

# HOUSE BILL NO. 5535

November 04, 2021, Introduced by Reps. Bezotte and Calley and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 78h and 78m (MCL 211.78h and 211.78m), section 78h as amended by 2014 PA 499 and section 78m as amended by 2020 PA 255.

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

**1** Sec. 78h. (1) Not later than June 15 in each tax year, the  
**2** foreclosing governmental unit shall file a single petition with the  
**3** clerk of the circuit court of that county listing all property

1 forfeited and not redeemed to the county treasurer under section  
2 78g to be foreclosed under section 78k for the total of the  
3 forfeited unpaid delinquent taxes, interest, penalties, and fees.  
4 If available to the foreclosing governmental unit, the petition  
5 ~~shall~~**must** include the street address of each parcel of property  
6 set forth in the petition. The petition ~~shall~~**must** seek a judgment  
7 in favor of the foreclosing governmental unit for the forfeited  
8 unpaid delinquent taxes, interest, penalties, and fees listed  
9 against each parcel of property. The petition ~~shall~~**must** request  
10 that a judgment be entered vesting absolute title to each parcel of  
11 property in the foreclosing governmental unit, without right of  
12 redemption.

13 (2) If property is redeemed after the petition for foreclosure  
14 is filed under this section, the foreclosing governmental unit  
15 shall request that the circuit court remove that property from the  
16 petition for foreclosure before entry of judgment foreclosing the  
17 property under section 78k.

18 (3) The foreclosing governmental unit may withhold the  
19 following property from the petition for foreclosure filed under  
20 this section:

21 (a) Property the title to which is held by minor heirs or  
22 persons who are incompetent, persons without means of support, or  
23 persons unable to manage their affairs due to age or infirmity,  
24 until a guardian is appointed to protect that person's rights and  
25 interests.

26 (b) Property the title to which is held by a person undergoing  
27 substantial financial hardship, as determined under a written  
28 policy developed and adopted by the foreclosing governmental unit.  
29 The foreclosing governmental unit shall make available to the

1 public the written policy adopted under this subdivision. The  
 2 written policy adopted under this subdivision ~~shall~~**must** include,  
 3 but is not limited to, all of the following:

4 (i) The person requesting that the property be withheld from  
 5 the petition for foreclosure holds the title to the property.

6 (ii) The total household resources of the person requesting  
 7 that the property be withheld from the petition for foreclosure  
 8 meets the federal poverty income standards as defined and  
 9 determined annually by the United States ~~office of management and~~  
 10 ~~budget~~**Office of Management and Budget** or alternative guidelines  
 11 adopted by the foreclosing governmental unit, provided that the  
 12 alternative guidelines include all persons who would otherwise meet  
 13 the federal poverty income standards under this subparagraph. As  
 14 used in this subparagraph, "total household resources" means that  
 15 term as defined in section 508 of the income tax act of 1967, 1967  
 16 PA 281, MCL 206.508.

17 (c) Property the title to which is held by a person subject to  
 18 a delinquent property tax installment payment plan or tax  
 19 foreclosure avoidance agreement under section 78q, **but only if that**  
 20 **property is eligible property under section 78q(10) (a) (i) .**

21 (4) If a foreclosing governmental unit withholds property from  
 22 the petition for foreclosure under subsection (3), a taxing unit's  
 23 lien for taxes due or the foreclosing governmental unit's right to  
 24 include the property in a subsequent petition for foreclosure is  
 25 not prejudiced.

26 (5) The clerk of the circuit court in which the petition is  
 27 filed shall immediately set the date, time, and place for a hearing  
 28 on the petition for foreclosure, which hearing ~~shall~~**must** be held  
 29 not more than 30 days before the March 1 immediately succeeding the

1 date the petition for foreclosure is filed.

2       Sec. 78m. (1) Not later than the first Tuesday in July  
3 immediately succeeding the entry of judgment under section 78k  
4 vesting absolute title to tax delinquent property in the  
5 foreclosing governmental unit, this state may exercise the right of  
6 first refusal to purchase foreclosed property at the greater of the  
7 minimum bid or its fair market value by paying that amount to the  
8 foreclosing governmental unit if the foreclosing governmental unit  
9 is not this state. If this state elects not to purchase the  
10 property under its right of first refusal and 1 or more claimants  
11 have filed a claim for remaining proceeds from the foreclosed  
12 property under section 78t(2), a city, village, township, or city  
13 authority may purchase foreclosed property located within that  
14 city, village, township, or area of the city authority included in  
15 the judgment and subject to sale under this section by paying the  
16 foreclosing governmental unit the greater of the minimum bid or the  
17 fair market value of the property. If this state elects not to  
18 purchase the property under its right of first refusal and no  
19 claimant has filed a claim for remaining proceeds from the  
20 foreclosed property under section 78t(2), a city, village,  
21 township, or city authority may purchase the foreclosed property by  
22 paying the foreclosing governmental unit the minimum bid, **subject**  
23 **to the approval of the foreclosing governmental unit.** If a city,  
24 village, township, or city authority does not purchase that  
25 property and 1 or more claimants have filed a claim for remaining  
26 proceeds from the foreclosed property under section 78t(2), the  
27 county in which that property is located may purchase that property  
28 under this section by paying the foreclosing governmental unit the  
29 greater of the minimum bid or the fair market value of the

1 property. If a city, village, township, or city authority does not  
2 purchase that property and no claimant has filed a claim for  
3 remaining proceeds from the foreclosed property under section  
4 78t(2), the county in which the property is located may purchase  
5 that property under this section by paying the foreclosing  
6 governmental unit the minimum bid, **subject to the approval of the**  
7 **foreclosing governmental unit.** If a city, village, township, city  
8 authority, or county does not purchase that property, 1 or more  
9 claimants have filed a claim for remaining proceeds from the  
10 foreclosed property under section 78t(2), and the property is  
11 within the area of a county authority, the county authority may  
12 purchase the property under this section by paying the foreclosing  
13 governmental unit the greater of the minimum bid or the fair market  
14 value of the property. If a city, village, township, city  
15 authority, or county does not purchase that property and no  
16 claimant has filed a claim for remaining proceeds from the  
17 foreclosed property under section 78t(2), the county authority in  
18 which the property is located may purchase that property under this  
19 section by paying the foreclosing governmental unit the minimum  
20 bid, **subject to the approval of the foreclosing governmental unit.**  
21 If property is purchased by a city, village, township, city  
22 authority, county, or county authority under this subsection, the  
23 foreclosing governmental unit shall convey the property to the  
24 purchasing city, village, township, city authority, county, or  
25 county authority within 30 days.

26 (2) Subject to subsection (1), beginning on the third Tuesday  
27 in July immediately succeeding the entry of the judgment under  
28 section 78k vesting absolute title to tax delinquent property in  
29 the foreclosing governmental unit and ending on the immediately

1 succeeding first Tuesday in November, the foreclosing governmental  
2 unit, or its authorized agent, at the option of the foreclosing  
3 governmental unit, shall hold 1 or more property sales at 1 or more  
4 convenient locations at which property foreclosed by a judgment  
5 entered under section 78k will be sold by auction sale, which may  
6 include an auction sale conducted via an internet website. Notice  
7 of the time and location of a sale must be published not less than  
8 30 days before a sale in a notice publication circulated in the  
9 county in which the property is located, if there is one. If no  
10 notice publication is circulated in that county, publication must  
11 be made in a notice publication circulated in an adjoining county.  
12 Each sale must be completed before the first Tuesday in November  
13 immediately succeeding the entry of judgment under section 78k  
14 vesting absolute title to the tax delinquent property in the  
15 foreclosing governmental unit. Except as provided in this  
16 subsection and subsection (5), property must be sold to the person  
17 bidding the minimum bid, or if a bid is greater than the minimum  
18 bid, the highest amount above the minimum bid. The foreclosing  
19 governmental unit may sell properties individually or may offer 2  
20 or more properties for sale as a group. The minimum bid for a group  
21 of properties must equal the sum of the minimum bid for each  
22 property included in the group. The foreclosing governmental unit  
23 may adopt procedures governing the conduct of the sale and the  
24 payment for conveyance of properties under this section and may  
25 cancel the sale before the issuance of a deed under this subsection  
26 if authorized under the procedures. The foreclosing governmental  
27 unit shall require full payment at the close of each day's bidding  
28 or by a date not more than 21 days after the sale. Before the  
29 foreclosing governmental unit conveys a property sold at a sale,

1 the purchaser shall provide the foreclosing governmental unit with  
2 proof of payment to the local tax collecting unit in which the  
3 property is located of any property taxes owed on the property at  
4 the time of the sale. A foreclosing governmental unit shall cancel  
5 a sale if unpaid property taxes owed on a property or properties at  
6 the time of a sale are not paid within 21 days of the sale. If a  
7 sale is canceled under this subsection, the foreclosing  
8 governmental unit may offer the property to the next highest bidder  
9 and convey the property to that bidder under this subsection,  
10 subject to the requirements of this subsection for the highest  
11 bidder. Not more than 14 days after payment to the foreclosing  
12 governmental unit of all amounts required by the highest bidder or  
13 the next highest bidder under this subsection, the foreclosing  
14 governmental unit shall convey the property by deed to the person  
15 bidding the minimum bid, or if a bid is greater than the minimum  
16 bid, the highest amount above the minimum bid, or the next highest  
17 bidder if the sale to the highest bidder is canceled and the next  
18 highest bidder pays the amount required under this section to  
19 purchase the property. The deed must vest fee simple title to the  
20 property in the person bidding the highest amount above the minimum  
21 bid, unless the foreclosing governmental unit discovers a defect in  
22 the foreclosure of the property under sections 78 to 78~~l~~ or the sale  
23 is canceled under this subsection or subsection (5). If this state  
24 is the foreclosing governmental unit within a county, the  
25 department of treasury is responsible for conducting the sale of  
26 property under this subsection and subsections (4) and (5) on  
27 behalf of this state. Before issuing a deed to a person purchasing  
28 property under this subsection or subsection (5), the foreclosing  
29 governmental unit shall require the person to execute and file with

1 the foreclosing governmental unit an affidavit under penalty of  
2 perjury. If the person fails to execute and file the affidavit  
3 required by this subsection by the date payment for the property is  
4 required under this section, the foreclosing governmental unit  
5 shall cancel the sale. An affidavit under this section must  
6 indicate that the person meets all of the following conditions:

7 (a) The person does not directly or indirectly hold more than  
8 a minimal legal interest in any property with delinquent property  
9 taxes located in the same county as the property.

10 (b) The person is not directly or indirectly responsible for  
11 any unpaid civil fines for a violation of an ordinance authorized  
12 by section 41 of the home rule city act, 1909 PA 279, MCL 117.41, in  
13 the local tax collection unit in which the property is located.

14 (3) For sales held under subsection (2), after the conclusion  
15 of that sale, and before any additional sale held under subsection  
16 (2), a city, village, township, or city authority may purchase any  
17 property not previously sold under subsection (1) or (2) by paying  
18 the foreclosing governmental unit the minimum bid. If a city,  
19 village, township, or city authority does not purchase that  
20 property, the county in which that property is located may purchase  
21 that property under this section by paying the foreclosing  
22 governmental unit the minimum bid. If a city, village, township,  
23 city authority, or county does not purchase that property and the  
24 property is within the area of a county authority, the county  
25 authority may purchase the property under this section by paying  
26 the foreclosing governmental unit the minimum bid.

27 (4) If property is purchased by a city, village, township,  
28 city authority, county, or county authority under subsection (3),  
29 the foreclosing governmental unit shall convey the property to the



1 purchasing city, village, township, city authority, county, or  
2 county authority within 30 days.

3 (5) All property subject to sale under subsection (2) must be  
4 offered for sale at 1 or more sales conducted as required by  
5 subsection (2). If the foreclosing governmental unit elects to hold  
6 more than 1 sale under subsection (2), the final sale held under  
7 subsection (2) must be held not less than 28 days after the  
8 immediately preceding sale under subsection (2). At the final sale  
9 held under subsection (2), the sale is subject to the requirements  
10 of subsection (2), except that the minimum bid is not required.  
11 However, the foreclosing governmental unit may establish a  
12 reasonable opening bid at the sale to recover the cost of the sale  
13 of the property or properties, and the foreclosing governmental  
14 unit shall require a person who held an interest in property sold  
15 under this subsection at the time a judgment of foreclosure was  
16 entered against the property under section 78k to pay the minimum  
17 bid for the property before issuing a deed to the person under  
18 subsection (2). If the person fails to pay the minimum bid for the  
19 property and other amounts by the date required under this section,  
20 the foreclosing governmental unit shall cancel the sale of the  
21 property.

22 (6) On or before December 1 immediately succeeding the entry  
23 of judgment under section 78k, a list of all property not  
24 previously sold by the foreclosing governmental unit under this  
25 section must be transferred to the clerk of the city, village, or  
26 township in which the property is located. The city, village, or  
27 township may object in writing to the transfer of 1 or more  
28 properties. On or before December 30 immediately succeeding the  
29 entry of judgment under section 78k, all property not previously

1 sold by the foreclosing governmental unit under this section must  
2 be transferred to the city, village, or township in which the  
3 property is located, except those properties to which the city,  
4 village, or township has objected. Property located in both a  
5 village and a township may be transferred under this subsection  
6 only to a village. The city, village, or township may make the  
7 property available under the urban homestead act, 1999 PA 127, MCL  
8 125.2701 to 125.2709, or for any other lawful purpose.

9 (7) If property not previously sold is not transferred to the  
10 city, village, or township in which the property is located under  
11 subsection (6), the foreclosing governmental unit shall retain  
12 possession of that property. If the foreclosing governmental unit  
13 retains possession of the property and the foreclosing governmental  
14 unit is this state, title to the property must vest in the land  
15 bank fast track authority created under section 15 of the land bank  
16 fast track act, 2003 PA 258, MCL 124.765. If the foreclosing  
17 governmental unit retains possession of the property and the  
18 foreclosing governmental unit is not this state, the foreclosing  
19 governmental unit may do any of the following:

20 (a) Transfer the property to a land bank fast track authority  
21 created under the land bank fast track act, 2003 PA 258, MCL  
22 124.751 to 124.774.

23 (b) Convey the property pursuant to section 78r.

24 (c) Offer the property for sale, including, but not limited  
25 to, a subsequent sale under this section.

26 (8) A foreclosing governmental unit shall deposit the proceeds  
27 from the sale of property under this section into a restricted  
28 account designated as the "delinquent tax property sales proceeds  
29 for the year \_\_\_\_\_". The foreclosing governmental unit shall

1 direct the investment of the account. The foreclosing governmental  
2 unit shall credit to the account interest and earnings from account  
3 investments. The foreclosing governmental unit shall use proceeds  
4 in that account only for the following purposes in the following  
5 order of priority:

6 (a) For each property that was sold or transferred for an  
7 amount equal to or greater than the minimum bid, the delinquent tax  
8 revolving fund created pursuant to section 87b or 87f by the county  
9 in which the property is located must be reimbursed for all taxes,  
10 interest, penalties, and fees on each property that was transferred  
11 or sold that year.

12 (b) For each property that was sold or transferred for an  
13 amount equal to or greater than the minimum bid, fees incurred by  
14 the foreclosing governmental unit in connection with the  
15 forfeiture, foreclosure, sale, maintenance, repair, and remediation  
16 of foreclosed property and the administration of this act,  
17 including costs for the defense of title actions and other legal  
18 expenses, must be paid up to the amount for which the property was  
19 sold on a property-by-property basis.

20 (c) Payments to claimants of remaining proceeds for the year  
21 ordered under section 78t and any other payments ordered under  
22 section 78t must be paid on a property-by-property basis.

23 (d) For each property that was sold or transferred for an  
24 amount less than the minimum bid or that was not sold or  
25 transferred, the delinquent tax revolving fund created pursuant to  
26 section 87b or 87f by the county in which the property is located  
27 must be reimbursed for all taxes, interest, penalties, and fees.

28 (e) For each property that was sold or transferred for an  
29 amount greater than the minimum bid, fees incurred by the

1 foreclosing governmental unit in connection with the forfeiture,  
2 foreclosure, sale, maintenance, repair, or remediation of  
3 foreclosed property or the administration of this act for the year  
4 but not paid under subdivision (b) must be paid.

5 (f) For each property that was sold or transferred for an  
6 amount less than the minimum bid or that was not sold or  
7 transferred, fees incurred by the foreclosing governmental unit in  
8 connection with the forfeiture, foreclosure, sale, maintenance,  
9 repair, or remediation of foreclosed property or the administration  
10 of this act, including costs for the defense of title actions and  
11 other legal expenses, for the year must be paid.

12 (g) Any fees incurred by the foreclosing governmental unit in  
13 connection with the forfeiture, foreclosure, sale, maintenance,  
14 repair, or remediation of foreclosed property or the administration  
15 of this act, including costs for the defense of title actions and  
16 other legal expenses, for any prior year that have not been paid or  
17 reimbursed from a prior year's delinquent tax property sales  
18 proceeds must be paid.

19 (h) If the foreclosing governmental unit is this state, any  
20 remaining balance must be transferred to the land reutilization  
21 fund created under section 78n. If the foreclosing governmental  
22 unit for a county is this state, not later than September 30 of the  
23 second calendar year after foreclosure, the department of treasury  
24 shall, subject to subparagraph (xiii), submit an electronic report to  
25 the house and senate committees with jurisdiction over taxation  
26 that includes, for each county, all of the information described in  
27 subparagraphs (i) to (xii), as follows:

28 (i) The total number of properties that were ordered foreclosed  
29 at the judicial hearing for that foreclosure and not redeemed.

1           (ii) The sum of the minimum bids for the properties described  
2 in subparagraph (i).

3           (iii) The total number of properties sold to a governmental  
4 entity under subsections (1) and (4).

5           (iv) The sum of the minimum bids for the properties described  
6 in subparagraph (iii).

7           (v) The total amount paid for the properties described in  
8 subparagraph (iii).

9           (vi) The total number of properties sold under subsections (2)  
10 and (5).

11           (vii) The sum of the minimum bids for the properties described  
12 in subparagraph (vi).

13           (viii) The total amount paid for the properties described in  
14 subparagraph (vi).

15           (ix) The total amount of all taxes, penalties, interest, fees,  
16 and costs owed on properties described in subsection (1).

17           (x) The total amount paid for all properties described in  
18 subparagraphs (iii) and (vi).

19           (xi) The total amount of remaining proceeds paid to persons  
20 holding a legal interest in the property described in subparagraphs  
21 (iii) and (vi).

22           (xii) The remaining net amount after subtracting the amount  
23 described in subparagraph (xi) from the difference of the amounts  
24 described in subparagraphs (x) and (xi).

25           (xiii) The reporting requirement provided for in this  
26 subdivision does not apply after December 31, 2025.

27           (i) If the foreclosing governmental unit is not this state,  
28 not later than September 30 of the second calendar year after

1 foreclosure, the foreclosing governmental unit shall, subject to  
2 subparagraph (xiii), submit a written report to its board of  
3 commissioners and the state treasurer identifying any remaining  
4 balance and any contingent costs of title, environmental  
5 remediation, or other legal claims relating to foreclosed property  
6 as determined by the foreclosing governmental unit. Any remaining  
7 balance must be used for costs incurred by the foreclosing  
8 governmental unit in connection with the forfeiture, foreclosure,  
9 sale, maintenance, repair, or remediation of foreclosed property,  
10 the defense of title actions and other legal expenses, or the  
11 administration of this act, or for the payment of claims for  
12 remaining proceeds or other amounts ordered under section 78t. The  
13 report required under this subdivision must include, in a form  
14 determined by the department of treasury, all of the information  
15 described in subparagraphs (i) to (xii), as follows:

16 (i) The total number of properties that were ordered foreclosed  
17 at the judicial hearing for that foreclosure and not redeemed.

18 (ii) The sum of the minimum bids for the properties described  
19 in subparagraph (i).

20 (iii) The total number of properties sold to a governmental  
21 entity under subsections (1) and (4).

22 (iv) The sum of the minimum bids for the properties described  
23 in subparagraph (iii).

24 (v) The total amount paid for the properties described in  
25 subparagraph (iii).

26 (vi) The total number of properties sold under subsections (2)  
27 and (5).

28 (vii) The sum of the minimum bids for the properties described

1 in subparagraph (vi).

2 (viii) The total amount paid for the properties described in  
3 subparagraph (vi).

4 (ix) The total amount of all taxes, penalties, interest, fees,  
5 and costs owed on properties described in subsection (1).

6 (x) The total amount paid for all properties described in  
7 subparagraphs (iii) and (vi).

8 (xi) The total amount of remaining proceeds paid to persons  
9 holding a legal interest in the property described in subparagraphs  
10 (iii) and (vi).

11 (xii) The remaining net amount after subtracting the amount  
12 described in subparagraph (xi) from the difference of the amounts  
13 described in subparagraphs (x) and (xi).

14 (xiii) The reporting requirement provided for in this  
15 subdivision does not apply after December 31, 2025.

16 (9) Two or more county treasurers of adjacent counties may  
17 elect to hold a joint sale of property as provided in this section.  
18 If 2 or more county treasurers elect to hold a joint sale, property  
19 may be sold under this section at a location outside of the county  
20 in which the property is located. The sale may be conducted by any  
21 county treasurer participating in the joint sale or by an  
22 authorized agent of each county treasurer participating in the  
23 sale. A joint sale held under this subsection may include or be an  
24 auction sale conducted via an internet website.

25 (10) The foreclosing governmental unit shall record a deed for  
26 any property transferred under this section with the county  
27 register of deeds. The foreclosing governmental unit may charge a  
28 fee in excess of the minimum bid and any sale proceeds for the cost

1 of recording a deed under this subsection.

2 (11) For property transferred to this state, a city, a  
3 village, a township, a city authority, a county, or a county  
4 authority under subsection (1), a city, village, or township under  
5 subsection (6), or retained by a foreclosing governmental unit  
6 under subsection (7), all taxes due on the property as of the  
7 December 31 following the transfer or retention of the property are  
8 canceled effective on that December 31 and the property is exempt  
9 from the collection of taxes under this act while held by the city,  
10 village, township, city authority, county, county authority, or  
11 foreclosing governmental unit.

12 (12) For property sold, transferred, or retained under this  
13 section, all liens for costs of demolition, safety repairs, debris  
14 removal, or sewer or water charges due on the property as of the  
15 December 31 immediately succeeding the sale, transfer, or retention  
16 of the property are canceled effective on that December 31. This  
17 subsection does not apply to liens recorded by the department of  
18 environment, Great Lakes, and energy under this act or the land  
19 bank fast track act, 2003 PA 258, MCL 124.751 to 124.774.

20 (13) If property foreclosed under section 78k and held by or  
21 under the control of a foreclosing governmental unit is a facility  
22 as defined under section 20101 of the natural resources and  
23 environmental protection act, 1994 PA 451, MCL 324.20101, before  
24 the sale or transfer of the property under this section, the  
25 property is subject to all of the following:

26 (a) Upon reasonable written notice from the department of  
27 environment, Great Lakes, and energy, the foreclosing governmental  
28 unit shall provide access to the department of environment, Great  
29 Lakes, and energy, its employees, contractors, and any other person



1 expressly authorized by the department of environment, Great Lakes,  
2 and energy to conduct response activities at the foreclosed  
3 property. Reasonable written notice under this subdivision may  
4 include, but is not limited to, notice by electronic mail, if the  
5 foreclosing governmental unit consents to notice by electronic mail  
6 before the provision of notice by the department of environment,  
7 Great Lakes, and energy.

8 (b) If requested by the department of environment, Great  
9 Lakes, and energy to protect public health, safety, and welfare or  
10 the environment, the foreclosing governmental unit shall grant an  
11 easement for access to conduct response activities on the  
12 foreclosed property as authorized under chapter 7 of article II of  
13 the natural resources and environmental protection act, 1994 PA  
14 451, MCL 324.20101 to 324.20302.

15 (c) If requested by the department of environment, Great  
16 Lakes, and energy to protect public health, safety, and welfare or  
17 the environment, the foreclosing governmental unit shall place and  
18 record deed restrictions on the foreclosed property as authorized  
19 under chapter 7 of article II of the natural resources and  
20 environmental protection act, 1994 PA 451, MCL 324.20101 to  
21 324.20302.

22 (d) The department of environment, Great Lakes, and energy may  
23 place an environmental lien on the foreclosed property as  
24 authorized under section 20138 of the natural resources and  
25 environmental protection act, 1994 PA 451, MCL 324.20138.

26 (14) If property foreclosed under section 78k and held by or  
27 under the control of a foreclosing governmental unit is a facility  
28 as defined under section 20101 of the natural resources and  
29 environmental protection act, 1994 PA 451, MCL 324.20101, before

1 the sale or transfer of the property under this section, the  
2 department of environment, Great Lakes, and energy shall request  
3 and the foreclosing governmental unit shall transfer the property  
4 to the state land bank fast track authority created under section  
5 15 of the land bank fast track act, 2003 PA 258, MCL 124.765, if  
6 all of the following apply:

7 (a) The department of environment, Great Lakes, and energy  
8 determines that conditions at a foreclosed property are an acute  
9 threat to the public health, safety, and welfare, to the  
10 environment, or to other property.

11 (b) The department of environment, Great Lakes, and energy  
12 proposes to undertake or is undertaking state-funded response  
13 activities at the property.

14 (c) The department of environment, Great Lakes, and energy  
15 determines that the sale, retention, or transfer of the property  
16 other than under this subsection would interfere with response  
17 activities by the department of environment, Great Lakes, and  
18 energy.

19 (15) A person convicted for executing a false affidavit under  
20 subsection (5) is prohibited from bidding for a property or  
21 purchasing a property at any sale under this section.

22 (16) As used in this section:

23 (a) "City authority" means a land bank fast track authority  
24 created under section 23(5) of the land bank fast track act, 2003  
25 PA 258, MCL 124.773.

26 (b) "County authority" means a land bank fast track authority  
27 created under section 23(4) of the land bank fast track act, 2003  
28 PA 258, MCL 124.773.

29 (c) "Minimum bid" is the minimum amount established by the

1 foreclosing governmental unit for which property may be sold or  
2 transferred under subsections (1) to (3). The minimum bid must  
3 include all of the delinquent taxes, interest, penalties, and fees  
4 due on the property, and may include any additional expenses  
5 incurred by the foreclosing governmental unit in connection with  
6 the forfeiture, foreclosure, maintenance, repair, or remediation of  
7 the property or the administration of this act for the property,  
8 including, but not limited to, foreclosure avoidance, mailing,  
9 publication, personal service, legal, personnel, outside  
10 contractor, and auction expenses.

11 Enacting section 1. This amendatory act does not take effect  
12 unless House Bill No. 4496 of the 101st Legislature is enacted into  
13 law.