

SUBSTITUTE FOR  
SENATE BILL NO. 676

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 78m (MCL 211.78m), as amended by 2014 PA 501.

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

1           Sec. 78m. (1) Not later than the first Tuesday in July 7  
2 immediately succeeding the entry of judgment under section 78k  
3 vesting absolute title to tax delinquent property in the  
4 foreclosing governmental unit, this state ~~is granted~~ **may exercise**  
5 the right of first refusal to purchase **foreclosed** property at the  
6 greater of the minimum bid or its fair market value by paying that  
7 amount to the foreclosing governmental unit if the foreclosing  
8 governmental unit is not this state. If this state elects not to  
9 purchase the property under its right of first refusal **and 1 or**

1 more claimants have filed a claim for remaining proceeds from the  
2 foreclosed property under section 78t(2), a city, village, ~~or~~  
3 township, **or city authority** may purchase ~~for a public purpose any~~  
4 **foreclosed** property located within that city, village, ~~or~~ township,  
5 ~~set forth or area of the city authority included~~ in the judgment  
6 and subject to sale under this section by ~~payment to~~ **paying** the  
7 foreclosing governmental unit ~~of the~~ **greater of the** minimum bid **or**  
8 **the fair market value of the property**. If this state elects not to  
9 purchase the property under its right of first refusal and no  
10 claimant has filed a claim for remaining proceeds from the  
11 foreclosed property under section 78t(2), a city, village,  
12 township, or city authority may purchase the foreclosed property by  
13 **paying the foreclosing governmental unit the minimum bid**. If a  
14 city, village, ~~or~~ township, **or city authority** does not purchase  
15 that property **and 1 or more claimants have filed a claim for**  
16 **remaining proceeds from the foreclosed property under section**  
17 **78t(2)**, the county in which that property is located may purchase  
18 that property under this section by ~~payment to~~ **paying** the  
19 foreclosing governmental unit ~~of the~~ **greater of the** minimum bid **or**  
20 **the fair market value of the property**. If a city, village,  
21 township, or city authority does not purchase that property and no  
22 claimant has filed a claim for remaining proceeds from the  
23 foreclosed property under section 78t(2), the county in which the  
24 property is located may purchase that property under this section  
25 by paying the foreclosing governmental unit the minimum bid. If a  
26 city, village, township, city authority, or county does not  
27 purchase that property, 1 or more claimants have filed a claim for  
28 remaining proceeds from the foreclosed property under section  
29 78t(2), and the property is within the area of a county authority,

1 the county authority may purchase the property under this section  
2 by paying the foreclosing governmental unit the greater of the  
3 minimum bid or the fair market value of the property. If a city,  
4 village, township, city authority, or county does not purchase that  
5 property and no claimant has filed a claim for remaining proceeds  
6 from the foreclosed property under section 78t(2), the county  
7 authority in which the property is located may purchase that  
8 property under this section by paying the foreclosing governmental  
9 unit the minimum bid. If property is purchased by a city, village,  
10 township, ~~or city authority~~, county, **or county authority** under this  
11 subsection, the foreclosing governmental unit shall convey the  
12 property to the purchasing city, village, township, ~~or city~~  
13 **authority**, county, **or county authority** within 30 days. ~~If property~~  
14 ~~purchased by a city, village, township, or county under this~~  
15 ~~subsection is subsequently sold for an amount in excess of the~~  
16 ~~minimum bid and all costs incurred relating to demolition,~~  
17 ~~renovation, improvements, or infrastructure development, the excess~~  
18 ~~amount shall be returned to the delinquent tax property sales~~  
19 ~~proceeds account for the year in which the property was purchased~~  
20 ~~by the city, village, township, or county or, if this state is the~~  
21 ~~foreclosing governmental unit within a county, to the land~~  
22 ~~reutilization fund created under section 78n. Upon the request of~~  
23 ~~the foreclosing governmental unit, a city, village, township, or~~  
24 ~~county that purchased property under this subsection shall provide~~  
25 ~~to the foreclosing governmental unit without cost information~~  
26 ~~regarding any subsequent sale or transfer of the property. This~~  
27 ~~subsection applies to the purchase of property by this state, a~~  
28 ~~city, village, or township, or a county prior to a sale held under~~  
29 ~~subsection (2).~~

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

1 conveyance of ~~parcels~~**properties** under this section and may cancel  
2 the sale ~~prior to~~**before** the issuance of a deed under this  
3 subsection if authorized under the procedures. The foreclosing  
4 governmental unit shall require full payment at the close of each  
5 day's bidding or by a date not more than 21 days after the sale.  
6 Before the foreclosing governmental unit conveys a ~~parcel~~**property**  
7 sold at a sale, the purchaser shall provide the foreclosing  
8 governmental unit with proof of payment to the local tax collecting  
9 unit in which the property is located of any property taxes owed on  
10 the ~~parcel~~**property** at the time of the sale. A foreclosing  
11 governmental unit shall cancel a sale if unpaid property taxes owed  
12 on a ~~parcel or parcels~~**property or properties** at the time of a sale  
13 are not paid within 21 days of the sale. If a sale is canceled  
14 under this subsection, the foreclosing governmental unit may offer  
15 the property to the next highest bidder and convey the property to  
16 that bidder under this subsection, subject to the requirements of  
17 this subsection for the highest bidder. Not more than 14 days after  
18 payment to the foreclosing governmental unit of all amounts  
19 required by the highest bidder or the next highest bidder under  
20 this subsection, the foreclosing governmental unit shall convey the  
21 property by deed to the person bidding the minimum bid, or if a bid  
22 is greater than the minimum bid, the highest amount above the  
23 minimum bid, or the next highest bidder if the sale to the highest  
24 bidder is canceled and the next highest bidder pays the amount  
25 required under this section to purchase the property. The deed  
26 ~~shall~~**must** vest fee simple title to the property in the person  
27 bidding the highest amount above the minimum bid, unless the  
28 foreclosing governmental unit discovers a defect in the foreclosure  
29 of the property under sections 78 to 78/ or the sale is canceled

1 under this subsection or subsection (5). If this state is the  
 2 foreclosing governmental unit within a county, the department of  
 3 treasury ~~shall be~~ **is** responsible for conducting the sale of  
 4 property under this subsection and subsections (4) and (5) on  
 5 behalf of this state. Before issuing a deed to a person purchasing  
 6 property under this subsection or subsection (5), the foreclosing  
 7 governmental unit shall require the person to execute and file with  
 8 the foreclosing governmental unit an affidavit under penalty of  
 9 perjury. If the person fails to execute and file the affidavit  
 10 required by this subsection by the date payment for the property is  
 11 required under this section, the foreclosing governmental unit  
 12 shall cancel the sale. An affidavit under this section ~~shall~~ **must**  
 13 indicate that the person meets all of the following conditions:

14 (a) The person does not directly or indirectly hold more than  
 15 a ~~de minimis~~ **minimal** legal interest in any property with delinquent  
 16 property taxes located in the same county as the property.

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

21 (3) For sales held under subsection (2), after the conclusion  
 22 of that sale, and ~~prior to~~ **before** any additional sale held under  
 23 subsection (2), a city, village, ~~or~~ **or city authority** may  
 24 purchase any property not previously sold under subsection (1) or  
 25 (2) by paying ~~the minimum bid to~~ the foreclosing governmental unit  
 26 **the minimum bid**. If a city, village, ~~or~~ **or city authority**  
 27 does not purchase that property, the county in which that property  
 28 is located may purchase that property under this section by ~~payment~~  
 29 ~~to~~ **paying** the foreclosing governmental unit ~~of~~ the minimum bid. **If**

1 a city, village, township, city authority, or county does not  
2 purchase that property and the property is within the area of a  
3 county authority, the county authority may purchase the property  
4 under this section by paying the foreclosing governmental unit the  
5 minimum bid.

6 (4) If property is purchased by a city, village, township, ~~or~~  
7 **city authority**, county, **or county authority** under subsection (3),  
8 the foreclosing governmental unit shall convey the property to the  
9 purchasing city, village, township, ~~or city authority~~, county, **or**  
10 **county authority** within 30 days.

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

1           (6) On or before December 1 immediately succeeding the entry  
2 of judgment under section 78k, a list of all property not  
3 previously sold by the foreclosing governmental unit under this  
4 section ~~shall~~**must** be transferred to the clerk of the city,  
5 village, or township in which the property is located. The city,  
6 village, or township may object in writing to the transfer of 1 or  
7 more ~~parcels of property set forth on that list.~~**properties**. On or  
8 before December 30 immediately succeeding the entry of judgment  
9 under section 78k, all property not previously sold by the  
10 foreclosing governmental unit under this section ~~shall~~**must** be  
11 transferred to the city, village, or township in which the property  
12 is located, except those ~~parcels of property~~**properties** to which  
13 the city, village, or township has objected. Property located in  
14 both a village and a township may be transferred under this  
15 subsection only to a village. The city, village, or township may  
16 make the property available under the urban homestead act, 1999 PA  
17 127, MCL 125.2701 to 125.2709, or for any other lawful purpose.

18           (7) If property not previously sold is not transferred to the  
19 city, village, or township in which the property is located under  
20 subsection (6), the foreclosing governmental unit shall retain  
21 possession of that property. If the foreclosing governmental unit  
22 retains possession of the property and the foreclosing governmental  
23 unit is this state, title to the property ~~shall~~**must** vest in the  
24 land bank fast track authority created under section 15 of the land  
25 bank fast track act, 2003 PA 258, MCL 124.765. **If the foreclosing**  
26 **governmental unit retains possession of the property and the**  
27 **foreclosing governmental unit is not this state, the foreclosing**  
28 **governmental unit may do any of the following:**

29           (a) **Transfer the property to a land bank fast track authority**



1 created under the land bank fast track act, 2003 PA 258, MCL  
2 124.751 to 124.774.

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

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

6 (8) A foreclosing governmental unit shall deposit the proceeds  
7 from the sale of property under this section into a restricted  
8 account designated as the "delinquent tax property sales proceeds  
9 for the year \_\_\_\_". The foreclosing governmental unit shall  
10 direct the investment of the account. The foreclosing governmental  
11 unit shall credit to the account interest and earnings from account  
12 investments. ~~Proceeds~~**The foreclosing governmental unit shall use**  
13 **proceeds** in that account ~~shall only be used by the foreclosing~~  
14 ~~governmental unit~~ for the following purposes in the following order  
15 of priority:

16 (a) ~~The~~**For each property that was sold or transferred for an**  
17 **amount equal to or greater than the minimum bid, the** delinquent tax  
18 revolving fund ~~shall created pursuant to section 87b or 87f by the~~  
19 **county in which the property is located must** be reimbursed for all  
20 taxes, interest, **penalties**, and fees on ~~all of the~~**each** property ~~7~~  
21 ~~whether or not all of the property was sold.~~**that was transferred or**  
22 **sold that year.**

23 (b) ~~All costs of the sale of property for the year shall be~~  
24 ~~paid.~~**For each property that was sold or transferred for an amount**  
25 **equal to or greater than the minimum bid, fees incurred by the**  
26 **foreclosing governmental unit in connection with the forfeiture,**  
27 **foreclosure, sale, maintenance, repair, and remediation of**  
28 **foreclosed property and the administration of this act, including**  
29 **costs for the defense of title actions and other legal expenses,**

1 must be paid up to the amount for which the property was sold on a  
2 property-by-property basis.

3 ~~(c) Any costs of the foreclosure proceedings for the year,~~  
4 ~~including, but not limited to, costs of mailing, publication,~~  
5 ~~personal service, and outside contractors shall be paid.~~ Payments to  
6 claimants of remaining proceeds for the year ordered under section  
7 78t and any other payments ordered under section 78t must be paid  
8 on a property-by-property basis.

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

14 (e) For each property that was sold or transferred for an  
15 amount greater than the minimum bid, fees incurred by the  
16 foreclosing governmental unit in connection with the forfeiture,  
17 foreclosure, sale, maintenance, repair, or remediation of  
18 foreclosed property or the administration of this act for the year  
19 but not paid under subdivision (b) must be paid.

20 (f) For each property that was sold or transferred for an  
21 amount less than the minimum bid or that was not sold or  
22 transferred, fees incurred by the foreclosing governmental unit in  
23 connection with the forfeiture, foreclosure, sale, maintenance,  
24 repair, or remediation of foreclosed property or the administration  
25 of this act, including costs for the defense of title actions and  
26 other legal expenses, for the year must be paid.

27 (g) ~~(d) Any costs for the sale of property or foreclosure~~  
28 ~~proceedings~~ fees incurred by the foreclosing governmental unit in  
29 connection with the forfeiture, foreclosure, sale, maintenance,

1 repair, or remediation of foreclosed property or the administration  
 2 of this act, including costs for the defense of title actions and  
 3 other legal expenses, for any prior year that have not been paid or  
 4 reimbursed from ~~that~~ a prior year's delinquent tax property sales  
 5 proceeds ~~shall~~ **must** be paid.

6 ~~(e) Any costs incurred by the foreclosing governmental unit in~~  
 7 ~~maintaining property foreclosed under section 78k before the sale~~  
 8 ~~under this section shall be paid, including costs of any~~  
 9 ~~environmental remediation.~~

10 ~~(f) If the foreclosing governmental unit is not this state,~~  
 11 ~~any of the following:~~

12 ~~(i) Any costs for the sale of property or foreclosure~~  
 13 ~~proceedings for any subsequent year that are not paid or reimbursed~~  
 14 ~~from that subsequent year's delinquent tax property sales proceeds~~  
 15 ~~shall be paid from any remaining balance in any prior year's~~  
 16 ~~delinquent tax property sales proceeds account.~~

17 ~~(ii) Any costs for the defense of title actions.~~

18 ~~(iii) Any costs incurred in administering the foreclosure and~~  
 19 ~~disposition of property forfeited for delinquent taxes under this~~  
 20 ~~act.~~

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

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

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

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

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

9 (v) The total amount paid for the properties described in  
10 subparagraph (iii).

11 (vi) The total number of properties sold under subsections (2)  
12 and (5).

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

15 (viii) The total amount paid for the properties described in  
16 subparagraph (vi).

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

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

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

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

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

1           (i) ~~(h) In 2008 and each year after 2008, if~~ **If** the  
 2 foreclosing governmental unit is not this state, not later than  
 3 ~~June~~ **September** 30 of the second calendar year after foreclosure,  
 4 the foreclosing governmental unit shall, **subject to subparagraph**  
 5 **(xiii)**, submit a written report to its board of commissioners **and the**  
 6 **state treasurer** identifying any remaining balance and any  
 7 contingent costs of title, **environmental remediation**, or other  
 8 legal claims ~~described in subdivisions (a) through (f). All or a~~  
 9 ~~portion of any remaining balance, less any contingent costs of~~  
 10 ~~title or other legal claims described in subdivisions (a) through~~  
 11 ~~(f), may subsequently be transferred into the general fund of the~~  
 12 ~~county by the board of commissioners relating to foreclosed~~  
 13 **property as determined by the foreclosing governmental unit. Any**  
 14 **remaining balance must be used for costs incurred by the**  
 15 **foreclosing governmental unit in connection with the forfeiture,**  
 16 **foreclosure, sale, maintenance, repair, or remediation of**  
 17 **foreclosed property, the defense of title actions and other legal**  
 18 **expenses, or the administration of this act, or for the payment of**  
 19 **claims for remaining proceeds or other amounts ordered under**  
 20 **section 78t. The report required under this subdivision must**  
 21 **include, in a form determined by the department of treasury, all of**  
 22 **the information described in subparagraphs (i) to (xii), as follows:**

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

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

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

29           (iv) The sum of the minimum bids for the properties described

1 in subparagraph (iii) .

2 (v) The total amount paid for the properties described in  
3 subparagraph (iii) .

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

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

8 (viii) The total amount paid for the properties described in  
9 subparagraph (vi) .

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

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

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

17 (xii) The remaining net amount after subtracting the amount  
18 described in subparagraph (xi) from the difference of the amounts  
19 described in subparagraphs (x) and (xi) .

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

22 (9) Two or more county treasurers of adjacent counties may  
23 elect to hold a joint sale of property as provided in this section.  
24 If 2 or more county treasurers elect to hold a joint sale, property  
25 may be sold under this section at a location outside of the county  
26 in which the property is located. The sale may be conducted by any  
27 county treasurer participating in the joint sale **or by an**  
28 **authorized agent of each county treasurer participating in the**

1 **sale.** A joint sale held under this subsection may include or be an  
2 auction sale conducted via an internet website.

3 (10) The foreclosing governmental unit shall record a deed for  
4 any property transferred under this section with the county  
5 register of deeds. The foreclosing governmental unit may charge a  
6 fee in excess of the minimum bid and any sale proceeds for the cost  
7 of recording a deed under this subsection.

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

18 (12) For property sold, **transferred, or retained** under this  
19 section, ~~transferred to this state under subsection (1), a city,~~  
20 ~~village, or township under subsection (6), or retained by a~~  
21 ~~foreclosing governmental unit under subsection (7),~~ all liens for  
22 costs of demolition, safety repairs, debris removal, or sewer or  
23 water charges due on the property as of the December 31 immediately  
24 succeeding the sale, transfer, or retention of the property are  
25 canceled effective on that December 31. This subsection does not  
26 apply to liens recorded by the department of ~~environmental quality~~  
27 **environment, Great Lakes, and energy** under this act or the land  
28 bank fast track act, 2003 PA 258, MCL 124.751 to 124.774.

29 (13) If property foreclosed under section 78k and held by or

1 under the control of a foreclosing governmental unit is a facility  
 2 as defined under section 20101 of the natural resources and  
 3 environmental protection act, 1994 PA 451, MCL 324.20101, ~~prior to~~  
 4 **before** the sale or transfer of the property under this section, the  
 5 property is subject to all of the following:

6 (a) Upon reasonable written notice from the department of  
 7 ~~environmental quality,~~ **environment, Great Lakes, and energy**, the  
 8 foreclosing governmental unit shall provide access to the  
 9 department of ~~environmental quality,~~ **environment, Great Lakes, and**  
 10 **energy**, its employees, contractors, and any other person expressly  
 11 authorized by the department of ~~environmental quality~~ **environment,**  
 12 **Great Lakes, and energy** to conduct response activities at the  
 13 foreclosed property. Reasonable written notice under this  
 14 subdivision may include, but is not limited to, notice by  
 15 electronic mail, ~~or facsimile,~~ if the foreclosing governmental unit  
 16 consents to notice by electronic mail ~~or facsimile prior to~~ **before**  
 17 the provision of notice by the department of ~~environmental~~  
 18 ~~quality.~~ **environment, Great Lakes, and energy.**

19 (b) If requested by the department of ~~environmental quality~~  
 20 **environment, Great Lakes, and energy** to protect public health,  
 21 safety, and welfare or the environment, the foreclosing  
 22 governmental unit shall grant an easement for access to conduct  
 23 response activities on the foreclosed property as authorized under  
 24 chapter 7 **of article II** of the natural resources and environmental  
 25 protection act, 1994 PA 451, MCL 324.20101 to 324.20302.

26 (c) If requested by the department of ~~environmental quality~~  
 27 **environment, Great Lakes, and energy** to protect public health,  
 28 safety, and welfare or the environment, the foreclosing  
 29 governmental unit shall place and record deed restrictions on the



1 foreclosed property as authorized under chapter 7 **of article II** of  
2 the natural resources and environmental protection act, 1994 PA  
3 451, MCL 324.20101 to 324.20302.

4 (d) The department of ~~environmental quality~~**environment, Great**  
5 **Lakes, and energy** may place an environmental lien on the foreclosed  
6 property as authorized under section 20138 of the natural resources  
7 and environmental protection act, 1994 PA 451, MCL 324.20138.

8 (14) If property foreclosed under section 78k and held by or  
9 under the control of a foreclosing governmental unit is a facility  
10 as defined under section 20101 of the natural resources and  
11 environmental protection act, 1994 PA 451, MCL 324.20101, ~~prior to~~  
12 **before** the sale or transfer of the property under this section, the  
13 department of ~~environmental quality~~**environment, Great Lakes, and**  
14 **energy** shall request and the foreclosing governmental unit shall  
15 transfer the property to the state land bank fast track authority  
16 created under section 15 of the land bank fast track act, 2003 PA  
17 258, MCL 124.765, if all of the following apply:

18 (a) The department of ~~environmental quality~~**environment, Great**  
19 **Lakes, and energy** determines that conditions at a foreclosed  
20 property are an acute threat to the public health, safety, and  
21 welfare, to the environment, or to other property.

22 (b) The department of ~~environmental quality~~**environment, Great**  
23 **Lakes, and energy** proposes to undertake or is undertaking state-  
24 funded response activities at the property.

25 (c) The department of ~~environmental quality~~**environment, Great**  
26 **Lakes, and energy** determines that the sale, retention, or transfer  
27 of the property other than under this subsection would interfere  
28 with response activities by the department of ~~environmental~~  
29 ~~quality~~**environment, Great Lakes, and energy**.

1 (15) A person convicted for executing a false affidavit under  
 2 subsection (5) ~~shall be~~ **is** prohibited from bidding for a property  
 3 or purchasing a property at any sale under this section.

4 (16) As used in this section:

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

8 (b) **"County authority" means a land bank fast track authority**  
 9 **created under section 23(4) of the land bank fast track act, 2003**  
 10 **PA 258, MCL 124.773.**

11 (c) ~~(a)~~ **"Minimum bid" is the minimum amount established by the**  
 12 **foreclosing governmental unit for which property may be sold or**  
 13 **transferred under this section. subsections (1) to (3).** The minimum  
 14 bid ~~shall~~ **must** include all of the ~~following:~~

15 ~~(i) All delinquent taxes, interest, penalties, and fees due on~~  
 16 ~~the property, and may include any additional expenses incurred by~~  
 17 ~~the foreclosing governmental unit in connection with the~~  
 18 ~~forfeiture, foreclosure, maintenance, repair, or remediation of the~~  
 19 ~~property or the administration of this act for the property,~~  
 20 ~~including, but not limited to, foreclosure avoidance, mailing,~~  
 21 ~~publication, personal service, legal, personnel, outside~~  
 22 ~~contractor, and auction expenses. If a city, village, or township~~  
 23 ~~purchases the property, the minimum bid shall not include any taxes~~  
 24 ~~levied by that city, village, or township and any interest,~~  
 25 ~~penalties, or fees due on those taxes.~~

26 ~~(ii) The expenses of administering the sale, including all~~  
 27 ~~preparations for the sale. The foreclosing governmental unit shall~~  
 28 ~~estimate the cost of preparing for and administering the annual~~  
 29 ~~sale for purposes of prorating the cost for each property included~~

1 ~~in the sale.~~

2 ~~(b) "Person" means an individual, partnership, corporation,~~  
3 ~~association, or other legal entity.~~

4 Enacting section 1. Section 78m of the general property tax  
5 act, 1893 PA 206, MCL 211.78m, as amended by this amendatory act,  
6 takes effect January 1, 2021.

7 Enacting section 2. This amendatory act does not take effect  
8 unless Senate Bill No. 1137 of the 100th Legislature is enacted  
9 into law.

10 Enacting section 3. This amendatory act is curative and  
11 intended to codify and give full effect to the right of a former  
12 holder of a legal interest in property to any remaining proceeds  
13 resulting from the foreclosure and sale of the property to satisfy  
14 delinquent real property taxes under the general property tax act,  
15 1893 PA 206, MCL 211.1 to 211.155, as recognized by the Michigan  
16 supreme court in *Rafaeli, LLC v Oakland County*, docket no. 156849,  
17 consistent with the legislative findings and intent under section  
18 78 of the general property tax act, 1893 PA 206, MCL 211.78.