

**THE DRAIN CODE OF 1956 (EXCERPT)**  
**Act 40 of 1956**

**280.547a Surplus construction funds; disposition; use.**

Sec. 547a.

(1) After the construction of a county drain for which none of the financing is obtained through special assessments under section 539, the drainage board shall provide for an amount from surplus construction funds sufficient to inspect, repair, and maintain the drain as provided in section 196. After providing for inspection, repair, and maintenance, the drainage board may apportion the balance of the surplus construction funds to separate accounts to the credit of the public corporations against which the cost of the drain is assessed. The funds shall be credited in direct proportion to amounts assessed and collected from the public corporations.

(2) Funds in an account apportioned to the credit of a public corporation under this section shall be used only for the following:

- (a) To pay principal and interest on bonds issued to finance the drain for which the assessment is imposed.
- (b) If bonds are not sold, to pay assessments due from the public corporation.
- (c) At the request of the public corporation, to alleviate drainage problems in that public corporation.

**History:** Add. 1988, Act 34, Imd. Eff. Feb. 25, 1988 ;-- Am. 1989, Act 149, Imd. Eff. July 14, 1989

**Popular Name:** Act 40