



Senate Fiscal Agency
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Senate Bill 864 (as introduced 2-9-22)
Sponsor: Senator Kevin Daley
Committee: Local Government

Date Completed: 6-16-22

CONTENT

The bill would amend the Drain Code to do the following:

- **Allow a drain commissioner or drainage board, any time the drain fund of a drainage district contained less than \$10,000 per mile or fraction of a mile of a drain, to assess the drain district for an amount no greater than \$5,000 per mile or fraction of a mile in any one year.**
- **Increase the amount, from \$5,000 to \$10,000, the drain commissioner or drainage board could spend for maintenance or repair of a drain to keep it in working order.**

The Code allows a drain commissioner or drainage board, any time the drain fund of a drainage district contains less than \$5,000 per mile or fraction of a mile of a drain, to assess the drainage district for an amount not to exceed \$2,500 per mile or fraction of a mile in any one year. Instead, under the bill, if the fund contained less than \$10,000 per mile or fraction of mile of a drain, the commissioner could assess the district for an amount not exceeding \$5,000 per mile or fraction of a mile in any one year.

Under the Code, if an inspection discloses the necessity of expending money for the maintenance or repair of a drain to keep it in working order, the drain commissioner for a county drain or the drain board for an intercounty drain may without petition spend an amount not to exceed \$5,000 in any one year. The bill would increase this amount to \$10,000.

MCL 280.196

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bill would have no fiscal impact on State and would have an indeterminate fiscal impact on local governments. The bill would amend the Drain Code to increase the specified minimum amount that must be available in the drain fund of any drainage district. Additionally, the bill would increase the amount assessed to drain districts when the required minimum amount is not fulfilled, and increase the amount drain commissioners are permitted to spend for maintenance and repair of drains located within the drain district.

The bill would have no fiscal impact on State government but could increase local government revenue and expenses by an unknown amount. The number of municipalities that have drain funds with balances between \$5,000 and \$10,000 per mile of drain is unknown, as is the amount that would be assessed as a result of the bill. Similarly, it is unknown how many drains require maintenance and repair that would cost between \$5,000 and \$10,000 per mile

of drain. The bill likely would result in an overall increase in available funds for drain districts to use on projects; however, the extent of any increase is unknown.

Fiscal Analyst: Chris Semrinec

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.