

**SUBSTITUTE FOR  
SENATE BILL NO. 662**

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  
4 having a drain commissioner. ~~and, However,~~ if more than 1 county  
5 is involved, ~~each of commissioner means~~ the drain ~~commissioners or~~  
6 ~~drain commissioner and road commission in counties having no drain~~

1 commissioner **or board of county road commissioners, as applicable,**  
 2 **for each county.**

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

7 (c) "Court" means a circuit court. ~~7-and-However,~~ if more than  
 8 1 judicial circuit is involved, **court means** the circuit court  
 9 designated by the county board or otherwise authorized by law to  
 10 preside over an action.

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

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

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

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

24 (h) "Normal level" means the **target** level or levels of the  
 25 water of an inland lake, **around which actual levels may fluctuate,**  
 26 that provide the most benefit to the public; that best protect the  
 27 public health, safety, and welfare; that best preserve the natural  
 28 resources of ~~the-~~**this** state; and that best preserve and protect the  
 29 value of property around the **inland** lake. A normal level shall be

1 measured and described as an elevation **or elevations** based on  
 2 ~~national~~**a geodetic vertical datum including ranges based on**  
 3 **tolerance, operational or weather conditions, seasonality, or other**  
 4 **similar natural and regional considerations. An inland lake shall**  
 5 **be considered to be maintained at its normal level during temporary**  
 6 **water level fluctuations resulting from weather or natural events,**  
 7 **during authorized construction activities, or if a county or its**  
 8 **delegated authority operates lake level infrastructure in a manner**  
 9 **that may affect water levels but is reasonably intended to maintain**  
 10 **a normal level. The application of this definition includes, but is**  
 11 **not limited to, all normal levels established before the effective**  
 12 **date of the amendatory act of the 2023-2024 legislative session**  
 13 **that amended this section.**

14 (i) "Normal level project" means a project to establish or  
 15 maintain a normal level.

16 Sec. 30716. (1) With approval of the county board ~~and subject~~  
 17 ~~to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to~~  
 18 ~~141.2821,~~ **and pursuant to section 30705,** the district may issue  
 19 bonds or notes that ~~shall be~~**are** payable by special assessments  
 20 under this part. **Except as provided in subsection (2) and section**  
 21 **30717(3), the issuance of the bonds and notes is subject to the**  
 22 **revised municipal finance act, 2001 PA 34, MCL 141.2101 to**  
 23 **141.2821.** Bonds or notes shall not be issued exceeding the cost of  
 24 the lake level project that is being financed.

25 (2) **Notwithstanding any other provision of this part, bonds,**  
 26 **notes, and other obligations issued under this part are exempt from**  
 27 **section 505 of the revised municipal finance act, 2001 PA 34, MCL**  
 28 **141.2505.**

29 Sec. 30717. (1) ~~The delegated authority may accept the advance~~

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

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

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

- 26 (a) Assessments made or to be made against public corporations
- 27 at large or against lands in the special assessment district.
- 28 (b) The proceeds of lake level orders, notes, or bonds issued
- 29 by the special assessment district pursuant to this act.

1 (c) Any other available funds.

2 (3) A contract or note described in subsection (2) is not  
3 subject to the revised municipal finance act, 2001 PA 34, MCL  
4 141.2101 to 141.2821, unless the principal amount of the obligation  
5 is more than \$600,000.00. However, if the principal amount of the  
6 obligation is \$600,000.00 or less, the contract or note is subject  
7 to the agency financing reporting act, 2002 PA 470, MCL 129.171 to  
8 129.177. Projects in which advances or loans are made by any public  
9 corporation, the federal government, or any agency of the federal  
10 government are not subject to either the revised municipal finance  
11 act, 2001 PA 34, MCL 141.2101 to 141.2821, or the agency financing  
12 reporting act, 2002 PA 470, MCL 129.171 to 129.177.

13 (4) The county board of commissioners by a majority vote of  
14 its members may pledge the full faith and credit of the county for  
15 the payment of a contract or note of the special assessment  
16 district.

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