 (b) A foreclosing governmental unit under the general  
9 property tax act, 1893 PA 206, MCL 211.1 to 211.157.

10 (c) The Michigan state housing development authority under  
11 the state housing development authority act of 1966, 1966 PA 346,  
12 MCL 125.1401 to 125.1499c.

13 (4) An authority may hold and own in its name any property  
14 acquired by it or conveyed to it by this state, a foreclosing  
15 governmental unit, a local unit of government, an  
16 intergovernmental entity created under the laws of this state, or  
17 any other public or private person, including, but not limited  
18 to, tax reverted property and property with or without clear  
19 title.

20 (5) All deeds, mortgages, contracts, leases, purchases, or  
21 other agreements regarding property of an authority, including  
22 agreements to acquire or dispose of real property, may be  
23 approved by and executed in the name of the authority.

24 (6) A foreclosing governmental unit may not transfer property  
25 subject to forfeiture, foreclosure, and sale under sections 78 to  
26 78p of the general property tax act, 1893 PA 206, MCL 211.78 to  
27 211.78p, until after the property has been offered for sale or

1 other transfer under section 78m of the general property tax act,  
2 1893 PA 206, MCL 211.78m, and the foreclosing governmental unit  
3 has retained possession of the property under section 78m(7) of  
4 the general property tax act, 1893 PA 206, MCL 211.78m.

5       Sec. 6. (1) An authority may, without the approval of a  
6 local unit of government in which property held by the authority  
7 is located, control, hold, manage, maintain, operate, repair,  
8 lease as lessor, secure, prevent the waste or deterioration of,  
9 demolish, and take all other actions necessary to preserve the  
10 value of the property it holds or owns. An authority may take or  
11 perform the following with respect to property held or owned by  
12 the authority:

13       (a) Grant or acquire a license, easement, or option with  
14 respect to property as the authority determines is reasonably  
15 necessary to achieve the purposes of this act.

16       (b) Fix, charge, and collect rents, fees, and charges for use  
17 of property under the control of the authority or for services  
18 provided by the authority.

19       (c) Pay any tax or special assessment due on property  
20 acquired or owned by the authority.

21       (d) Take any action, provide any notice, or institute any  
22 proceeding required to clear or quiet title to property held by  
23 the authority in order to establish ownership by and vest title  
24 to property in the authority, including, but not limited to, an  
25 expedited quiet title and foreclosure action under section 9.

26       (e) Remediate environmental contamination on any property  
27 held by the authority.

1 (2) An authority shall be made a party to and shall defend  
2 any action or proceeding concerning title claims against property  
3 held by the authority.

4 (3) Subject to subsection (4), an authority may accept from a  
5 person with an interest in a parcel of tax delinquent property or  
6 tax reverted property a deed conveying that person's interest in  
7 the property in lieu of the foreclosure or sale of the property  
8 for delinquent taxes, penalties, and interest levied under the  
9 general property tax act, 1893 PA 206, MCL 211.1 to 211.157, or  
10 delinquent specific taxes levied under another law of this state  
11 against the property by a local unit of government or other  
12 taxing jurisdiction.

13 (4) An authority may not accept under subsection (3) a deed  
14 in lieu of foreclosure or sale of the tax lien attributable to  
15 taxes levied by a local unit of government or other taxing  
16 jurisdiction without the written approval of all taxing  
17 jurisdictions and the foreclosing governmental unit that would be  
18 affected. Upon approval of the affected taxing jurisdictions and  
19 the foreclosing governmental unit, all of the unpaid general ad  
20 valorem taxes and specific taxes levied on the property, whether  
21 recorded or not, shall be extinguished. The authority shall  
22 record proof of the acceptance by the affected taxing  
23 jurisdictions under this subsection and the deed in lieu of  
24 foreclosure with the register of deeds for the county in which  
25 the property is located.

26 (5) Except as provided in subsection (4), conveyance of  
27 property by deed in lieu of foreclosure under this section shall

1 not affect or impair any other lien against that property or any  
2 existing recorded or unrecorded interest in that property,  
3 including, but not limited to, future installments of special  
4 assessments, liens recorded by this state, or restrictions  
5 imposed under the natural resources and environmental protection  
6 act, 1994 PA 451, MCL 324.101 to 324.90106, easements or  
7 rights-of-way, private deed restrictions, security interests and  
8 mortgages, or tax liens of other taxing jurisdictions or a  
9 foreclosing governmental unit that does not consent to a release  
10 of their liens.

11 (6) A tax lien against property held by or under the control  
12 of an authority may be released at any time by 1 or more of the  
13 following:

14 (a) The governing body of a local unit of government with  
15 respect to a lien held by the local unit of government.

16 (b) The governing body of any other taxing jurisdiction other  
17 than this state with respect to a lien held by the taxing  
18 jurisdiction.

19 (c) A foreclosing governmental unit with respect to a tax  
20 lien or right to collect a tax held by the foreclosing  
21 governmental unit.

22 (d) The state treasurer with respect to a tax lien securing  
23 the state education tax under the state education tax act, 1993  
24 PA 331, MCL 211.901 to 211.906.

25 Sec. 7. (1) Except as an authority otherwise agrees by  
26 intergovernmental agreement or otherwise, on terms and  
27 conditions, and in a manner and for an amount of consideration an

1 authority considers proper, fair, and valuable, including for no  
2 monetary consideration, the authority may convey, sell, transfer,  
3 exchange, lease as lessor, or otherwise dispose of property or  
4 rights or interests in property in which the authority holds a  
5 legal interest to any public or private person for value  
6 determined by the authority. If the department of environmental  
7 quality determines that conditions on a property transferred to  
8 an authority under section 78m(15) of the general property tax  
9 act, 1893 PA 206, MCL 211.78m, represent an acute threat to  
10 public health, safety, and welfare, or to the environment, the  
11 authority shall not convey, sell, transfer, exchange, lease, or  
12 otherwise dispose of the property until after a determination by  
13 the department of environmental quality that the acute threat has  
14 been eliminated and that conveyance, sale, transfer, exchange,  
15 lease, or other disposal of the property by the authority will  
16 not interfere with any response activities by the department.  
17 The transfer and use of property under this section and the  
18 exercise by the authority of powers and duties under this act  
19 shall be considered a necessary public purpose and for the  
20 benefit of the public.

21 (2) All property held by an authority shall be inventoried  
22 and classified by the authority according to title status and  
23 suitability for use.

24 (3) A document, including, but not limited to, a deed,  
25 evidencing the transfer under this act of 1 or more parcels of  
26 property to an authority by this state or a political subdivision  
27 of this state may be recorded with the register of deeds office

1 in the county in which the property is located without the  
2 payment of a fee.

3       Sec. 8. (1) Money received by an authority as payment of  
4 taxes, penalties, or interest, or from the redemption or sale of  
5 property subject to a tax lien of any taxing unit shall be  
6 returned to the local tax collecting unit in which the property  
7 is located for distribution on a pro rata basis to the  
8 appropriate taxing units in an amount equal to delinquent taxes,  
9 penalties, and interest owed on the property, if any.

10       (2) Except as otherwise provided in this act, as required by  
11 other law, as required under the provisions of a deed, or as an  
12 authority otherwise agrees, any proceeds received by the  
13 authority may be retained by the authority for the purposes of  
14 this act.

15       Sec. 9. (1) An authority may initiate an expedited quiet  
16 title and foreclosure action under this section to quiet title to  
17 real property held by the authority or interests in tax reverted  
18 property held by the authority by recording with the register of  
19 deeds in the county in which the property subject to expedited  
20 quiet title and foreclosure is located a notice of pending  
21 expedited quiet title and foreclosure action in a form prescribed  
22 by the department of treasury. The notice shall include a legal  
23 description of the property, the street address of the property  
24 if available, the name, address, and telephone number of the  
25 authority, a statement that the property is subject to expedited  
26 quiet title proceedings and foreclosure under this act, and a  
27 statement that any legal interests in the property may be



1 extinguished by a circuit court order vesting title to the  
2 property in the authority. If a notice is recorded in error, the  
3 authority may correct the error by recording a certificate of  
4 correction with the register of deeds. A notice or certificate  
5 under this subsection need not be notarized and may be  
6 authenticated by a digital signature or other electronic means.  
7 Property is not subject to an expedited quiet title and  
8 foreclosure action under this section if the property was  
9 forfeited under section 78g of the general property tax act, 1893  
10 PA 206, MCL 211.78g, and remains subject to foreclosure under  
11 section 78k of the general property tax act, 1893 PA 206,  
12 MCL 211.78k. If an authority has reason to believe that a  
13 property subject to an expedited quiet title and foreclosure  
14 action under this section may be the site of environmental  
15 contamination, the authority shall provide the department of  
16 environmental quality with any information in the possession of  
17 the authority that suggests the property may be the site of  
18 environmental contamination.

19 (2) After recording the notice under subsection (1), an  
20 authority shall initiate a search of records identified in this  
21 subsection to identify the owners of a property interest in the  
22 property who are entitled to notice of the quiet title and  
23 foreclosure hearing under this section. The authority may enter  
24 into a contract with or may request from 1 or more authorized  
25 representatives a title search or other title product to identify  
26 the owners of a property interest in the property as required  
27 under this subsection or to perform the other functions set forth

1 in this section required for the quieting of title to property  
2 under this act. The owner of a property interest is entitled to  
3 notice under this section if that owner's interest was  
4 identifiable by reference to any of the following sources before  
5 the date that the authority records the notice under  
6 subsection (1):

7 (a) Land title records in the office of the county register  
8 of deeds.

9 (b) Tax records in the office of the county treasurer.

10 (c) Tax records in the office of the local assessor.

11 (d) Tax records in the office of the local treasurer.

12 (3) An authority may file a single petition with the clerk of  
13 the circuit court in which property subject to expedited  
14 foreclosure under this section is located listing all property  
15 subject to expedited foreclosure by the authority and for which  
16 the authority seeks to quiet title. If available to the  
17 authority, the list of properties shall include a legal  
18 description of, a tax parcel identification number for, and the  
19 street address of each parcel of property. The petition shall  
20 seek a judgment in favor of the authority against each property  
21 listed and shall include a date, within 90 days, on which the  
22 authority requests a hearing on the petition. The petition shall  
23 request that a judgment be entered vesting absolute title in the  
24 authority, without right of redemption for each parcel of  
25 property listed, as provided in this section. Prior to the entry  
26 of judgment under this section, the authority may request the  
27 court to remove property erroneously included in the petition, or

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1 any tax delinquent properties redeemed prior to the hearing.

2 (4) The clerk of the circuit court in which a petition is  
3 filed under subsection (3) shall immediately set the date, time,  
4 and place for a hearing on the petition for foreclosure. The  
5 date shall be set by the clerk and shall not be more than 10 days  
6 after the date requested by the authority in the petition. In no  
7 event may the clerk schedule the hearing later than 90 days after  
8 the filing of a petition by the authority under subsection (3).

9 (5) After completing the records search under subsection (2),  
10 an authority shall determine the address or addresses reasonably  
11 calculated to inform those owners of a property interest in  
12 property subject to expedited foreclosure under this section of  
13 the pendency of the quiet title and foreclosure hearing under  
14 subsection (11). If, after conducting the title search, the  
15 authority is unable to determine an address reasonably calculated  
16 to inform persons with a property interest in property subject to  
17 expedited tax foreclosure, <<or if the authority discovers a deficiency  
18 in notice under subsection (10),>> the following shall be considered  
19 reasonable steps by the authority to ascertain the addresses of  
20 persons with a property interest in the property subject to  
21 expedited foreclosure <<or to ascertain an address necessary to correct a  
22 deficiency in notice under subsection (10)>>:

21 (a) For an individual, a search of records of the county  
22 probate court for the county in which the property is located.

23 (b) For an individual, a search of the qualified voter file  
24 established under section 509o of the Michigan election law, 1954  
25 PA 116, MCL 168.509o, which is authorized by this subdivision.

26 (c) For a partnership, a search of partnership records filed  
27 with the county clerk.

1 (d) For a business entity other than a partnership, a search  
2 of business entity records filed with the corporation division of  
3 the department.

4 (6) Not less than 30 days before the quiet title and  
5 foreclosure hearing under subsection (11), the authority shall  
6 send notice by certified mail, return receipt requested, of the  
7 hearing to the persons identified under subsection (5) with a  
8 property interest in property subject to expedited foreclosure.  
9 The authority shall also send a notice via regular mail addressed  
10 to the "Occupant" for each property subject to expedited  
11 foreclosure if an address for the property is ascertainable.

12 (7) Not less than 30 days before the quiet title and  
13 foreclosure hearing under subsection (11), the authority or its  
14 authorized representative or authorized agent shall visit each  
15 parcel of property subject to expedited foreclosure and post  
16 conspicuously on the property notice of the hearing. In addition  
17 to the requirements of subsection (8), the notice shall also  
18 include the following statement: "THIS PROPERTY HAS BEEN  
19 TRANSFERRED TO THE \_\_\_\_\_ LAND BANK FAST TRACK  
20 AUTHORITY AND IS SUBJECT TO AN EXPEDITED QUIET TITLE AND  
21 FORECLOSURE ACTION. PERSONS WITH INFORMATION REGARDING THE PRIOR  
22 OWNER OF THE PROPERTY ARE REQUESTED TO CONTACT THE LAND BANK FAST  
23 TRACK AUTHORITY AT \_\_\_\_\_."

24 (8) The notice required under subsections (6) and (7) shall  
25 include:

26 (a) The date on which the authority recorded under subsection  
27 (1) notice of the pending expedited quiet title and foreclosure

1 action.

2 (b) A statement that a person with a property interest in the  
3 property may lose his or her interest, if any, as a result of the  
4 quiet title and foreclosure hearing under subsection (11).

5 (c) A legal description, parcel number of the property, and  
6 the street address of the property, if available.

7 (d) The person to whom the notice is addressed.

8 (e) The date and time of the hearing on the petition for  
9 foreclosure under subsection (11) and a statement that the  
10 judgment of the court may result in title to the property vesting  
11 in the authority.

12 (f) An explanation of any rights of redemption and notice  
13 that the judgment of the court may extinguish any ownership  
14 interest in or right to redeem the property.

15 (g) The name, address, and telephone number of the  
16 authority.

17 (h) A statement that persons with information regarding the  
18 owner or prior owner of any of the properties are requested to  
19 contact the authority.

20 (9) If the authority is unable to ascertain the address  
21 reasonably calculated to inform the owners of a property interest  
22 entitled to notice under this section, or is unable to provide  
23 notice under subsection (6) or (7), the authority shall provide  
24 notice by publication. Prior to the hearing, a notice shall be  
25 published for 3 successive weeks, once each week, in a newspaper  
26 published and circulated in the county in which the property is  
27 located. If no paper is published in that county, publication

1 shall be made in a newspaper published and circulated in an  
2 adjoining county. This publication shall substitute for notice  
3 under subsection (6) or (7). The published notice shall include  
4 all of the following:

5 (a) A legal description, parcel number of the property, and  
6 the street address of the property, if available.

7 (b) The name of any person not notified under subsection (6)  
8 or (7) that the authority reasonably believes may be entitled to  
9 notice under this section of the quiet title and foreclosure  
10 hearing under subsection (11).

11 (c) A statement that a person with a property interest in the  
12 property may lose his or her interest, if any, as a result of the  
13 foreclosure proceeding under subsection (11).

14 (d) The date and time of the hearing on the petition for  
15 foreclosure under subsection (11).

16 (e) A statement that the judgment of the court may result in  
17 title to the property vesting in the authority.

18 (f) An explanation of any rights of redemption and notice  
19 that judgment of the court may extinguish any ownership interest  
20 in or right to redeem the property.

21 (g) The name, address, and telephone number of the  
22 authority.

23 (h) A statement that persons with information regarding the  
24 owner or prior owner of any of the properties are requested to  
25 contact the authority.

26 (10) If prior to the quiet title and foreclosure hearing  
27 under subsection (11) the authority discovers any deficiency in

1 the provision of notice under this section, the authority shall  
2 take reasonable steps in good faith to correct the deficiency  
3 before the hearing. The provisions of this section relating to  
4 notice of the quiet title and foreclosure hearing are exclusive  
5 and exhaustive. Other requirements relating to notice and proof  
6 of service under other law, rule, or other legal requirement are  
7 not applicable to notice or proof of service under this section.

8 (11) If a petition for expedited quiet title and foreclosure  
9 is filed under subsection (3), before the hearing, the authority  
10 shall file with the clerk of the circuit court proof of notice by  
11 certified mail under subsection (6), proof of notice by posting  
12 on the property under subsection (7), and proof of notice by  
13 publication, if applicable. A person claiming an interest in a  
14 parcel of property set forth in the petition for foreclosure who  
15 desires to contest that petition shall file written objections  
16 with the clerk of the circuit court and serve those objections on  
17 the authority before the date of the hearing. The circuit court  
18 may appoint and utilize as the court considers necessary a  
19 special master for assistance with the resolution of any  
20 objections to the foreclosure or questions regarding the title to  
21 property subject to foreclosure. If the court withholds property  
22 from foreclosure, an authority's ability to include the property  
23 in a subsequent petition for expedited quiet title and  
24 foreclosure is not prejudiced. No injunction shall issue to stay  
25 an expedited quiet title and foreclosure action under this  
26 section. The circuit court shall enter judgment on a petition to  
27 quiet title and foreclosure filed under subsection (3) not more

1 than 10 days after the conclusion of the hearing or contested  
2 case, and the judgment shall be effective 10 days after the  
3 conclusion of the hearing or contested case. The circuit court's  
4 judgment shall specify all of the following:

5 (a) The legal description and, if known, the street address  
6 of the property foreclosed.

7 (b) That fee simple title to property foreclosed by the  
8 judgment is vested absolutely in the authority, except as  
9 otherwise provided in subdivisions (c) and (e), without any  
10 further rights of redemption.

11 (c) That all liens against the property, including any lien  
12 for unpaid taxes or special assessments, except future  
13 installments of special assessments and liens recorded by this  
14 state or the authority under the natural resources and  
15 environmental protection act, 1994 PA 451, MCL 324.101 to  
16 324.90106, are extinguished.

17 (d) That, except as otherwise provided in subdivisions (c)  
18 and (e), the authority has good and marketable fee simple title  
19 to the property.

20 (e) That all existing recorded and unrecorded interests in  
21 that property are extinguished, except a visible or recorded  
22 easement or right-of-way, private deed restrictions, plat  
23 restrictions, or restrictions or other governmental interests  
24 imposed under the natural resources and environmental protection  
25 act, 1994 PA 451, MCL 324.101 to 324.90106.

26 (f) A finding that all persons entitled to notice and an  
27 opportunity to be heard have been provided that notice and



1 opportunity. A person shall be deemed to have been provided  
2 notice and an opportunity to be heard if the authority followed  
3 the procedures for provision of notice by mail, for visits to  
4 property subject to expedited quiet title and foreclosure, and  
5 for publication under this section, or if 1 or more of the  
6 following apply:

7       (i) The person had constructive notice of the hearing by  
8 acquiring an interest in the property after the date of the  
9 recording under subsection (1) of the notice of pending expedited  
10 quiet title and foreclosure action.

11       (ii) The person appeared at the hearing under this subsection  
12 or submitted written objections to the clerk of the circuit court  
13 under this subsection prior to the hearing.

14       (iii) Prior to the hearing under this subsection, the person  
15 had actual notice of the hearing.

16       (12) Except as otherwise provided in subsection (11)(c) and  
17 (e), fee simple title to property set forth in a petition for  
18 foreclosure filed under subsection (3) shall vest absolutely in  
19 the authority upon the effective date of the judgment by the  
20 circuit court and the authority shall have absolute title to the  
21 property. The authority's title is not subject to any recorded  
22 or unrecorded lien, except as provided in subsection (11) and  
23 shall not be stayed or held invalid except as provided in  
24 subsection (13). A judgment entered under this section is a  
25 final order with respect to the property affected by the judgment  
26 and shall not be modified, stayed, or held invalid after the  
27 effective date of the judgment, except as provided in subsection

1 (14).

2 (13) An authority or a person claiming to have a property  
3 interest under subsection (2) in property foreclosed under this  
4 section may within 21 days of the effective date of the judgment  
5 under subsection (12) appeal the circuit court's order or the  
6 circuit court's judgment foreclosing property to the court of  
7 appeals. An appeal under this subsection is limited to the  
8 record of the proceedings in the circuit court under this  
9 section. The circuit court's judgment foreclosing property shall  
10 be stayed until the court of appeals has reversed, modified, or  
11 affirmed that judgment. If an appeal under this subsection stays  
12 the circuit court's judgment foreclosing property, the circuit  
13 court's judgment is stayed only as to the property that is the  
14 subject of that appeal and the circuit court's judgment  
15 foreclosing other property that is not the subject of that appeal  
16 is not stayed. To appeal the circuit court's judgment  
17 foreclosing property, a person appealing the judgment shall pay  
18 to the authority any taxes, interest, penalties, and fees due on  
19 the property and provide notice of the appeal to the authority  
20 within 21 days after the circuit court's judgment is effective.  
21 If the circuit court's judgment foreclosing the property is  
22 affirmed on appeal, the amount determined to be due shall be  
23 refunded to the person who appealed the judgment. If the circuit  
24 court's judgment foreclosing the property is reversed or modified  
25 on appeal, the authority shall refund the amount determined to be  
26 due to the person who appealed the judgment, if any, and forward  
27 the balance to the appropriate taxing jurisdictions in accordance

1 with the order of the court of appeals.

2       (14) The authority shall record a notice of judgment for each  
3 parcel of foreclosed property in the office of the register of  
4 deeds for the county in which the foreclosed property is located  
5 in a form prescribed by the department of treasury. If an  
6 authority records a notice of judgment in error, the authority  
7 may subsequently record a certificate of correction. A notice or  
8 certificate under this subsection need not be notarized and may  
9 be authenticated by a digital signature or other electronic  
10 means. After the entry of a judgment foreclosing the property  
11 under this section, if the property has not been transferred by  
12 the authority, the authority may cancel the foreclosure by  
13 recording with the register of deeds of the county in which the  
14 property is located a certificate of error in a form prescribed  
15 by the department of treasury, if the authority discovers any of  
16 the following:

17       (a) The description of the property used in the expedited  
18 quiet title and foreclosure proceeding was so indefinite or  
19 erroneous that the foreclosure of the property was void.

20       (b) An owner of an interest in the property entitled to  
21 notice of the expedited quiet title and proceedings against the  
22 property under this section was not provided notice sufficient to  
23 satisfy the minimum due process requirements of the constitution  
24 of this state and the constitution of the United States.

25       (c) A judgment of foreclosure was entered under this section  
26 in violation of an order issued by a United States bankruptcy  
27 court.

## House Bill No. 4483 as amended December 11, 2003

1 (15) If a judgment of foreclosure is entered under subsection  
2 (12), and all existing recorded and unrecorded interests in a  
3 parcel of property are extinguished as provided in subsection  
4 (12), the owner of any extinguished recorded or unrecorded  
5 interest in that property who claims that he or she did not  
6 receive notice of the expedited quiet title and foreclosure  
7 action shall not bring an action for possession of the property  
8 against any subsequent owner, but may only bring an action to  
9 recover monetary damages as provided in this subsection. The  
10 court of claims has original and exclusive jurisdiction in any  
11 action to recover monetary damages under this subsection. An  
12 action to recover monetary damages under this subsection shall  
13 not be brought more than 2 years after a judgment for foreclosure  
14 is entered under subsection (12). Any monetary damages  
15 recoverable under this subsection shall be determined as of the  
16 date a judgment for foreclosure is entered under subsection (12)  
17 and shall not exceed the fair market value of the interest in the  
18 property held by the person bringing the action under this  
19 section on that date, less any taxes, interest, penalties, and  
20 fees owed << >> on the property as of that date. The  
21 right to sue for monetary damages under this subsection shall not  
22 be transferable except by testate or intestate succession.

23 (16) The owner of a property interest with notice of the  
24 quiet title and foreclosure hearing under subsection (11) may not  
25 assert any of the following:

26 (a) That notice to the owner was insufficient or inadequate  
27 in any way because some other owner of a property interest in the

1 property was not notified.

2 (b) That any right to redeem tax reverted property was  
3 extended in any way because some other person was not notified.

4 (17) A person holding or formerly holding an interest in tax  
5 reverted property subject to expedited foreclosure under this  
6 section is barred from questioning the validity of the expedited  
7 foreclosure under this section if 1 or more of the following  
8 apply:

9 (a) Prior to the transfer of the property to the authority,  
10 the property was deeded to this state under section 67a of the  
11 general property tax act, 1893 PA 206, MCL 211.67a, and the  
12 person or the person's predecessor in title was notified of a  
13 hearing regarding the deeding of the property as required by  
14 section 131e of the general property tax act, 1893 PA 206,  
15 MCL 211.131e.

16 (b) Prior to the transfer of the property to the authority,  
17 title to the property vested in a foreclosing governmental unit  
18 following a circuit court hearing under section 78k of the  
19 general property tax act, 1893 PA 206, MCL 211.78k, and the  
20 person or the person's predecessor in title was notified of the  
21 hearing under section 78i of the general property tax act, 1893  
22 PA 206, MCL 211.78i.

23 (18) The failure of an authority to comply with any provision  
24 of this section shall not invalidate any proceeding under this  
25 section if a person with a property interest in property subject  
26 to foreclosure was accorded the minimum due process required  
27 under the state constitution of 1963 and the constitution of the

1 United States.

2 (19) It is the intent of the legislature that the provisions  
3 of this section relating to the expedited quiet title and  
4 foreclosure of property by an authority satisfy the minimum  
5 requirements of due process required under the constitution of  
6 this state and the constitution of the United States but that the  
7 provisions do not create new rights beyond those required under  
8 the state constitution of 1963 or the constitution of the United  
9 States. The failure of an authority, this state, a political  
10 subdivision of this state, or a local unit of government to  
11 follow a requirement of this section relating to the expedited  
12 quiet title and foreclosure of property held by an authority  
13 shall not be construed to create a claim or cause of action  
14 against an authority, this state, a political subdivision of this  
15 state, or a local unit of government unless the minimum  
16 requirements of due process accorded under the state constitution  
17 of 1963 or the constitution of the United States are violated.

18 (20) As used in this section, "authorized representative"  
19 includes 1 or more of the following:

20 (a) A title insurance company or agent licensed to conduct  
21 business in this state.

22 (b) An attorney licensed to practice law in this state.

23 (c) A person accredited in land title search procedures by a  
24 nationally recognized organization in the field of land title  
25 searching.

26 (d) A person with demonstrated experience in the field of  
27 searching land title records, as determined by the authority.

## House Bill No. 4483 as amended December 11, 2003

1       Sec. 10. (1) If an authority has reason to believe that  
2 property held by the authority may be the site of environmental  
3 contamination, the authority shall provide the department of  
4 environmental quality with any information in the possession of  
5 the authority that suggests that the property may be the site of  
6 environmental contamination.

7       (2) If property held by an authority is a facility as defined  
8 under section 20101(1)(o) of the natural resources and  
9 environmental protection act, 1994 PA 451, MCL 324.20101, prior  
10 to the sale or transfer of the property under this section, the  
11 property is subject to all of the following:

12       (a) Upon reasonable written notice from the department of  
13 environmental quality, the authority shall provide access to the  
14 department of environmental quality, its employees, its  
15 contractors, and any other person expressly authorized by the  
16 department of environmental quality to conduct response  
17 activities at the property. Reasonable written notice under this  
18 subdivision may include, but is not limited to, notice by  
19 electronic mail or facsimile, if the authority << >> consents to  
20 notice by electronic mail or facsimile prior to provision of  
21 notice by the department of environmental quality.

22       (b) If requested by the department of environmental quality  
23 to protect public health, safety, and welfare or the environment,  
24 the authority shall grant an easement for access to conduct  
25 response activities on the property as authorized under chapter 7  
26 of the natural resources and environmental protection act, 1994  
27 PA 451, MCL 324.20101 to 324.20302.

House Bill No. 4483 as amended December 11, 2003

1 (c) If requested by the department of environmental quality  
2 to protect public health, safety, and welfare or the environment,  
3 the authority shall place and record deed restrictions on the  
4 property as authorized under chapter 7 of the natural resources  
5 and environmental protection act, 1994 PA 451, MCL 324.20101 to  
6 324.20302.

7 (d) The department of environmental quality may place an  
8 environmental lien on the property as authorized under section  
9 20138 of the natural resources and environmental protection act,  
10 1994 PA 451, MCL 324.20138.

11 (3) For purposes of part 201 of the natural resources and  
12 environmental protection act, 1994 PA 451, MCL 324.20101 to  
13 324.20142, an authority shall be considered a local unit of  
14 government. <<Except as provided under parts 111, 115, and 315 of the  
15 natural resources and environmental protection act, 1994 PA 451, MCL  
16 324.11101 to 324.11153, 324.11501 to 324.11550, and 324.31501 to  
17 324.31529,>> the acquisition or control of property  
18 through tax delinquent forfeiture, foreclosure, or sale,  
19 abandonment, court order, circumstances in which the authority  
20 has acquired title or control of the property under this act, or  
21 by a transfer of the property to the authority by this state, an  
22 agency or department of this state, or any local unit of  
23 government of this state shall not subject the authority to  
24 liability under the natural resources and environmental  
25 protection act, 1994 PA 451, MCL 324.101 to 324.90106, unless the  
26 authority is responsible for an activity causing a release on the  
27 property <<or other activity giving rise to liability under the natural  
resources and environmental protection act, 1994 PA 451, MCL 324.101 to  
324.90106>>. This subsection shall not be considered to restrict or  
diminish any protection from liability that is otherwise  
available to the authority under the natural resources and  
environmental protection act, 1994 PA 451, MCL 324.101 to



1 324.90106.

2       Sec. 11. (1) An authority may institute a civil action to  
3 prevent, restrain, or enjoin the waste of or unlawful removal of  
4 any property from tax reverted property or other real property  
5 held by the authority.

6       (2) A circuit court may, on application, order the purchaser  
7 of any real property sold by an authority under this act in  
8 possession of the property.

9       Sec. 12. An authority shall be made a party to any action  
10 or proceeding instituted for the purpose of setting aside title  
11 to property held by the authority, the sale of property by the  
12 authority, or an expedited foreclosure under section 9. A  
13 hearing in any such proceeding shall not be held until the  
14 authority is served with process and proper proof of service is  
15 filed.

16       Sec. 13. Property of an authority is public property  
17 devoted to an essential public and governmental function and  
18 purpose. Income of the authority is considered to be for a  
19 public and governmental purpose. The property of the authority  
20 and its income and operation are exempt from all taxes and  
21 special assessments of this state or a local unit of government  
22 of this state. Bonds or notes issued by the authority, and the  
23 interest on and income from those bonds and notes, are exempt  
24 from all taxation of this state or a local unit of government.

25       Sec. 14. (1) This act shall be construed liberally to  
26 effectuate the legislative intent and the purposes as complete  
27 and independent authorization for the performance of each and

1 every act and thing authorized by this act, and all powers  
2 granted shall be broadly interpreted to effectuate the intent and  
3 purposes and not as a limitation of powers. In the exercise of  
4 its powers and duties under this act and its powers relating to  
5 property held by the authority, the authority shall have complete  
6 control as fully and completely as if it represented a private  
7 property owner and shall not be subject to restrictions imposed  
8 on the authority by the charter, ordinances, or resolutions of a  
9 local unit of government.

10 (2) Unless permitted by this act or approved by an authority,  
11 any restrictions, standards, conditions, or prerequisites of a  
12 city, village, township, or county otherwise applicable to an  
13 authority and enacted after the effective date of this act shall  
14 not apply to an authority. This subsection is intended to  
15 prohibit special local legislation or ordinances applicable  
16 exclusively or primarily to an authority and not to exempt an  
17 authority from laws generally applicable to other persons or  
18 entities.

19 (3) The provisions of this act apply notwithstanding any  
20 resolution, ordinance, or charter provision to the contrary.  
21 This section is not intended to exempt an authority from local  
22 zoning or land use controls, including, but not limited to, those  
23 controls authorized under the city and village zoning act, 1921  
24 PA 207, MCL 125.581 to 125.600, the local historic districts act,  
25 1970 PA 169, MCL 399.201 to 399.215, or 1945 PA 344, MCL 125.71  
26 to 125.84.

27 (4) The transfer to an authority of tax reverted property,

1 the title to which involuntarily vested in this state under  
2 section 67a of the general property tax act, 1893 PA 206, MCL  
3 211.67a, in a foreclosing governmental unit under section 78m(7)  
4 of the general property tax act, 1893 PA 206, MCL 211.78m, or in  
5 a qualified city pursuant to procedures established under the  
6 charter or ordinances of the qualified city, shall be construed  
7 as an involuntary transfer of property to the authority. After a  
8 transfer described in this subsection, the authority shall be  
9 deemed to have assumed any governmental immunity or other legal  
10 defenses of this state, the foreclosing governmental unit, or the  
11 local unit of government related to the property and the manner  
12 in which title to the property was held by this state or the  
13 local unit of government.

14       Sec. 15. (1) The land bank fast track authority is created  
15 as a public body corporate and politic within the department.

16       (2) The state authority shall exercise its powers, duties,  
17 functions, and responsibilities independently of the director of  
18 the department. The budgeting, procurement, and related  
19 administrative or management functions of the state authority  
20 shall be performed under the direction and supervision of the  
21 director of the department. The state authority may contract  
22 with the department for the purpose of maintaining the rights and  
23 interests of the state authority.

24       (3) Subject to available appropriations, if requested by the  
25 state authority, the department shall provide staff and other  
26 support to the state authority sufficient to carry out its  
27 duties, powers, and responsibilities.

1 (4) All departments and agencies of state government shall  
2 provide full cooperation to the state authority in the  
3 performance of its duties, powers, and responsibilities.

4 Sec. 16. (1) The purposes, powers, and duties of the state  
5 authority are vested in and shall be exercised by a board of  
6 directors. The authority board shall consist of 7 members. The  
7 governor shall appoint 4 residents of this state as members of  
8 the authority board. The members of the authority board shall  
9 serve terms of 4 years. In appointing the initial members of the  
10 authority board, the governor shall designate 2 to serve for 4  
11 years, 1 to serve for 3 years, and 1 to serve for 2 years. All  
12 of the following shall also serve as members of the authority  
13 board:

14 (a) The director of the department or his or her designee.

15 (b) The chief executive officer of the Michigan economic  
16 development corporation or his or her designee.

17 (c) The executive director of the Michigan state housing  
18 development authority or his or her designee.

19 (2) Upon appointment to the authority board under subsection  
20 (1) and upon the taking and filing of the constitutional oath of  
21 office prescribed in section 1 of article XI of the state  
22 constitution of 1963, a member of the authority board shall enter  
23 the office and exercise the duties of the office. A member of  
24 the authority board may be removed by the governor as provided in  
25 section 10 of article V of the state constitution of 1963.

26 (3) Regardless of the cause of a vacancy on the authority  
27 board, the governor shall fill a vacancy in the office by

1 appointment in the same manner as an appointment under subsection  
2 (1). A vacancy shall be filled for the balance of the unexpired  
3 term of the office. A member of the authority board shall hold  
4 office until a successor has been appointed and qualified.

5 (4) The authority board shall elect a chairperson and a  
6 vice-chairperson from among its members. Members of the  
7 authority board shall serve without compensation, but shall be  
8 reimbursed for actual and necessary expenses.

9 (5) A state officer or director who is a member of the  
10 authority board may designate a representative from his or her  
11 department or agency as a voting member of the authority board  
12 for 1 or more meetings.

13 (6) A member of the authority board, officer, employee, or  
14 agent of the state authority shall discharge the duties of his or  
15 her position in a nonpartisan manner, with good faith, and with  
16 that degree of diligence, care, and skill that an ordinarily  
17 prudent person would exercise under similar circumstances in a  
18 like position. In discharging the duties of his or her position,  
19 a member of the authority board or an officer, employee, or  
20 agent, when acting in good faith, may rely upon the opinion of  
21 counsel for the state authority, upon the report of an  
22 independent appraiser selected with reasonable care by the board,  
23 or upon financial statements of the authority represented to the  
24 member of the authority board or officer, employee, or agent of  
25 the state authority to be correct by the president or the officer  
26 of the state authority having charge of its books or account, or  
27 stated in a written report by a certified public accountant or

1 firm of certified public accountants fairly to reflect the  
2 financial condition of the state authority.

3       Sec. 17. The governor shall appoint a person to serve as  
4 the executive director of the state authority. A member of the  
5 authority board is not eligible to hold the position of executive  
6 director. Before entering upon the duties of his or her office,  
7 the executive director shall take and file the constitutional  
8 oath of office provided in section 1 of article XI of the state  
9 constitution of 1963. Subject to the approval of the authority  
10 board, the executive director shall supervise, and be responsible  
11 for, the performance of the functions of the state authority  
12 under this act. The executive director shall attend the meetings  
13 of the authority board and shall provide the authority board and  
14 the governing body of the state authority a regular report  
15 describing the activities and financial condition of the state  
16 authority. The executive director shall furnish the authority  
17 board with information or reports governing the operation of the  
18 state authority as the authority board requires.

19       Sec. 18. (1) The land bank fast track fund is created under  
20 the jurisdiction and control of the state authority and may be  
21 administered to secure any notes and bonds of the state  
22 authority.

23       (2) The state authority may receive money or other assets  
24 from any source for deposit into the fund. The state authority  
25 shall credit to the fund interest and earnings from fund  
26 investments.

27       (3) Money in the fund at the close of the fiscal year shall

1 remain in the fund and shall not lapse to any other fund.

2 (4) The state authority shall expend money from the fund only  
3 for 1 or more of the following:

4 (a) Costs to clear or quiet title to property held by the  
5 state authority.

6 (b) To repay a loan made to the state authority under section  
7 2f of 1855 PA 105, MCL 21.142f.

8 (c) Any other purposes provided in this act.

9 (5) The state authority shall deposit into the fund all money  
10 it receives from the sale or transfer of property under this act,  
11 subject to section 8. The state authority shall credit to the  
12 fund the proceeds of the sale of notes or bonds to the extent  
13 provided for in the authorizing resolution of the state  
14 authority, and any other money made available to the state  
15 authority for the purposes of the fund.

16 Sec. 19. (1) The state authority may borrow money and issue  
17 bonds or notes for the following purposes:

18 (a) To provide sufficient funds for achieving the state  
19 authority's purposes and objectives or incident to and necessary  
20 or convenient to carry out the state authority's purposes and  
21 objectives, including necessary administrative costs.

22 (b) To refund bonds or notes of the state authority issued  
23 under this act, by the issuance of new bonds, whether or not the  
24 bonds or notes to be refunded have matured or are subject to  
25 prior redemption or are to be paid, redeemed, or surrendered at  
26 the time of the issuance of the refunding bonds or notes; and to  
27 issue bonds or notes partly to refund the bonds or notes and

1 partly for any other purpose provided for by this section.

2 (c) To pay the costs of issuance of bonds or notes under this  
3 act; to pay interest on bonds or notes becoming payable before  
4 the receipt of the first revenues available for payment of that  
5 interest as determined by the authority board; and to establish,  
6 in full or in part, a reserve for the payment of the principal  
7 and interest on the bonds or notes in the amount determined by  
8 the authority board.

9 (2) The bonds and notes, including, but not limited to,  
10 commercial paper, shall be authorized by resolution adopted by  
11 the authority board, shall bear the date or dates, and shall  
12 mature at the time or times not exceeding 50 years from the date  
13 of issuance, as the resolution may provide. The bonds and notes  
14 shall bear interest at the rate or rates as may be set, reset, or  
15 calculated from time to time, or may bear no interest, as  
16 provided in the resolution. The bonds and notes shall be in the  
17 denominations, be in the form, either coupon or registered, carry  
18 the registration privileges, be transferable, be executed in the  
19 manner, be payable in the medium of payment, at the place or  
20 places, and be subject to the terms of prior redemption at the  
21 option of the state authority or the holders of the bonds and  
22 notes as the resolution or resolutions may provide. The bonds  
23 and notes of the state authority may be sold at public or private  
24 sale at the price or prices determined by the state authority.  
25 Bonds and notes may be sold at a discount.

26 (3) Bonds or notes may be 1 or more of the following:

27 (a) Made the subject of a put or agreement to repurchase by



1 the state authority or others.

2 (b) Secured by a letter of credit or by any other collateral  
3 that the resolution may authorize.

4 (c) Reissued by the state authority once reacquired by the  
5 state authority pursuant to any put or repurchase agreement.

6 (4) The state authority may authorize by resolution any  
7 member of the board to do 1 or more of the following:

8 (a) Sell and deliver, and receive payment for notes or  
9 bonds.

10 (b) Refund notes or bonds by the delivery of new notes or  
11 bonds whether or not the notes or bonds to be refunded have  
12 matured, are subject to prior redemption, or are to be paid,  
13 redeemed, or surrendered at the time of the issuance of refunding  
14 bonds or notes.

15 (c) Deliver notes or bonds, partly to refund notes or bonds  
16 and partly for any other authorized purposes.

17 (d) Buy notes or bonds issued at not more than the face value  
18 of the notes or bonds.

19 (e) Approve interest rates or methods for fixing interest  
20 rates, prices, discounts, maturities, principal amounts,  
21 denominations, dates of issuance, interest payment dates,  
22 redemption rights at the option of the state authority or the  
23 holder, the place of delivery and payment, and other matters and  
24 procedures necessary to complete the transactions authorized.

25 (5) Except as may otherwise be expressly provided by the  
26 state authority, every issue of its notes or bonds shall be  
27 general obligations of the state authority payable out of

1 revenues, properties, or money of the state authority, subject  
2 only to agreements with the holders of particular notes or bonds  
3 pledging particular receipts, revenues, properties, or money as  
4 security for the notes or bonds.

5 (6) The notes or bonds of the state authority are negotiable  
6 instruments within the meaning of and for all the purposes of the  
7 uniform commercial code, 1962 PA 174, MCL 440.1101 to 440.11102,  
8 subject only to the provisions of the notes or bonds for  
9 registration.

10 (7) Bonds or notes issued by the state authority are not  
11 subject to the revised municipal finance act, 2001 PA 34, MCL  
12 141.2101 to 141.2821. The issuance of bonds and notes under this  
13 act is subject to the agency financing reporting act, 2002 PA  
14 470, MCL 129.171 to 129.177. The bonds or notes issued by the  
15 state authority are not required to be registered. A filing of a  
16 bond or note of the state authority is not required under the  
17 uniform securities act, 1964 PA 265, MCL 451.501 to 451.818.

18 (8) A bond or note issued by the state authority shall  
19 contain on its face a statement to the effect that the state  
20 authority is obligated to pay the principal of and the interest  
21 on the bond or note only from revenue or funds of the state  
22 authority pledged for the payment of principal and interest and  
23 that this state is not obligated to pay that principal and  
24 interest and that neither the faith and credit nor the taxing  
25 power of this state is pledged to the payment of the principal of  
26 or the interest on the bond or note.

27 Sec. 20. (1) The state administrative board may transfer to

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1 the state authority tax reverted property owned or under control  
2 of this state, on terms and conditions the state administrative  
3 board considers appropriate and consistent with the provisions of  
4 this act. <<A transfer of property by the state administrative board  
under this section is subject only to the terms and conditions imposed by  
the state administrative board and is not subject to section 2101 of the  
natural resources and environmental protection act, 1994 PA 451, MCL  
324.2101.>>

5 (2) The state administrative board shall transfer and convey  
6 to the state authority, subject to the conditions and  
7 restrictions of this section, the surplus state real property  
8 described in this section, including all options, easements,  
9 rights-of-way, and all improvements to the property except as  
10 noted in this section. All of the following described state  
11 surplus real property shall be transferred to the state authority  
12 under this section:

13 (a) Land in the City of Southgate, Wayne County, Michigan,  
14 described as: That part of the southwest 1/4 and of the  
15 southeast 1/4 of section 35, town 3 south, range 10 east, City of  
16 Southgate, County of Wayne, State of Michigan, described as:  
17 Beginning at the south 1/4 corner of section 35, town 3 south,  
18 range 10 east; thence north 89 degrees 29 minutes 52 seconds west  
19 377.03 feet along the south line of said section 35; thence north  
20 00 degrees 07 minutes 38 seconds east 1950.98 feet to centerline  
21 of Frank and Poet Drain; thence south 63 degrees 23 minutes 08  
22 seconds east 15.60 feet along centerline of Frank and Poet Drain;  
23 thence south 37 degrees 03 minutes 54 seconds east 61.06 feet  
24 along centerline of Frank and Poet Drain; thence south 54 degrees  
25 43 minutes 11 seconds east 78.36 feet along centerline of Frank  
26 and Poet Drain; thence south 50 degrees 32 minutes 05 seconds  
27 east 47.65 feet along centerline of Frank and Poet Drain; thence

1 south 35 degrees 20 minutes 50 seconds east 67.52 feet along  
2 centerline of Frank and Poet Drain; thence south 63 degrees 46  
3 minutes 49 seconds east 32.66 feet along centerline of Frank and  
4 Poet Drain; thence south 45 degrees 25 minutes 00 seconds east  
5 71.96 feet along centerline of Frank and Poet Drain; thence south  
6 61 degrees 13 minutes 05 seconds east 61.73 feet along centerline  
7 of Frank and Poet Drain; thence south 50 degrees 50 minutes 08  
8 seconds east 41.80 feet along centerline of Frank and Poet Drain;  
9 thence south 44 degrees 20 minutes 22 seconds east 33.12 feet  
10 along centerline of Frank and Poet Drain; thence south 29 degrees  
11 37 minutes 15 seconds east 34.98 feet along centerline of Frank  
12 and Poet Drain; thence south 05 degrees 34 minutes 10 seconds  
13 east 49.66 feet along centerline of Frank and Poet Drain; thence  
14 south 28 degrees 00 minutes 22 seconds west 36.63 feet along  
15 centerline of Frank and Poet Drain; thence south 33 degrees 24  
16 minutes 36 seconds east 119.14 feet along centerline of Frank and  
17 Poet Drain; thence north 67 degrees 59 minutes 35 seconds east  
18 50.70 feet along centerline of Frank and Poet Drain; thence north  
19 88 degrees 16 minutes 46 seconds east 484.63 feet along  
20 centerline of Frank and Poet Drain; thence south 80 degrees 13  
21 minutes 42 seconds east 53.20 feet along centerline of Frank and  
22 Poet Drain to east line of west 1/2 of west 1/2 of southeast 1/4  
23 of section 35; thence north 00 degrees 07 minutes 12 seconds east  
24 106.82 feet along above noted east line; thence south 57 degrees  
25 15 minutes 29 seconds east 449.51 feet to south 1/16 line of  
26 section 35; thence north 89 degrees 37 minutes 15 seconds west  
27 50.00 feet along south 1/16 line of section 35; thence south 00

1 degrees 04 minutes 09 seconds west 1311.05 feet to south line of  
2 section 35; thence north 89 degrees 22 minutes 00 seconds west  
3 989.22 feet along south line of section 35 to point of  
4 beginning.

5 (3) Proceeds from the sale of property transferred to the  
6 state authority under this section shall be deposited in the fund  
7 and expended for purposes of this act.

8 (4) The governor may direct a department or agency of this  
9 state to prepare or record any documents necessary to evidence  
10 the transfer of property to the state authority under this  
11 section.

12 Sec. 21. If the state authority has completed the purposes  
13 for which it was organized, the authority board, by vote of at  
14 least 5 directors and with the written consent of the governor,  
15 may provide for the dissolution of the state authority and may  
16 provide for the transfer of any property held by the state  
17 authority to another authority or state agency. Upon the  
18 dissolution of the state authority, any remaining balance in the  
19 fund shall be transferred to the general fund of this state.

20 Sec. 22. The state authority shall report biennially to the  
21 legislature on the activities of the state authority.

22 Sec. 23. (1) An authority may enter into an  
23 intergovernmental agreement with the Michigan economic  
24 development corporation for the joint exercise of powers and  
25 duties under this act, of the powers and duties of the authority  
26 and the Michigan economic development corporation, and for the  
27 provision of economic development services related to the

1 activities of the authority.

2 (2) An authority may enter into an intergovernmental  
3 agreement with the Michigan state housing development authority  
4 for the joint exercise of powers and duties under this act, of  
5 the powers and duties of the authority and the Michigan state  
6 housing development authority, and for the provision of  
7 redevelopment services related to the activities of the  
8 authority.

9 (3) A county, city, qualified city, township, or village may  
10 enter into an intergovernmental agreement with the state  
11 authority providing for the transfer to the authority of tax  
12 reverted property held by the county, city, township, or village,  
13 for title clearance, for the disposition of the proceeds from the  
14 sale of the property, and for other activities authorized under  
15 this act, including the return or transfer of property under the  
16 control of the authority to the county, city, township, or  
17 village. An intergovernmental agreement under this subsection  
18 may not provide for a separate legal or administrative entity to  
19 administer or execute the agreement under section 7 of the urban  
20 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.507.

21 (4) A county foreclosing governmental unit may, with the  
22 approval of the board of commissioners for that county and, if  
23 that county has an elected county executive, with the concurrence  
24 of the elected county executive, enter into an intergovernmental  
25 agreement with the state authority providing for the exercise of  
26 the powers, duties, functions, and responsibilities of an  
27 authority under this act and for the creation of a county

1 authority to exercise those functions. If a county authority is  
2 created under this subsection, the treasurer of the county shall  
3 be a member of the authority board.

4 (5) A qualified city may enter into an intergovernmental  
5 agreement with the state authority providing for the exercise of  
6 the powers, duties, functions, and responsibilities of an  
7 authority under this act and for the creation of a local  
8 authority to exercise those functions.

9 (6) An intergovernmental agreement under subsection (4) or  
10 (5) shall provide for all of the following:

11 (a) The incorporation of a county or local authority as a  
12 public body corporate.

13 (b) The name of the authority.

14 (c) The size of the initial governing body of the county or  
15 local authority, which shall be composed of an odd number of  
16 members.

17 (d) The qualifications, method of selection, and terms of  
18 office of the initial board members.

19 (e) A method for the adoption of articles of incorporation by  
20 the governing body of the county or local authority.

21 (f) A method for the distribution of proceeds from the  
22 activities of the county or local authority.

23 (g) A method for the dissolution of the local or county  
24 authority and for the withdrawal from the authority of any  
25 governmental agencies involved.

26 (h) Any other matters considered advisable by the  
27 participating governmental agencies, consistent with this act.

1           (7) If under the charter of a qualified city the qualified  
2 city collects delinquent city real property taxes and does not  
3 return the delinquent taxes to the treasurer of the county in  
4 which the qualified city is located under the general property  
5 tax act, 1893 PA 206, MCL 211.1 to 211.157, any of the following  
6 property held by the qualified city may be transferred to a local  
7 authority:

8           (a) Tax delinquent real property for which a lien has been  
9 deemed sold to a city department director under the charter or  
10 ordinances of the qualified city, except for property that was  
11 deeded to a department director less than 2 years before the  
12 proposed transfer to the local authority.

13           (b) Tax delinquent real property held by the city that has  
14 been foreclosed by the qualified city and for which title has  
15 vested in the city pursuant to procedures established under the  
16 charter or ordinances of the qualified city.

17           (c) Any tax reverted property owned or under the control of  
18 the qualified city.

19           (8) A qualified city may authorize the transfer with or  
20 without consideration of any real property or interest in real  
21 property to a local authority including, but not limited to, tax  
22 reverted property or interests in tax reverted property held or  
23 acquired after the creation of the local authority by the  
24 qualified city, with the consent of the local authority.

25           (9) A qualified city and any agency or department of a  
26 qualified city, or any other official public body, may do 1 or  
27 more of the following:



1 (a) Anything necessary or convenient to aid a local authority  
2 in fulfilling its purposes under this act.

3 (b) Lend, grant, transfer, appropriate, or contribute funds  
4 to a local authority in furtherance of its purposes.

5 (c) Lend, grant, transfer, or convey funds to a local  
6 authority that are received from the federal government or this  
7 state or from any nongovernmental entity in aid of the purposes  
8 of this act.

9 (10) A local authority may reimburse advances made by a  
10 qualified city under subsection (9) or by any other person for  
11 costs eligible to be incurred by the local authority with any  
12 source of revenue available for use of the local authority under  
13 this act and enter into agreements related to these  
14 reimbursements. A reimbursement agreement under this subsection  
15 is not subject to section 305 of the revised municipal finance  
16 act, 2001 PA 34, MCL 141.2305.

17 (11) A local authority may enter into agreements with the  
18 county treasurer of the county in which the qualified city is  
19 located for the collection of property taxes or the enforcement  
20 and consolidation of tax liens within that qualified city for any  
21 property or interest in property transferred to the local  
22 authority.

23 (12) Unless specifically reserved or conditioned upon the  
24 approval of the governing body of a qualified city, all powers  
25 granted under this act to a local authority may be exercised by  
26 the local authority without the approval of the governing body of  
27 the qualified city, notwithstanding any charter, ordinance, or

1 resolution to the contrary.

2 (13) Prior to its effectiveness, an intergovernmental  
3 agreement under this section shall be filed with the county clerk  
4 of each county where a party to the agreement is located and with  
5 the secretary of state.

6 Sec. 24. (1) By resolution of its board, an authority  
7 created under section 23 may borrow money and issue bonds and  
8 notes, subject to limitations set forth in this section, for the  
9 purpose of achieving the purposes of and objectives incident to  
10 and necessary or convenient to carry out the purposes and  
11 objectives of the authority, including, but not limited to,  
12 necessary administrative and operational costs. The bonds or  
13 notes shall mature in not more than 30 years and shall bear  
14 interest and be sold and be payable in the manner and upon the  
15 terms and conditions determined, or within the parameters  
16 specified, by the authority in the resolution authorizing  
17 issuance of the bonds or notes. The bonds or notes may include  
18 capitalized interest, an amount sufficient to fund costs of the  
19 issuance of the bonds or notes, and a sum to provide a reasonable  
20 reserve for payment of principal and interest on the bonds or  
21 notes. Bonds or notes issued under this section are not subject  
22 to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to  
23 141.2821. The resolution authorizing the obligations shall  
24 create a lien on revenues pledged by the resolution that shall be  
25 a statutory lien and shall be a first lien subject only to liens  
26 previously created. The resolution may provide the terms upon  
27 which additional bonds or notes may be issued of equal standing

1 and parity of lien as to revenues pledged under the resolution.

2 (2) The qualified city or county which authorized the  
3 formation of an authority under section 23 may by a majority vote  
4 of its governing body make a limited tax pledge to support the  
5 authority's bonds or notes, or if authorized by the voters of the  
6 qualified city or county, may pledge its unlimited tax full faith  
7 and credit for the payment of principal of and interest on the  
8 authority's bonds or notes.

9 (3) The bonds or notes issued under this section shall be  
10 secured by 1 or more sources of revenue available to the  
11 authority, as provided by resolution of the authority, including  
12 revenues available to the authority under the tax reverted  
13 property clean title act.

14 (4) The bonds and notes of the authority may be invested in  
15 by the state treasurer and all other public officers, state  
16 agencies, and political subdivisions, insurance companies, banks,  
17 savings and loan associations, investment companies, and  
18 fiduciaries and trustees, and may be deposited with and received  
19 by the state treasurer and all other public officers and the  
20 agencies and political subdivisions of this state for 1 or more  
21 of the purposes for which the deposit of bonds or notes is  
22 authorized. The authorization granted by this section is  
23 supplemental and in addition to all other authority granted by  
24 law.

25 (5) The net present value of the principal and interest to be  
26 paid on an obligation issued by or incurred by the authority to  
27 refund an obligation incurred under this section, including the

1 cost of issuance, shall be less than the net present value of the  
2 principal and interest to be paid on the obligation being  
3 refunded as calculated using a method approved by the department  
4 of treasury.

5 (6) An obligation issued by an authority under this section  
6 shall not appreciate in principal amount or be sold at a discount  
7 of more than 10% unless the obligation of the authority is issued  
8 to this state, an agency of this state, the county, or the  
9 qualifying city.

10 (7) Bonds and notes issued by an authority under this section  
11 and the interest on and income from the bonds and notes are  
12 exempt from taxation by this state or a political subdivision of  
13 this state.

14 (8) This section does not apply to a loan under section 2f of  
15 1855 PA 105, MCL 21.142f.

16 Enacting section 1. The tax reverted property emergency  
17 disposal act, 1999 PA 134, MCL 211.971 to 211.976, is repealed.

18 Enacting section 2. This act does not take effect unless  
19 all of the following bills of the 92nd Legislature are enacted  
20 into law:

21 (a) House Bill No. 4480.

22 (b) House Bill No. 4481.

23 (c) House Bill No. 4482.

24 (d) House Bill No. 4484.

25 (e) House Bill No. 4488.