

# SENATE BILL NO. 1217

November 10, 2022, Introduced by Senator CHANG and referred to the Committee on Judiciary and Public Safety.

A bill to amend 1978 PA 368, entitled  
"Public health code,"  
by amending section 7524 (MCL 333.7524), as amended by 2016 PA 418.

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

**1**       Sec. 7524. (1) When property is forfeited under this article,  
**2**       the local unit of government that seized the property may do any of  
**3**       the following, or if the property is seized by or in the custody of

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

3 (a) Retain the property for official use.

4 (b) Sell the property that is not required to be destroyed by  
5 law and that is not harmful to the public. The proceeds and any  
6 money, negotiable instruments, securities, or any other thing of  
7 value as described in section 7521(1)(f) that are forfeited under  
8 this article ~~shall~~**must** be deposited with the treasurer of the  
9 entity having budgetary authority over the seizing agency and  
10 applied as follows:

11 (i) For the payment of proper expenses of the proceedings for  
12 forfeiture and sale, including expenses incurred during the seizure  
13 process, maintenance of custody, advertising, and court costs,  
14 except as otherwise provided in subsection (4).

15 (ii) ~~The~~**Except as provided in subparagraph (iii), the** balance  
16 remaining after the payment of expenses ~~shall~~**must** be distributed  
17 by the court having jurisdiction over the forfeiture proceedings to  
18 the treasurer of the entity having budgetary authority over the  
19 seizing agency. If more than 1 agency was substantially involved in  
20 effecting the forfeiture, the court having jurisdiction over the  
21 forfeiture proceeding ~~shall~~**must** equitably distribute the money  
22 among the treasurers of the entities having budgetary authority  
23 over the seizing agencies. A seizing agency may direct that the  
24 funds or a portion of the funds it would otherwise have received  
25 under this ~~subsection~~**subparagraph** be paid to nonprofit  
26 organizations whose primary activity is to assist law enforcement  
27 agencies with drug-related criminal investigations and obtaining  
28 information for solving crimes. The money received by a seizing  
29 agency under this subparagraph and all interest and other earnings

1 on money received by the seizing agency under this subparagraph  
2 ~~shall~~**may** be used only for law enforcement purposes, as  
3 appropriated by the entity having budgetary authority over the  
4 seizing agency. A distribution made under this subparagraph ~~shall~~  
5 ~~serve as~~**is** a supplement to, and not a replacement for, funds  
6 otherwise budgeted for law enforcement purposes.

7 **(iii) If the forfeiture proceedings were initiated in connection**  
8 **with the seizure of property by law enforcement officers appointed**  
9 **by a public airport authority created under section 110 of the**  
10 **aeronautics code of the state of Michigan, 1945 PA 327, MCL**  
11 **259.110, or by a regional airport authority under section 139 of**  
12 **the aeronautics code of the state of Michigan, 1945 PA 327, MCL**  
13 **259.139, 20% of the balance remaining after the payment of expenses**  
14 **must be distributed by the court having jurisdiction over the**  
15 **forfeiture proceedings to substance abuse prevention and treatment**  
16 **programs operating in the county in which the forfeiture occurred.**  
17 **After 20% of the balance has been distributed according to this**  
18 **subparagraph, any remaining balance must be distributed by the**  
19 **court as provided in subparagraph (ii) .**

20 (c) Require the administrator to take custody of the property  
21 and remove it for disposition in accordance with law.

22 (d) Forward it to the bureau for disposition.

23 (2) Notwithstanding subsection (1), this state or local units  
24 of government may donate lights for plant growth or scales  
25 forfeited under this article to elementary or secondary schools or  
26 institutions of higher education that request in writing to receive  
27 those lights or scales under this subsection, for educational  
28 purposes. This state or local units of government shall donate  
29 lights and scales under this subsection to elementary or secondary

1 schools or institutions of higher education in the order in which  
2 the written requests are received. This state or local units of  
3 government may limit the number of lights and scales available to  
4 each requestor.

5 (3) In the course of selling real property under subsection  
6 (1)(b), the court that has entered an order of forfeiture may, on  
7 motion of the agency to whom the property has been forfeited,  
8 appoint a receiver to dispose of the real property forfeited. The  
9 receiver is entitled to reasonable compensation. The receiver has  
10 authority to do all of the following:

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

12 (b) Make whatever arrangements are necessary for the  
13 maintenance and preservation of the forfeited real property.

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

15 (d) Execute instruments transferring title to the forfeited  
16 real property.

17 (4) If a court enters an order of forfeiture, the court may  
18 order a person who claimed an interest in the forfeited property  
19 under section 7523(1)(c) to pay the expenses of the proceedings of  
20 forfeiture to the entity having budgetary authority over the  
21 seizing agency.