

SENATE BILL NO. 585

September 25, 2025, Introduced by Senators IRWIN, JOHNSON, POLEHANKI, CHANG, KLINEFELT, MCMORROW, GEISS, SANTANA and SHINK and referred to Committee on Housing and Human Services.

A bill to amend 1998 PA 386, entitled
"Estates and protected individuals code,"
by amending section 5423 (MCL 700.5423), as amended by 2012 PA 173.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5423. (1) Subject to a limitation imposed under section
2 5427, a conservator has all of the powers conferred in this section
3 and the additional powers conferred by law on trustees in this
4 state. In addition, a conservator of the estate of an unmarried
5 minor, as to whom no one has parental rights, has the powers,
6 responsibilities, and duties of a guardian described in section

1 5215 until the individual is no longer a minor or marries. The
2 parental rights conferred on a conservator by this section do not
3 preclude a guardian's appointment as provided in part 2.

4 (2) Acting reasonably in an effort to accomplish the purpose
5 of the appointment and without court authorization or confirmation,
6 a conservator may do any of the following:

7 (a) Collect, hold, or retain estate property, including land
8 in another state, until the conservator determines that disposition
9 of the property should be made. Property may be retained even
10 though it includes property in which the conservator is personally
11 interested.

12 (b) Receive an addition to the estate.

13 (c) Continue or participate in the operation of a business or
14 other enterprise.

15 (d) Acquire an undivided interest in estate property in which
16 the conservator, in a fiduciary capacity, holds an undivided
17 interest.

18 (e) Invest or reinvest estate property. If the conservator
19 exercises the power conferred by this subdivision, the conservator
20 must invest or reinvest the property in accordance with the
21 Michigan prudent investor rule.

22 (f) Deposit estate money in a state or federally insured
23 financial institution including one operated by the conservator.

24 (g) Except as provided in subsection (3), acquire or dispose
25 of estate property, including land in another state, for cash or on
26 credit, at public or private sale, or manage, develop, improve,
27 exchange, partition, change the character of, or abandon estate
28 property.

29 (h) Make an ordinary or extraordinary repair or alteration in

1 a building or other structure, demolish an improvement, or raze an
2 existing or erect a new party wall or building.

3 (i) Subdivide, develop, or dedicate land to public use; make
4 or obtain the vacation of a plat or adjust a boundary; adjust a
5 difference in valuation on exchange or partition by giving or
6 receiving consideration; or dedicate an easement to public use
7 without consideration.

8 (j) Enter for any purpose into a lease as lessor or lessee
9 with or without option to purchase or renew for a term within or
10 extending beyond the term of the conservatorship.

11 (k) Enter into a lease or arrangement for exploration and
12 removal of a mineral or other natural resource or enter into a
13 pooling or unitization agreement.

14 (l) Grant an option involving disposition of estate property or
15 take an option for the acquisition of property.

16 (m) Vote a security, in person or by general or limited proxy.

17 (n) Pay a call, assessment, or other amount chargeable or
18 accruing against or on account of a security.

19 (o) Sell or exercise stock subscription or conversion rights.

20 (p) Consent, directly or through a committee or other agent,
21 to the reorganization, consolidation, merger, dissolution, or
22 liquidation of a corporation or other business enterprise.

23 (q) Hold a security in the name of a nominee or in other form
24 without disclosure of the conservatorship so that title to the
25 security may pass by delivery. However, the conservator is liable
26 for an act of the nominee in connection with the stock so held.

27 (r) Insure the estate property against damage or loss or the
28 conservator against liability with respect to third persons.

29 (s) Borrow money to be repaid from estate property or

1 otherwise.

2 (t) Advance money for the protection of the estate or the
3 protected individual, and for all expense, loss, or liability
4 sustained in the estate's administration or because of the holding
5 or ownership of estate property. The conservator has a lien on the
6 estate as against the protected individual for such an advance.

7 (u) Pay or contest a claim; settle a claim by or against the
8 estate or the protected individual by compromise, arbitration, or
9 otherwise; and release, in whole or in part, a claim belonging to
10 the estate to the extent that the claim is uncollectible.

11 (v) Pay a tax, assessment, conservator's compensation, or
12 other expense incurred in the estate's collection, care,
13 administration, and protection.

14 (w) Allocate an item of income or expense to either estate
15 income or principal, as provided by law, including creation of a
16 reserve out of income for depreciation, obsolescence, or
17 amortization, or for depletion in mineral or timber property.

18 (x) Pay money distributable to a protected individual or the
19 protected individual's dependent by paying the money to the
20 distributee or by paying the money for the use of the distributee
21 to the distributee's guardian, or if none, to a relative or other
22 person having custody of the distributee.

23 (y) Employ a person, including an auditor, investment advisor,
24 or agent, even though the person is associated with the
25 conservator, to advise or assist in the performance of an
26 administrative duty; act upon the person's recommendation without
27 independent investigation; and, instead of acting personally,
28 employ an agent to perform an act of administration, whether or not
29 discretionary.

1 (z) Employ an attorney to perform necessary legal services or
2 to advise or assist the conservator in the performance of the
3 conservator's administrative duties, even if the attorney is
4 associated with the conservator, and act without independent
5 investigation upon the attorney's recommendation. An attorney
6 employed under this subdivision ~~shall~~**must** receive reasonable
7 compensation for ~~his or her~~**the attorney's** employment.

8 (aa) Prosecute or defend an action, claim, or proceeding in
9 any jurisdiction for the protection of estate property and of the
10 conservator in the performance of a fiduciary duty.

11 (bb) Execute and deliver an instrument that will accomplish or
12 facilitate the exercise of a power vested in the conservator.

13 (cc) Respond to an environmental concern or hazard affecting
14 property as provided in section 5424.

15 (3) A conservator shall not sell or otherwise dispose of the
16 protected individual's principal dwelling, real property, or
17 interest in real property or mortgage, pledge, or cause a lien to
18 be placed on any such property without approval of the court. The
19 court shall only approve the sale, disposal, mortgage, or pledge of
20 or lien against the principal dwelling, real property, or interest
21 in real property if, after a hearing with notice to interested
22 persons as specified in the Michigan court rules, the court
23 considers evidence of the value of the property, **which must include**
24 **an appraisal of the value of the property conducted within the**
25 **preceding 6 months by a professional licensed under article 26 of**
26 **the occupational code, 1980 PA 299, MCL 339.2601 to 399.2637, and**
27 otherwise determines that the sale, disposal, mortgage, pledge, or
28 lien is in the protected individual's best interest.