



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

House Bill 4643 (as passed by the House) Sponsor: Representative Marie Donigan

House Committee: Agriculture Senate Committee: Agriculture

Date Completed: 2-6-08

CONTENT

The bill would amend Chapter 10 of the Drain Code (which deals with inspection and approval of construction and payment for drains) to require any legal expenses to be paid out of the drain fund of a drainage district or the revolving drain fund, rather than the revolving drain fund only.

The Code permits a county drain commissioner to employ an attorney when considered necessary. Any legal expenses must be charged to the drain districts for which the commissioner is employed. All such expenses must be paid out of the revolving drain fund, which must be reimbursed by the first money available.

Under the bill, any legal expenses, including litigation and witness fee expenses, judgments or orders and the costs of any judgments or orders entered against a drainage district, and attorney fees, would have to be paid out of the drain fund of the drainage district or the revolving drain fund, and assessed to the drainage district to reimburse the revolving drain fund in accordance with Chapter 12 of the Code.

(Chapter 12 provides for the creation and use of counties' revolving drain funds, and requires a county treasurer to keep a record of the amount of money paid from the revolving fund for the use and benefit of any particular drainage district. Upon receiving taxes assessed in the drainage district, the county treasurer must transfer to the revolving fund a proportional amount of the sum spent, based on the number of installments of taxes.)

MCL 280.247 Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: David Zin

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