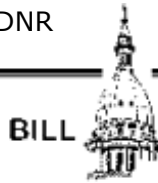




Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1097 (as introduced 3-16-04)

Sponsor: Senator Martha G. Scott

Committee: Natural Resources and Environmental Affairs

Date Completed: 9-13-04

CONTENT

The bill would amend Part 307 (Inland Lake Levels) of the Natural Resources and Environmental Protection Act to exempt the Department of Natural Resources (DNR) from special assessments levied to establish inland lake levels.

Part 307 authorizes a county board of commissioners, on its own motion or upon receiving a petition of two-thirds of the owners of land abutting an inland lake, to take steps to have the normal level of an inland lake determined. The county board may determine by resolution that all of part of the cost of a project to establish and maintain a normal lake level is to be defrayed by special assessments against privately owned parcels of land, political subdivisions of the State, and State-owned land under the DNR's jurisdiction that are benefited by the project. Under the bill, State-owned land the DNR's jurisdiction would not be subject to a special assessment.

("Inland lake" means a natural or artificial lake, pond, or impoundment, or part of one of those bodies of water. It does not include the Great Lakes or Lake St. Clair.)

MCL 324.30711

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would result in savings for the State. Although not assessed in every fiscal year, the State's payment obligation to counties for inland lake level control projects may vary from \$20,000 to \$150,000 in any year. According to the DNR, sufficient appropriations for these payments have been provided only once in the past 10 years. In order to receive payment from the State, counties have been filing court claims and collecting revenue pursuant to court judgments. The bill would end this obligation of the State.

For local units of government, collections from lake level special assessments could be lower since the State would no longer be paying a portion of the total, or other land owners on the lake would have to pay a greater amount to reach the required revenue for the lake level control project. However, any lost revenue for counties could be partially offset due to fewer court expenses since the State does not usually pay the court costs when sued by a county for these payments.

Fiscal Analyst: Jessica Runnels

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.