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HOUSE BILL No. 5152

September 8, 2005, Introduced by Reps. Mortimer and Rocca and referred to the Committee on Judiciary.

A bill to amend 1978 PA 368, entitled "Public health code,"

by amending section 7524 (MCL 333.7524), as amended by 1994 PA 8.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 7524. (1) When property is forfeited under this article, or pursuant to section 17766a, the local unit of government that seized the property may do any of the following, or if the property is seized by or in the custody of the state, the state may do any of the following, subject to section 7523(1)(d):

- (a) Retain it for official use.
- (b) Sell that which is not required to be destroyed by law and which is not harmful to the public. The proceeds and any money, negotiable instruments, securities, or any other thing of value as

03497'05 TVD

- 1 described in section 7521(1)(f) that are forfeited pursuant to
- 2 UNDER this article shall be deposited with the treasurer of the
- 3 entity having budgetary authority over the seizing agency and
- 4 applied as follows:
- 5 (i) For the payment of proper expenses of the proceedings for
- 6 forfeiture and sale, including expenses incurred during the seizure
- 7 process, maintenance of custody, advertising, and court costs,
- 8 except as otherwise provided in subsection (4).
- $\mathbf{9}$ (ii) The balance remaining after the payment of expenses shall
- 10 be distributed by the court having jurisdiction over the forfeiture
- 11 proceedings to the treasurer of the entity having budgetary
- 12 authority over the seizing agency. If more than 1 agency was
- 13 substantially involved in effecting the forfeiture, the court
- 14 having jurisdiction over the forfeiture proceeding shall equitably
- 15 distribute the money among the treasurers of the entities having
- 16 budgetary authority over the seizing agencies. The money received
- 17 under this subparagraph and all interest and other earnings on
- 18 money received under this subparagraph shall be used to enhance law
- 19 enforcement efforts pertaining to this article -or section 17766a
- 20 OR TO PURCHASE POLICE VEHICLES, as appropriated by the entity
- 21 having budgetary authority over the seizing agency. A distribution
- 22 made under this subparagraph shall serve as a supplement to, and
- 23 not a replacement for, the funds budgeted on January 1, 1991, for
- 24 law enforcement efforts pertaining to this article or section
- 25 17766a.
- **26** (c) Require the administrator to take custody of the property
- 27 and remove it for disposition in accordance with law.

03497'05 TVD

- 1 (d) Forward it to the bureau for disposition.
- 2 (2) Notwithstanding subsection (1), this state or local units
- 3 of government may donate lights for plant growth or scales
- 4 forfeited under this article -or section 17766a to elementary or
- 5 secondary schools or institutions of higher education that request
- 6 in writing to receive those lights or scales -pursuant to- UNDER
- 7 this subsection, for educational purposes. This state or local
- 8 units of government shall donate lights and scales -pursuant to
- 9 UNDER this subsection to elementary or secondary schools or
- 10 institutions of higher education in the order in which the written
- 11 requests are received. This state or local units of government may
- 12 limit the number of lights and scales available to each requestor.
- 13 (3) In the course of selling real property pursuant to UNDER
- 14 subsection (1)(b), the court that has entered an order of
- 15 forfeiture may, on motion of the agency to whom the property has
- 16 been forfeited, appoint a receiver to dispose of the real property
- 17 forfeited. The receiver shall be entitled to reasonable
- 18 compensation. The receiver shall have authority to MAY do all of
- 19 the following:
- (a) List the forfeited real property for sale.
- 21 (b) Make whatever arrangements are necessary for the
- 22 maintenance and preservation of the forfeited real property.
- (c) Accept offers to purchase the forfeited real property.
- 24 (d) Execute instruments transferring title to the forfeited
- 25 real property.
- 26 (4) If a court enters an order of forfeiture, the court may
- 27 order a person who claimed an interest in the forfeited property

03497'05 TVD

- 1 pursuant to UNDER section 7523(1)(c) to pay the expenses of the
- 2 proceedings of forfeiture to the entity having budgetary authority
- **3** over the seizing agency.