

DISSOLVE LAKE BOARD OF A PRIVATE LAKE

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House Bill 5630

Sponsor: Rep. Joel Sheltrown

Committee: Tourism, Outdoor Recreation, and Natural Resources

Complete to 1-25-08

A SUMMARY OF HOUSE BILL 5630 AS INTRODUCED 1-17-08

The bill would amend Part 451 (Inland Lake Improvements) of the Natural Resources and Environmental Protection Act so requirements that currently apply to dissolving the lake board of a *public* lake would also apply to the dissolution of a lake board for a *private* lake. Under the act, a "**public inland lake**" means "a lake that is accessible to the public by publicly owned lands or highways contiguous to publicly owned lands or by the bed of a stream, except the Great Lakes and connecting waters." A "**private inland lake**" means "an inland lake other than a public inland lake."

The existing requirements for dissolving a lake board are:

- Approval by local governmental unit after public hearing. The governing body of each local unit of government in which all or part of the lake is located must (1) hold a public hearing on the proposed dissolution, (2) determine that the lake board is no longer necessary for the improvement of the lake because the reasons for its establishment no longer exist, and (3) approve the dissolution.
- Initiation of hearing. A public hearing to dissolve the board may be initiated by either (1) the governing body of a local governmental unit in which all or part of the lake is located, or (2) a petition from two thirds of the freeholders owning land abutting the lake.
- Notice of hearing. Two notices must be published in a newspaper of general circulation in each local unit of government in which all or part of the lake is located. The first notice must be published at least ten days before the hearing.
- Payment of debts and expenses. All outstanding debts and expenses of the board must be paid in full.
- Distribution of remaining funds. Any excess funds of the lake board are to be refunded based on the last approved special assessment roll, unless the amount is de minimis, in which case the funds are to be distributed to the local units of government in which all or part of the lake is located in accordance with the act.
- Approval by lake board. The lake board must adopt an order approving its own dissolution based on a determination that it is no longer necessary for the improvement of the lake, because the reasons for its establishment no longer exist.

MCL 324.30929

FISCAL IMPACT:

The bill would have no fiscal impact on the state or local governmental units.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.