

**LOST PROPERTY**  
**Act 273 of 1987**

AN ACT to provide procedures and remedies regarding lost property; to prescribe the powers and duties of law enforcement agencies, finders of lost property, certain courts, and owners of lost property; and to repeal certain acts and parts of acts.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

*The People of the State of Michigan enact:*

**434.21 Definitions.**

Sec. 1. As used in this act:

(a) "Collectible currency" means a medium of exchange including coins, bank notes, government notes, and paper money that has a value greater than face value.

(b) "Contraband" means any property that is prohibited by any law to be owned, carried, concealed, or possessed.

(c) "Currency" means a medium of exchange including coins, bank notes, government notes, and paper money that has a value not greater than face value.

(d) "Evidence" means any property that furnishes or tends to furnish proof in a legal matter.

(e) "Hazardous material" means explosives, pyrotechnics, flammable gas, flammable compressed gas, nonflammable compressed gas, flammable liquid, oxidizing material, poisonous gas, poisonous liquid, irritating material, etiologic material, radioactive material, corrosive material, or liquefied petroleum gas.

(f) "Junk" means any property that does not have any fair market value or worth.

(g) "Legal owner" means any individual, organization, partnership, company, corporation, or governmental agency who had care, custody, or control over the property and can establish ownership to the satisfaction of the law enforcement agency by description, title, sales receipt, bill of goods, or other means. Any person who represents the legal owner or an organization, partnership, company, corporation, governmental agency by affidavit, power of attorney, bill of goods, or title may be considered the legal owner for purposes of recovering the property.

(h) "Perishable property" means any property subject to quick deterioration or spoilage except when maintained under proper conditions.

(i) "Property" means anything which is the subject of ownership and is corporeal, tangible, visible, or personal, or that has an exchange value.

(j) "Property of major value" means any property that is not collectible currency, contraband, currency, evidence, hazardous material, junk, perishable property, or property of minor value.

(k) "Property of minor value" means any property whose fair market value is less than the total cost of preparing a property report, plus the costs of storage and disposition, and which is not collectible currency, contraband, currency, evidence, hazardous material, junk, perishable property, or property of major value.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

**434.22 Duty of person finding lost property; procedure for receiving property if not claimed; inspection and classification of property; storage.**

Sec. 2. (1) A person who finds lost property shall report the finding or deliver the property to a law enforcement agency in the jurisdiction where the property is found. This shall include all property found in an abandoned vehicle. If the person wishes to receive the property if it is not claimed by the legal owner as provided in this act, the person shall provide his or her name and current address to the law enforcement agency and shall inform the agency of any change in his or her address.

(2) The property described under subsection (1) shall be inspected by the law enforcement agency to determine the type of property that has been found. The property shall be classified into 1 of the following categories:

(a) Collectible currency.

(b) Contraband.

(c) Currency.

(d) Evidence.

(e) Hazardous material.

(f) Junk.

(g) Perishable property.

(h) Property of major value.

(i) Property of minor value.

(3) The law enforcement agency shall use the following method to determine the classification of property under subsection (2):

(a) Currency may be appraised to determine whether the currency, because of age, origin, metal content, or value as a collector's item, has a value other than its face value. Currency may be inspected by a person who has the expertise to determine if the currency is collectible currency.

(b) Property that is suspected of being contraband may be subjected to scientific evaluation or inspected by a qualified person.

(c) Property shall be considered evidence if the property is reasonably believed by the law enforcement agency or a governmental attorney to be evidence that could be used in a legal action.

(d) Whether property is hazardous material shall be determined by a qualified person who has expertise regarding hazardous material.

(e) Property that may be junk may be inspected to determine if it has any fair market value or worth.

(f) Perishable property may be inspected to determine if the property requires special storage.

(g) Whether property is of major or minor value shall be determined by a person who has expertise regarding the valuation of the property.

(4) Property that is reported or delivered pursuant to subsection (1) shall be stored in a location as determined by the law enforcement agency.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

#### **434.23 Reports; disposition and inspection of property of minor value.**

Sec. 3. (1) Within 48 hours of a report or delivery under section 2(1), the following reports shall be completed on property of major value, collectible currency found in 1 location for the total value, currency found in 1 location for the total value, hazardous material, and perishable property that has a major value:

(a) A general description of the property to provide a person who may be the legal owner with enough information to aid in determining ownership. This information shall be kept in a public building in a location that is open to the public during normal business hours.

(b) A detailed description of the property to provide the law enforcement agency with information to determine ownership. The description shall also include the total value of the property found in 1 location. The information required by this subdivision is exempt from disclosure under the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws, and shall not be available to the public or any person claiming ownership.

(2) Property that is determined under section 2(3) to be of minor value may be kept by the law enforcement agency in a safe location and may be inspected by the public upon request during normal business hours.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

#### **434.24 Collectible currency and currency; contraband; property in evidence; hazardous material; junk; perishable property; property of major value; property of minor value; disposition.**

Sec. 4. (1) Except as otherwise provided in subsection (2), collectible currency and currency shall be returned to the legal owner when the law enforcement agency is reasonably satisfied of that ownership. Pursuant to section 5, if the legal owner cannot be located or established, the property shall be disposed of pursuant to this act.

(2) All contraband that is or may be evidence and any other found property that is or may be evidence in a criminal or civil action instituted by a governmental attorney shall be kept in a place of safekeeping until the governmental attorney releases the evidence. All contraband shall be disposed of in a manner prescribed by law. Any found property that is evidence that is not contraband shall be returned to the legal owner unless prohibited by law. If the legal owner cannot be located, the property shall be classified as prescribed in section 2(2) and shall be disposed of pursuant to this act.

(3) When the legal owner of the hazardous material cannot be located or established or the hazardous material may pose an imminent danger to life or other property, then the hazardous material may be released to any governmental agency, private industry, institution, business, or person that can safely keep or dispose of the hazardous material and the container.

(4) Found property that is determined to be junk may be disposed of in any manner by the law enforcement agency.

(5) Upon the conclusion of a criminal or civil action instituted by a governmental attorney, evidence may be returned to the legal owner unless prohibited by law or the evidence is required in another court action. If the legal owner cannot be located, the law enforcement agency shall classify the property as prescribed in

section 2(2) and dispose of it pursuant to this act.

(6) Perishable property shall be released to the legal owner of the property. Pursuant to section 5, if the legal owner cannot be located or established, the property shall be disposed of pursuant to this act.

(7) All property of major value shall be returned to the legal owner when the law enforcement agency is reasonably satisfied of that ownership. If the legal owner is not located and after 6 months from the date of the notice as prescribed in section 5, the property shall be disposed of pursuant to this act.

(8) All property of minor value shall be returned to the legal owner when the law enforcement agency is reasonably satisfied of that ownership. If after 3 months the property has not been claimed by the legal owner, the property may be disposed of in any manner by the law enforcement agency.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

#### **434.25 Notice; property not claimed within 6 months.**

Sec. 5. (1) The law enforcement agency shall send a notice by first class mail to any known legal owner of collectible currency, currency, evidence, perishable property, or property of major value to the last known address of record. The notice shall contain the following information:

- (a) The date the property was found.
- (b) The type of property found.
- (c) The address where the property is located.
- (d) The cost of storage per day, if any.
- (e) A statement that the property must be claimed within 6 months of the date of the letter or the property shall be considered abandoned and disposed of under the provisions of this act.
- (f) The name of the law enforcement agency, the address, and the telephone number where the legal owner can obtain the property.

(2) Property described in subsection (1) not claimed within 6 months after the date of the notice may be disposed of pursuant to section 6.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

#### **434.26 Disposition of collectible currency, currency, perishable property, and property of major value; keeping, classifying, and disposing of property located in abandoned vehicle.**

Sec. 6. (1) Collectible currency, currency, perishable property, and property of major value that is not claimed as provided under section 5(2) shall be disposed of by the law enforcement agency as follows:

- (a) Unless the finder of the property cannot be located or does not want the property, return the property to the finder.
- (b) If the finder of the property cannot be located or does not want the property, do 1 of the following:
  - (i) Retain the property for use by the law enforcement agency.
  - (ii) Sell the property at a public sale and deposit the money from the sale in the general fund of the governmental unit of the law enforcement agency.
  - (iii) Release the property to a charitable organization as defined in section 2 of the charitable organizations and solicitations act, Act No. 169 of the Public Acts of 1975, being section 400.272 of the Michigan Compiled Laws.

(2) Property located in an abandoned vehicle shall be kept in a place of safekeeping. If the legal owner of the property is not located when the vehicle has been disposed of under the provisions regarding abandoned vehicles under the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being sections 257.1 to 257.923 of the Michigan Compiled Laws, the property shall be classified under section 2(2) and the property may be disposed of pursuant to section 5 and subsection (1).

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

#### **434.27 Jurisdiction; filing claim; hearing; notice; burden of establishing ownership; decision; liability for noncompliance.**

Sec. 7. (1) The following courts shall have jurisdiction regarding a dispute concerning the legal ownership of any found property:

- (a) A district court.
  - (b) A municipal court.
  - (c) A circuit court, if the amount in controversy exceeds \$10,000.00.
- (2) When a dispute concerning the ownership of found property arises, any person claiming ownership of the property may file a claim in 1 of the above courts having jurisdiction.
- (3) Upon receipt of the claim of ownership, the court shall do both of the following:
- (a) Schedule a hearing to be held within 30 days of the filing of the claim for the purpose of determining

the ownership of the property.

(b) Notify all persons claiming ownership of the property and the law enforcement agency of the date, time, and location of the hearing.

(4) The person claiming ownership of the property who files a claim shall have the burden of establishing ownership of the property at the hearing.

(5) The court shall make a decision within 10 days after the hearing as to the legal ownership of the property.

(6) Notwithstanding any other law, a state, county, city, municipality, township, governmental agency, or person shall not be criminally or civilly liable for complying with this act.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

#### **434.28 Applicability of act.**

Sec. 8. This act does not apply to abandoned property to which Act No. 214 of the Public Acts of 1979, being sections 434.181 to 434.184 of the Michigan Compiled Laws, applies.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

#### **434.29 Repeal of MCL 434.1 to 434.14.**

Sec. 9. Chapter 47 of the Revised Statutes of 1846, being sections 434.1 to 434.14 of the Michigan Compiled Laws, is repealed.

**History:** 1987, Act 273, Imd. Eff. Jan. 6, 1988.

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