

SENATE BILL No. 506

June 28, 1989, Introduced by Senator CRUCE and referred to the Committee on Finance.

A bill to amend section 7524 of Act No. 368 of the Public Acts of 1978, entitled as amended "Public health code," as amended by Act No. 7 of the Public Acts of 1988, being section 333.7524 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 7524 of Act No. 368 of the Public Acts
2 of 1978, as amended by Act No. 7 of the Public Acts of 1988,
3 being section 333.7524 of the Michigan Compiled Laws, is amended
4 to read as follows:

5 Sec. 7524. (1) When property is forfeited under this arti-
6 cle ~~—~~ the local unit of government ~~which~~ THAT seized the
7 property, ~~may do any of the following,~~ or, if the property ~~is~~
8 WAS seized by THE STATE or IS in the custody of the state, the

1 state, may do any of the following ~~—~~ subject to section
2 7523(1)(d):

3 (a) Retain ~~it~~ THE PROPERTY for official use.

4 (b) Sell ANY PROPERTY that ~~which~~ is not required to be
5 destroyed by law and ~~which~~ THAT is not harmful to the public.
6 The proceeds OF SALE OF THE PROPERTY, and any money, negotiable
7 instruments, securities, or ~~any~~ other ~~thing~~ THINGS of value
8 ~~as~~ described in section 7521(1)(f) that are forfeited pursuant
9 to this article, shall be applied as follows:

10 (i) For the payment of COURT COSTS, AND FOR THE PAYMENT OF
11 proper expenses of the ~~proceedings for~~ forfeiture PROCEEDINGS
12 and sale, including expenses incurred during the seizure, AND
13 EXPENSES FOR process, maintenance of custody, AND advertising.
14 ~~—, and court costs.~~

15 (ii) The balance remaining after the payment of expenses
16 shall be distributed by the court having jurisdiction over the
17 forfeiture proceedings AS FOLLOWS:

18 (A) TWENTY-FIVE PERCENT OF THE PROCEEDS SHALL BE DISTRIBUTED
19 BY THE COURT TO THE DEPARTMENT OF TREASURY FOR DEPOSIT IN THE
20 DRUG ABUSE PREVENTION AND EDUCATION FUND AS PROVIDED IN THE DRUG
21 ABUSE PREVENTION AND EDUCATION ACT. THE COURT SHALL PROVIDE A
22 WRITTEN REPORT OF THE DISTRIBUTION TO THE DEPARTMENT OF TREASURY
23 AS PRESCRIBED BY THE DEPARTMENT OF TREASURY.

24 (B) SEVENTY-FIVE PERCENT OF THE PROCEEDS SHALL BE
25 DISTRIBUTED to the entity having budgetary authority over the
26 seizing agency. If more than 1 agency was substantially involved
27 in effecting the forfeiture, the court having jurisdiction over

1 the forfeiture proceeding shall equitably distribute the money
2 among the entities having budgetary authority over the seizing
3 agencies. The ~~money received under this subparagraph shall be~~
4 ~~used~~ SEIZING AGENCIES SHALL USE THE MONEY to enhance law
5 enforcement efforts pertaining to this article.

6 (c) Require the administrator to take custody of the proper-
7 ty, and remove ~~it~~ THE PROPERTY for disposition in accordance
8 with law.

9 (d) Forward ~~it~~ THE PROPERTY to the bureau for
10 disposition.

11 (2) In the course of selling real property pursuant to sub-
12 section (1)(b), the court that has entered an order of forfeiture
13 may, on motion of the agency to whom the property has been for-
14 feited, appoint a receiver to dispose of the real property
15 forfeited. The receiver shall be entitled to reasonable
16 compensation. The receiver ~~shall have authority to do all~~ MAY
17 DO 1 OR MORE of the following:

18 (a) List the forfeited real property for sale.

19 (b) Make whatever arrangements are necessary for the mainte-
20 nance and preservation of the forfeited real property.

21 (c) Accept offers to purchase the forfeited real property.

22 (d) Execute instruments transferring title to the forfeited
23 real property.

24 Section 2. This act shall not take effect unless Senate
25 Bill No. 505 of
26 the 85th Legislature is enacted into law.