

SENATE BILL NO. 662

November 09, 2023, Introduced by Senators BAYER, CHANG, SHINK and GEISS and referred to the Committee on Local Government.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 30701, 30716, and 30717 (MCL 324.30701, 324.30716, and 324.30717), section 30701 as added by 1995 PA 59, section 30716 as amended by 2002 PA 216, and section 30717 as amended by 2002 PA 217.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1** Sec. 30701. As used in this part:
- 2** (a) "Commissioner" means the county drain commissioner, or the
- 3** **board of** county road ~~commission~~**commissioners** in counties not

1 having a drain commissioner. ~~and, However,~~ if more than 1 county
2 is involved, ~~each of commissioner means~~ the drain commissioners or
3 drain commissioner and road commission in counties having no drain
4 commissioner. **commissioner or board of county road commissioners, as**
5 **applicable, for each county.**

6 (b) "County board" means the county board of commissioners. ~~and~~ ~~However,~~
7 if more than 1 county is involved, ~~the boards~~ **county**
8 **board means the county board** of commissioners of each of those
9 counties.

10 (c) "Court" means a circuit court. ~~and~~ ~~However,~~ if more than
11 1 judicial circuit is involved, **court means** the circuit court
12 designated by the county board or otherwise authorized by law to
13 preside over an action.

14 (d) "Dam" means an artificial barrier, structure, or facility,
15 and appurtenant works, used to regulate or maintain the level of an
16 inland lake.

17 (e) "Delegated authority" means the county drain commissioner
18 or any other person designated by the county board to perform
19 duties required under this part.

20 (f) "Inland lake" means a natural or artificial lake, pond,
21 impoundment, or a part of 1 of those bodies of water. Inland lake
22 does not include the Great Lakes or Lake St. Clair.

23 (g) "Interested person" means the department and a person who
24 has a record interest in the title to, a right of ingress to, or a
25 reversionary right to land that would be affected by a permanent
26 change in the natural or normal level of an inland lake.

27 (h) "Normal level" means the level or levels of the water of
28 an inland lake that provide the most benefit to the public; that
29 best protect the public health, safety, and welfare; that best

1 preserve the natural resources of ~~the~~**this** state; and that best
2 preserve and protect the value of property around the **inland** lake.
3 A normal level shall be measured and described as an elevation
4 based on ~~national~~**a geodetic vertical datum or elevations based on**
5 **geodetic vertical datums including those that may define a range of**
6 **operations based on tolerance, operational or weather conditions,**
7 **seasonality, or other regional specific issues. An inland lake**
8 **shall be considered to be maintained at its normal level during**
9 **temporary variations resulting from weather or natural events or if**
10 **a county or its delegated authority operates lake level**
11 **infrastructure in a manner that may fluctuate an inland lake's**
12 **level from an elevation or elevations based on a geodetic datum but**
13 **is reasonably intended to maintain an elevation or elevations based**
14 **on a geodetic datum established as a normal level. The application**
15 **of this definition includes, but is not limited to, all normal**
16 **levels established before the effective date of the amendatory act**
17 **of the 2023-2024 legislative session that amended this section.**

18 (i) "Normal level project" means a project to establish or
19 maintain a normal level.

20 Sec. 30716. (1) With approval of the county board ~~and subject~~
21 ~~to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to~~
22 **141.2821, and pursuant to section 30705,** the district may issue
23 bonds or notes that ~~shall be~~**are** payable by special assessments
24 under this part. **Except as provided in subsection (2) and section**
25 **30717(3), the issuance of the bonds and notes is subject to the**
26 **revised municipal finance act, 2001 PA 34, MCL 141.2101 to**
27 **141.2821.** Bonds or notes shall not be issued exceeding the cost of
28 the lake level project that is being financed.

29 (2) Notwithstanding any other provision of this part, bonds,

1 notes, and other obligations issued under this part are exempt from
 2 section 505 of the revised municipal finance act, 2001 PA 34, MCL
 3 141.2505.

4 Sec. 30717. (1) ~~The delegated authority may accept the advance~~
 5 ~~of work, material, or money in connection with a normal level~~
 6 ~~project. The obligation to repay an advance out of special~~
 7 ~~assessments under this part may be evidenced by a note or contract.~~
 8 ~~Notes and contracts issued under this section are subject to the~~
 9 ~~revised municipal finance act, 2001 PA 34, MCL 141.2101 to~~
 10 ~~141.2821.~~ A special assessment district under this part may borrow
 11 money or accept an advance of work, material, or money from a
 12 public or private corporation, a partnership, an association, an
 13 individual, or the federal government or any agency of the federal
 14 government for payment of financing of any costs in connection with
 15 a normal level project, including all of the following:

- 16 (a) Costs of easement and land acquisition.
- 17 (b) Engineering fees.
- 18 (c) Financing costs.
- 19 (d) Legal fees.
- 20 (e) Costs of a preliminary, feasibility, practicability,
 21 environmental assessment, or impact study.
- 22 (f) Any other permissible costs under this part.

23 (2) The special assessment district shall pay or provide
 24 reimbursement for the obligations under subsection (1), with or
 25 without interest as may be agreed, when funds are available. The
 26 obligation of the special assessment district under this subsection
 27 may be evidenced by a contract or note. The contract or note may
 28 pledge the full faith and credit of the special assessment district
 29 and may be made payable out of any of the following:

1 (a) Assessments made or to be made against public corporations
2 at large, or against lands in the special assessment district.

3 (b) The proceeds of lake level orders, notes, or bonds issued
4 by the special assessment district pursuant to this act.

5 (c) Any other available funds.

6 (3) A contract or note described in subsection (2) is not
7 subject to the revised municipal finance act, 2001 PA 34, MCL
8 141.2101 to 141.2821, unless the principal amount of the obligation
9 is more than \$600,000.00. However, if the principal amount of the
10 obligation is \$600,000.00 or less, the contract or note is subject
11 to the agency financing reporting act, 2002 PA 470, MCL 129.171 to
12 129.177. Projects in which advances or loans are made by any public
13 corporation, the federal government, or any agency of the federal
14 government are not subject to either the revised municipal finance
15 act, 2001 PA 34, MCL 141.2101 to 141.2821, or the agency financing
16 reporting act, 2002 PA 470, MCL 129.171 to 129.177.

17 (4) The county board of commissioners by a majority vote of
18 its members may pledge the full faith and credit of the county for
19 the payment of a contract or note of the special assessment
20 district.

21 (5) All notes previously issued under this section shall be
22 considered to have been validly issued.