



SENATE BILL No. 1115

September 10, 1996, Introduced by Senator BOUCHARD and referred to the Committee on Finance.

A bill to amend sections 626, 628, and 629 of Act No. 40 of the Public Acts of 1956, entitled as amended "The drain code of 1956," being sections 280.626, 280.628, and 280.629 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 626, 628, and 629 of Act No. 40 of the
2 Public Acts of 1956, being sections 280.626, 280.628, and 280.629
3 of the Michigan Compiled Laws, are amended to read as follows:

4 Sec. 626. (1) When 2 or more public corporations other
5 than the state or a county or counties are to be assessed, the
6 drainage board, or if appropriate in chapter 21 proceedings, the
7 drain commissioner, may determine that costs to be assessed to
8 the public corporations, in excess of those apportioned for
9 drainage to state or county highways, shall not be apportioned by

1 the establishment of a fixed percentage of costs to be borne by
2 each public corporation, but that the costs shall be assessed at
3 large to all of the public corporations in the aggregate, ~~and~~
4 ~~apportioned annually between the public corporations on the basis~~
5 ~~of the relative valuations, as equalized, of each within the area~~
6 ~~served by the drain,~~ if the drainage board or drain commissioner
7 ~~shall determine~~ DETERMINES that this method of apportionment
8 will more fairly result in the costs of the drain being appor-
9 tioned in accordance with the benefits to be derived.

10 ~~therefrom.~~ COSTS ASSESSED UNDER THIS SECTION BEFORE JANUARY 1,
11 1997 SHALL BE APPORTIONED ANNUALLY BETWEEN THE PUBLIC CORPORA-
12 TIONS ON THE BASIS OF THE RELATIVE VALUATIONS, AS EQUALIZED, OF
13 EACH PUBLIC CORPORATION WITHIN THE AREA SERVED BY THE DRAIN.

14 COSTS ASSESSED UNDER THIS SECTION AFTER DECEMBER 31, 1996 SHALL
15 BE APPORTIONED ANNUALLY BETWEEN THE PUBLIC CORPORATIONS ON THE
16 BASIS OF THE TAXABLE VALUE OF EACH WITHIN THE AREA SERVED BY THE
17 DRAIN. Notice of tentative apportionment ~~in the foregoing~~
18 ~~manner~~ UNDER THIS SECTION shall include a calculation of the
19 apportionment of costs between public corporations assessed in
20 the aggregate based on the latest available valuations. AS USED
21 IN THIS SECTION, SECTION 628, AND SECTION 629, "TAXABLE VALUE"
22 MEANS THAT VALUE DETERMINED UNDER SECTION 27A OF THE GENERAL
23 PROPERTY TAX ACT, ACT NO. 206 OF THE PUBLIC ACTS OF 1893, BEING
24 SECTION 211.27A OF THE MICHIGAN COMPILED LAWS.

25 Sec. 628. On or before June 1 of each year, or, if neces-
26 sary in connection with notification of the due date of the
27 initial installment only at any appropriate time, the ~~chairman~~

1 CHAIRPERSON of the drainage board shall notify each public
2 corporation to which costs are apportioned as provided in this
3 chapter of the installment of assessment and interest ~~thereon~~
4 coming due before the next June 1. On or before the due date of
5 an installment, each public corporation shall pay to the county
6 treasurer the full amount, together with interest accruing to the
7 due date. Failure to notify a public corporation shall not
8 excuse it from making payment of the installment and interest.
9 In determining the amounts due from public corporations assessed
10 in the aggregate BEFORE JANUARY 1, 1997, the ~~chairman~~
11 CHAIRPERSON shall calculate the total state equalized valuation
12 of each PUBLIC CORPORATION within the area served by the drain
13 and shall assign to each public corporation as its annual
14 installment the same percentage of the total aggregate install-
15 ment next falling due as the state equalized valuation of the
16 public corporation within the area served by the drain bears to
17 the total state equalized valuation within the area served by the
18 drain. In making those calculations, the ~~chairman~~ CHAIRPERSON
19 shall use the state equalized valuation for the latest year in
20 which the valuations are finalized for the public corporations so
21 assessed, even though the valuations may no longer be current.
22 IN DETERMINING THE AMOUNTS DUE FROM PUBLIC CORPORATIONS ASSESSED
23 IN THE AGGREGATE AFTER DECEMBER 31, 1996, THE CHAIRPERSON SHALL
24 CALCULATE THE TOTAL TAXABLE VALUE OF EACH WITHIN THE AREA SERVED
25 BY THE DRAIN AND SHALL ASSIGN TO EACH PUBLIC CORPORATION AS ITS
26 ANNUAL INSTALLMENT THE SAME PERCENTAGE OF THE TOTAL AGGREGATE
27 INSTALLMENT NEXT FALLING DUE AS THE TAXABLE VALUE OF THE PUBLIC

1 CORPORATION WITHIN THE AREA SERVED BY THE DRAIN BEARS TO THE
2 TOTAL TAXABLE VALUE WITHIN THE AREA SERVED BY THE DRAIN. IN
3 MAKING THOSE CALCULATIONS, THE CHAIRPERSON SHALL USE THE TAXABLE
4 VALUE FOR THE LATEST YEAR IN WHICH THE VALUATIONS ARE FINALIZED
5 FOR THE PUBLIC CORPORATIONS SO ASSESSED, EVEN THOUGH THE VALUA-
6 TIONS MAY NO LONGER BE CURRENT. If noncurrent valuations are
7 used, the drainage board may determine to adjust later payments
8 when valuations are finalized if the board in its sole discretion
9 ~~shall determine~~ DETERMINES THAT the adjustment ~~to be~~ IS nec-
10 essary to properly apportion costs between public corporations
11 ~~so~~ assessed.

12 Sec. 629. In calculating amounts of assessments chargeable
13 against debt limitations of public corporations assessed under
14 this chapter BEFORE JANUARY 1, 1997, each public corporation
15 shall be charged with the same percentage of the total aggregate
16 at large assessment as the state equalized valuation of the
17 public corporation within the area served by the drain bears to
18 the total state equalized valuation within the area served by the
19 drain. The state equalized valuations used in those calculations
20 shall be those used in the latest notification of installment
21 sent by the ~~chairman~~ CHAIRPERSON pursuant to section 628, and
22 ~~prior thereto~~ shall be the latest STATE EQUALIZED valuations
23 available. IN CALCULATING AMOUNTS OF ASSESSMENTS CHARGEABLE
24 AGAINST DEBT LIMITATIONS OF PUBLIC CORPORATIONS ASSESSED UNDER
25 THIS CHAPTER AFTER DECEMBER 31, 1996, EACH PUBLIC CORPORATION
26 SHALL BE CHARGED WITH THE SAME PERCENTAGE OF THE TOTAL AGGREGATE
27 AT LARGE ASSESSMENT AS THE TAXABLE VALUE OF THE PUBLIC

1 CORPORATION WITHIN THE AREA SERVED BY THE DRAIN BEARS TO THE
2 TOTAL TAXABLE VALUE WITHIN THE AREA SERVED BY THE DRAIN. THE
3 TAXABLE VALUES USED IN THOSE CALCULATIONS SHALL BE THOSE USED IN
4 THE LATEST NOTIFICATION OF INSTALLMENT SENT BY THE CHAIRPERSON
5 PURSUANT TO SECTION 628, AND SHALL BE THE LATEST TAXABLE VALUES
6 AVAILABLE.