



MICHIGAN SENATE

Appropriations Requests for Legislatively Directed Spending Items

Date Submitted: 04/23/2026

1. Sponsoring legislator's full name:

Senator Jonathan Lindsey

2. Cosponsoring legislators' names (if applicable):

Stephanie Chang, Jonathan Lindsey

3. Intended legislatively directed spending item recipient:

Michigan Association of County Treasurers, on behalf of Michigan's 83 counties

4. Physical address of legislatively directed spending item recipient and the intended location of the project or activity:

304 E Ludington Ave, Ludington, MI 49431

5. The recipient's employer identification number:

38-2363595

6. Requested amount of the legislatively directed spending item:

\$171,000,000.00

7. What is the purpose and how does the legislatively directed spending item provide a public benefit that is an appropriate use of taxpayer money?

Funding for this request would financially protect counties by reimbursing county treasurers' liabilities imposed by court decisions regarding property tax foreclosures. This request for \$171 reflects the estimated amount in liabilities for which counties will be responsible. This amount is scalable and reimbursements will take place over time. Seventy-eight Michigan counties operate under the General Property Tax Act as the Foreclosing Governmental Unit (FGU), charged with carrying out the tax foreclosure and property disposition and auction provisions of the law according to processes mandated by statute. Five counties are served by the State of Michigan acting as their FGU. In 2020, the Michigan Legislature unanimously passed PAs 255 and 256 of 2020, to provide processes allowing former owners of tax-foreclosed properties to receive excess proceeds above taxes owed from auction sales. Since

that time, multiple lawsuits have been filed challenging nearly every aspect of the laws. In 2024, the Michigan Supreme Court ruled in Schafer vs. Kent County that the procedures in PA 255 and 256 of 2020 applied retroactively for 6 years in cases where counties acted as FGUs and for 3 years in counties where the state itself was the FGU. These court decisions have created an undue cost for counties and taxpayers. Due to the combination of legal decision, Michigan counties are responsible for paying the above specified amount in liabilities claimants. These costs are being imposed on county treasurers and in turn, will be borne by Michigan taxpayers. Homeowners impacted by previous practices should be made whole for the negative impacts they faced, and county treasurers need state assistance to deliver this solution to their communities without further eroding local government services. This request will protect our counties and reimburse them for the expense of implementing Michigan statutes and case law. Total costs are estimated at \$171 million and, absent state intervention, will impact local governments' delivery of services. This funding will provide relief to elected county treasurers and their communities to address these liabilities.

8. Has the legislatively directed spending item previously received or been awarded any of the following types of funding in the past 5 years? If so, how much? Check all that apply:

N/A

Amount

N/A

9. Estimated time frame for completion of the legislatively directed spending item project:

Delivery target through fiscal year 2027, though ongoing claim redemption may result in continued for several years.

10. Is the recipient a nonprofit corporation?

No

Additional Information for Nonprofit Corporations (if applicable)

The answer to questions 1 to 3 must be "Yes" for the nonprofit corporation to qualify for a legislatively directed spending item.

1. Has the nonprofit corporation continuously operated in this state for the preceding 36 months?

No

2. Has the nonprofit corporation had a physical office in this state for not less than the preceding 12 consecutive months?

No

3. Does the organization have a board of directors?

No

4. List all of the officers and active members on the board of directors:

N/A

Certification By Sponsoring Legislator

"I certify that my immediate family members, legislative staff members, and I have no direct or indirect pecuniary interest in the requested legislatively directed spending item."

"I certify that the intended recipient of this legislatively directed spending item is not a for-profit entity."

"I certify that the information in this form is true to the best of my knowledge."

Senator Jonathan Lindsey