

HOUSE BILL No. 5058

October 8, 2013, Introduced by Reps. Callton, Shirkey, Potvin, Rendon, Abed and Schor and referred to the Committee on Local Government.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
by amending section 78 (MCL 211.78), as amended by 2008 PA 512.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 78. (1) The legislature finds that there exists in this
2 state a continuing need to strengthen and revitalize the economy of
3 this state and its municipalities by encouraging the efficient and
4 expeditious return to productive use of property returned for
5 delinquent taxes. Therefore, the powers granted in this act
6 relating to the return of property for delinquent taxes constitute
7 the performance by this state or a political subdivision of this
8 state of essential public purposes and functions.

9 (2) It is the intent of the legislature that the provisions of
10 this act relating to the return, forfeiture, and foreclosure of

1 property for delinquent taxes satisfy the minimum requirements of
2 due process required under the constitution of this state and the
3 constitution of the United States but that those provisions do not
4 create new rights beyond those required under the state
5 constitution of 1963 or the constitution of the United States. The
6 failure of this state or a political subdivision of this state to
7 follow a requirement of this act relating to the return,
8 forfeiture, or foreclosure of property for delinquent taxes shall
9 not be construed to create a claim or cause of action against this
10 state or a political subdivision of this state unless the minimum
11 requirements of due process accorded under the state constitution
12 of 1963 or the constitution of the United States are violated.

13 (3) Not later than December 1, 1999, the county board of
14 commissioners of a county, by a resolution adopted at a meeting
15 held pursuant to the open meetings act, 1976 PA 267, MCL 15.261 to
16 15.275, and with the written concurrence of the county treasurer
17 and the county executive, if any, may elect to have this state
18 foreclose property under this act forfeited to the county treasurer
19 under section 78g. At any time during December 2004, the county
20 board of commissioners of a county, by a resolution adopted at a
21 meeting held pursuant to the open meetings act, 1976 PA 267, MCL
22 15.261 to 15.275, and with the written concurrence of the county
23 treasurer and county executive, if any, may do either of the
24 following:

25 (a) Elect to have this state foreclose property under this act
26 forfeited to the county treasurer under section 78g.

27 (b) Rescind its prior resolution by which it elected to have

1 this state foreclose property under this act forfeited to the
2 county treasurer under section 78g.

3 (4) Beginning January 1, 2009 through March 1, 2009, the
4 county board of commissioners of a county in which is located an
5 eligible city, as that term is defined in section 89d, may, by a
6 resolution adopted at a meeting held pursuant to the open meetings
7 act, 1976 PA 267, MCL 15.261 to 15.275, and with the written
8 concurrence of the county treasurer and county executive, if any,
9 rescind its prior resolution by which it elected to have this state
10 foreclose property under this act forfeited to the county treasurer
11 under section 78g.

12 (5) BEGINNING DECEMBER 1, 2013 THROUGH NOVEMBER 30, 2014, THE
13 COUNTY BOARD OF COMMISSIONERS OF A COUNTY THAT HAS ELECTED TO HAVE
14 PROPERTY FORFEITED UNDER SECTION 78G FORECLOSED BY THIS STATE UNDER
15 THIS ACT MAY, BY A RESOLUTION ADOPTED AT A MEETING HELD PURSUANT TO
16 THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275, AND WITH
17 THE WRITTEN CONCURRENCE OF THE COUNTY TREASURER AND COUNTY
18 EXECUTIVE, IF ANY, RESCIND ITS PRIOR RESOLUTION BY WHICH IT ELECTED
19 TO HAVE THIS STATE FORECLOSE PROPERTY UNDER THIS ACT FORFEITED TO
20 THE COUNTY TREASURER UNDER SECTION 78G. A COUNTY BOARD OF
21 COMMISSIONERS SHALL FORWARD A COPY OF THE RESOLUTION AND ANY
22 CONCURRENCE TO THE DEPARTMENT OF TREASURY NOT LATER THAN NOVEMBER
23 30, 2014. A COUNTY THAT RESCINDS ITS PRIOR ELECTION UNDER THIS
24 SECTION BY JANUARY 30, 2014 SHALL ACT AS THE FORECLOSING
25 GOVERNMENTAL UNIT UNDER THIS ACT FOR ALL PROPERTY FORFEITED TO THE
26 COUNTY TREASURER UNDER SECTION 78G AFTER FEBRUARY 1, 2014. A COUNTY
27 THAT RESCINDS ITS PRIOR ELECTION UNDER THIS SECTION BETWEEN JANUARY

1 31, 2014 AND NOVEMBER 30, 2014 SHALL ACT AS THE FORECLOSING
2 GOVERNMENTAL UNIT UNDER THIS ACT FOR ALL PROPERTY FORFEITED UNDER
3 SECTION 78G AFTER FEBRUARY 1, 2015.

4 (6) ~~(5)~~—The foreclosure of forfeited property by a county is
5 voluntary and is not an activity or service required of units of
6 local government for purposes of section 29 of article IX of the
7 state constitution of 1963.

8 (7) ~~(6)~~—A county and a local governmental unit within that
9 county may enter into an agreement for the collection of property
10 taxes or the enforcement and consolidation of tax liens within that
11 local governmental unit. A local governmental unit shall not
12 establish a delinquent tax revolving fund under section 87b.

13 (8) ~~(7)~~—As used in this section and sections 78a through 155
14 for purposes of the collection of taxes returned as delinquent:

15 (a) "Foreclosing governmental unit" means 1 of the following:

16 (i) The treasurer of a county.

17 (ii) This state if the county has elected under subsection (3)
18 to have this state foreclose property under this act forfeited to
19 the county treasurer under section 78g.

20 (b) "Forfeited" or "forfeiture" means a foreclosing
21 governmental unit may seek a judgment of foreclosure under section
22 78k if the property is not redeemed as provided under this act, but
23 does not acquire a right to possession or any other interest in the
24 property.