

# HOUSE BILL NO. 6318

June 30, 2022, Introduced by Reps. Morse, Slagh, Kuppa, Young, Ellison, Cavanagh, Aiyash, Weiss, Calley and Filler and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 1956 PA 40, entitled  
"The drain code of 1956,"  
by amending sections 559, 560, 561, 562, 563, 564, 565, 569, 570, 571, 572, 573, 574, 576, 577, 578, 580, 581, 582, and 583 (MCL 280.559, 280.560, 280.561, 280.562, 280.563, 280.564, 280.565, 280.569, 280.570, 280.571, 280.572, 280.573, 280.574, 280.576, 280.577, 280.578, 280.580, 280.581, 280.582, and 280.583), section 569 as amended by 2016 PA 27, and by adding sections 561b, 561d, 564b, and 569b; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        Sec. 559. ~~Any assessment of any nature or kind determined or~~  
2 ~~made under the provisions of this chapter shall be based upon~~  
3 ~~benefits to the public corporation assessed and upon the extent to~~  
4 ~~which such public corporation contributes to the conditions which~~  
5 ~~make a project necessary: Provided, That assessments against the~~  
6 ~~state shall be based solely upon the drainage or prevention of~~  
7 ~~flooding of state highways, and those against the county shall be~~  
8 ~~based solely upon the drainage or prevention of flooding of its~~  
9 ~~county highways. This rule shall govern the director of~~  
10 ~~agriculture, the commission, the board, drain commissioners and any~~  
11 ~~other person in any action relating to determining public~~  
12 ~~corporations to be assessed and in the making of assessments.~~**After**  
13 **a water management district is established under section 558, lands**  
14 **or a public corporation may be eliminated from or added to those**  
15 **determined to be assessed under section 558, in the same manner as**  
16 **provided in section 197 for a drainage district.**

17        Sec. 560. (1) ~~The board shall secure the approval of the~~  
18 ~~Michigan water resources commission of the preliminary plans for~~  
19 ~~the project, as soon as may be reasonably possible, and before~~  
20 ~~procuring detailed plans. After approval by the water resources~~  
21 ~~commission of the preliminary plans and after the board has made~~  
22 ~~its preliminary order of determination, the board shall secure~~  
23 ~~detailed plans for the project from a competent engineer and such~~  
24 ~~other qualified personnel as are necessary. The detailed plans~~  
25 ~~shall include detailed plans and specifications of the project and~~  
26 ~~an estimate of costs of the project. The detailed plans shall be~~  
27 ~~submitted to the water resources commission for its approval, and~~  
28 ~~no construction shall be undertaken until the detailed plans are~~  
29 ~~approved. The board shall also submit the detailed plans to the~~

~~water management commission for approval before any construction of the project is undertaken. The commission shall review the plans and either adopt them or recommend revisions. Revisions recommended by the commission shall be submitted by the board to the water resources commission for approval as hereinbefore provided. When the detailed plans have been approved by both the water management commission and water resources commission, they shall be known as the "official plans" and shall be filed with the secretary of the board. In approving the plans, the commission shall not be limited to matters described in the petition.~~**After entering a necessity order, a water management board shall cause to be prepared a proposed water management plan. The water management board shall retain the necessary qualified personnel to provide an analysis and recommendations for the water management plan. The water management board may appoint advisory committees, at its discretion, for assistance with any aspect of the development of the water management plan.**

(2) If the drain commissioner of an affected county directly or indirectly maintains an official internet presence, the commissioner shall post the proposed water management plan on a portion of the website that is fully accessible to the public and maintain the posting for not less than 30 days. If a drain commissioner does not maintain an official internet presence, the proposed water management plan shall be so posted and maintained on the county website. The posting shall include notice of a 30-day comment period and a postal mailing and email address for submitting comments.

(3) The water management board shall consider the comments timely received under subsection (2) and do 1 of the following:

(a) Approve the proposed water management plan, with or without modification.

(b) Reject the proposed water management plan if the board finds that there is no feasible water management program.

(4) If the water management board rejects the proposed water management plan, both of the following apply:

(a) The water management board or commission, as applicable, shall enter an order dismissing the petition.

(b) Another such petition shall not be filed for 1 year.

(c) The costs of the proceedings related to the petition shall be assessed to the water management district.

(5) This section does not apply if a water management plan for the water management district has already been approved under this chapter, unless the petition under section 552 seeks to amend the plan.

Sec. 561. ~~(1) After adoption of the official plans, the commission shall proceed to tentatively establish~~ **For a water management district with lands in 2 or more counties, if the water management board approves the water management plan, the water management board shall determine the percentage of the cost of the project to be assessed against public corporations within described in section 573 to be apportioned to each county. within the district, and against the state and counties on account of drainage and prevention of flooding of state and county highways. The percentage of cost so apportioned to public corporations in each county shall then be apportioned by the commission among public corporations to be assessed in such county, which determination shall be filed with the secretary of the board.**

(2) If the drain commissioner of an affected county considers

1 the apportionment under subsection (1) to be unfair, the  
2 commissioner may, within 20 days after the apportionment is made,  
3 file with the director a request for review by a board of review.  
4 The request shall be signed by the drain commissioner and include  
5 both of the following:

6 (a) A brief statement of the reason the drain commissioner  
7 considers the apportionment to be unfair.

8 (b) The drain commissioner's selection of a disinterested  
9 drain commissioner from an unaffected county to serve on the board  
10 of review.

11 (3) Within 10 days after receipt of the request for review,  
12 the director shall forward to the drain commissioner of each  
13 affected county, except the drain commissioner making the request  
14 for review, a copy of the request. Within 10 days after receipt of  
15 the request from the director, a drain commissioner shall notify  
16 the department of the drain commissioner's selection of a  
17 disinterested drain commissioner from an unaffected county to serve  
18 on the board of review. The director, at the earliest date  
19 consistent with the open meetings act, 1976 PA 267, MCL 15.261 to  
20 15.275, but not later than 30 days after forwarding the request  
21 under this subsection, shall notify the chosen drain commissioners  
22 of the date and time for a meeting of the board of review in the  
23 department's office in Lansing.

24 (4) At the meeting, the drain commissioners shall select 1 or  
25 2 additional disinterested drain commissioners from unaffected  
26 counties to complete the board of review. One shall be selected if  
27 an even number of members were selected by the drain commissioners  
28 from affected counties. Two shall be selected if an odd number of  
29 members were selected by the drain commissioners from affected

1 counties. Upon selection of the final members of the board of  
2 review, those members present shall determine a date, time, and  
3 place in an affected county for a meeting of the full board of  
4 review.

5 (5) The director shall notify the drain commissioner or  
6 commissioners selected under subsection (4) of their appointment  
7 and of the date, time, and place of the meeting of the full board  
8 of review. At least 10 days before the meeting of the full board of  
9 review, the drain commissioner of each affected county shall serve  
10 notice of the meeting on the county clerk of the county personally  
11 or by certified mail.

12 (6) At the time, date, and place determined under subsection  
13 (4), the board of review shall convene, elect a chairperson and  
14 secretary, and review the fairness of the apportionment between the  
15 counties. The determination by the majority of the board of review  
16 as to the fairness of the apportionment shall be made by the  
17 affirmative vote of a majority of its members and signed by those  
18 members. The determination is final and conclusive.

19 Sec. 561b. (1) If a water management board approves a water  
20 management plan, the board shall prepare and enter a water  
21 management program order.

22 (2) The water management program order shall describe 1 or  
23 more activities to be performed by the water management board on  
24 behalf of the water management district. The activities selected  
25 shall be consistent with 1 or more of the recommendations in the  
26 water management plan.

27 (3) If the water management district involves 2 or more  
28 counties, the water management program order shall also specify the  
29 final apportionment between counties determined under section 561.

1       Sec. 561d. (1) After a water management program order is  
2 entered under section 561b, the water management board shall  
3 acquire the necessary lands or property rights for the water  
4 management program. If the lands or property rights cannot be  
5 acquired by negotiation, the water management board may acquire the  
6 lands or property rights by condemnation pursuant to the uniform  
7 condemnation procedures act, 1980 PA 87, MCL 213.51 to 213.75.

8       (2) If the federal government participates in the water  
9 management program in any manner, the lands or property rights may  
10 be acquired through proceedings brought by the federal government  
11 under an appropriate federal statute. If the lands or property  
12 rights are acquired under a federal statute, the amount of the  
13 awards in the federal proceeding shall be considered to be a part  
14 of the cost of the water management program to the same extent as  
15 if the proceedings were conducted under the laws of this state.

16       Sec. 562. ~~(1) After the tentative apportionments of costs have~~  
17 ~~been made, the board shall set a time, date, and place it will meet~~  
18 ~~and hear objections to the apportionments. Notice of the hearing~~  
19 ~~shall be published twice in each county involved by inserting the~~  
20 ~~notice in at least 1 newspaper designated by the board and~~  
21 ~~published in the county. The first publication is to be not less~~  
22 ~~than 20 days before the time of hearing. The notice shall also be~~  
23 ~~sent by registered mail to the clerk or secretary of each public~~  
24 ~~corporation proposed to be assessed, except that a notice to the~~  
25 ~~state shall be sent to the state highway director and the director~~  
26 ~~of the department of natural resources and a notice to a county~~  
27 ~~shall be sent both to the county clerk and the county road~~  
28 ~~commission. The mailing shall be made not less than 20 days before~~  
29 ~~the time of the hearing. The notice shall be signed by the~~

~~secretary and proof of the publication and mailing of the notice shall be filed with the secretary. The board may provide a form to be substantially followed in the giving of the notice. The notice shall include tentative apportionments to the several public corporations. After the hearing, the board shall make a written report of its findings on the apportionments to the commission, which may either confirm the apportionments as tentatively made or may recommend readjustments of any apportionments considered inequitable.~~ **As necessary for all or portions of the water management program, a water management board shall receive bids for construction for the water management program. The water management board shall advertise for the receipt of construction bids at a specified time, date, and location. If the drain commissioner of an affected county directly or indirectly maintains an official internet presence, the commissioner shall post the advertisement for the receipt of bids on a portion of the website that is fully accessible to the public at least 10 days before the date set for the receipt of bids and shall maintain the posting through that date. If a drain commissioner does not maintain an official internet presence, the advertisement shall be so posted and maintained on the county website.**

**(2) The water management board shall compute the cost described in section 573. The computation shall be open to inspection at the day of review.**

~~Sec. 563. (1) The commission shall meet for the purpose of considering the apportionments and report made by the board. The commission may readjust the apportionments: Provided, That before any readjusted apportionments shall be confirmed, the commission shall set a time and a place for rehearing and shall give notice~~



~~thereof and hold a hearing thereon, as provided in section 562,~~  
~~which notice shall also set forth the apportionments as readjusted.~~  
~~The commission shall then issue its order setting forth the several~~  
~~apportionments as confirmed, which order shall be known as the~~  
~~"final order of apportionment". All further action with respect to~~  
~~the project shall be taken by the board: Provided, That the~~  
~~commission may be reconvened at the call of its chairman, any 2~~  
~~members thereof, or at the request of the board for the purpose of~~  
~~making any correction or addition to its proceedings within the~~  
~~scope of its powers: And provided further, That the commission~~  
~~shall meet at least once annually. At its annual meeting the~~  
~~commission shall elect a member of the board, approve assessments~~  
~~for operation and maintenance, approve a work plan for the district~~  
~~for the ensuing year, and conduct such other business as is within~~  
~~its powers under the provisions of this act. The commission may~~  
~~appoint such advisory committees as it deems necessary.~~**After a**  
**water management program order is entered and, for proceedings**  
**involving 2 or more counties, the apportionment between the**  
**counties under section 561 is final, the drain commissioner for**  
**each affected county shall apportion the benefits for the water**  
**management program within the drain commissioner's county. The**  
**benefits shall be apportioned in the manner provided in chapter 7**  
**and this section. The apportionment of benefits is subject to**  
**review and correction and may be appealed as provided in chapter 7.**

(2) If a drain commissioner would be disqualified under  
chapter 16 from making an apportionment of benefits, a special  
commissioner shall be appointed to apportion benefits. The special  
commissioner's salary and expenses shall be paid in the manner  
provided in chapter 16.

1           (3) Benefits of a water management program shall be  
2 appportioned as follows:

3           (a) To owners of land in the water management district for  
4 benefits derived. This subdivision does not apply to land described  
5 in section 280(2)(a) to (e).

6           (b) At large, to a municipality, for benefits to public  
7 health.

8           (c) To this state, a county, or a city or village for benefits  
9 to state highways, county roads, or city or village streets,  
10 respectively.

11           Sec. 564. ~~(1) The board shall then proceed to secure the~~  
12 ~~necessary lands and/or rights of way for the proposed project. If~~  
13 ~~the same cannot be secured by negotiation, then the board may~~  
14 ~~proceed under the provisions of Act No. 149 of the Public Acts of~~  
15 ~~1911, as amended, being sections 213.21 to 213.41, inclusive, of~~  
16 ~~the Compiled Laws of 1948, and shall be deemed to be a "state~~  
17 ~~agency" as that term is used in said act, or if the project is one~~  
18 ~~in which the federal government is participating in any manner,~~  
19 ~~then such lands and/or rights of way may be acquired through~~  
20 ~~proceedings brought by the federal government under any appropriate~~  
21 ~~federal act: Provided, That no condemnation proceeding under this~~  
22 ~~act shall be instituted until the board has first given written~~  
23 ~~notice by registered mail to the highway agencies having~~  
24 ~~jurisdiction over any highway, road or street affected by the lands~~  
25 ~~or rights of way to be acquired by such condemnation proceeding. In~~  
26 ~~event that lands and/or rights of way shall be acquired through~~  
27 ~~proceedings under a federal act, then the amount of the awards in~~  
28 ~~such proceeding shall be deemed to be a part of the cost of the~~  
29 ~~project to the same extent as if the condemnation proceedings had~~

1 ~~been taken under the laws of this state.~~The drain commissioner for  
2 each county shall prepare a special assessment roll that reflects  
3 the costs to be assessed consistent with the apportionments made by  
4 the drain commissioner under section 563. The roll shall be  
5 prepared and administered in the same manner as provided in chapter  
6 11. The drain commissioner shall file the roll with the water  
7 management board after completion of the day of review.

8 (2) Not more than 60 days after any construction bids are  
9 received, the drain commissioner for each county shall give notice  
10 of and hold a public meeting to review the apportionment of  
11 benefits in the same manner as provided in chapter 7. Appeals of  
12 all apportionments under section 563 shall proceed in the same  
13 manner as provided for drains in chapter 7.

14 (3) If a computation of cost under section 562 is not  
15 completed before the day of review, the drain commissioner may  
16 adjourn the review from time to time, but not more than 20 days in  
17 total, for the completion of the computation, or provide notice for  
18 and hold a new day of review after the computation is completed. If  
19 the contracts on which the computation was based are not executed  
20 and new contracts are let at a higher price, a corrected  
21 computation shall be made and a new meeting to review the  
22 apportionment of benefits shall be held.

23 Sec. 564b. If a water management board determines that the  
24 water management district does not have sufficient funds to pay the  
25 costs of ongoing operation and maintenance, the water management  
26 board may levy assessments based on the established apportionments  
27 for the water management district or on new apportionments  
28 established in a manner consistent with sections 561 to 564, as  
29 applicable.

1       Sec. 565. (1) ~~The~~ **A water management board shall not cause**  
 2 **construction work to commence unless 1 of the following conditions**  
 3 **is met:**

4       (a) **The water management board has advertised for and received**  
 5 **bids for the performance of the work and a contract has been let to**  
 6 **the lowest responsible bidder.**

7       (b) **The work is performed by the federal government under**  
 8 **subsection (2) or a public corporation under subsection (3).**

9       (2) **A water management** board may contract with the federal  
 10 government ~~(which term as used in this section shall include any~~  
 11 ~~agency thereof) whereby~~ **for** the federal government ~~will to~~ pay the  
 12 ~~whole or any part~~ **all or part** of the cost of the ~~project and/or~~  
 13 ~~will perform the whole or any~~ **or perform all or** part of the work  
 14 connected therewith, ~~which~~ **with the water management program. The**  
 15 contract may include any specific terms required by ~~act of congress~~  
 16 ~~or federal regulation~~ **law** as a condition for ~~such participation on~~  
 17 ~~the part of~~ **by** the federal government. ~~The~~

18       (3) **A water management** board may ~~also~~ contract with any  
 19 private corporation or ~~with any public corporation (which term as~~  
 20 ~~used in this section shall include any agency thereof)~~ in respect  
 21 to any matter connected with the construction, ~~and/or~~ **operation,**  
 22 **maintenance, use, or services** of any project. ~~Such a~~ **a water**  
 23 **management program. The** contract may provide that any payments made  
 24 or work done by ~~such a~~ **the** public corporation ~~shall relieve~~  
 25 **relieves** it in whole or in part from assessment for the cost of the  
 26 project. ~~No construction work shall be undertaken until the board~~  
 27 ~~has advertised for and received bids for the performance of such~~  
 28 ~~work and a contract let to the lowest responsible bidder: Provided,~~  
 29 ~~That this provision shall not apply to work to be performed by the~~

1 ~~federal government or a public corporation.~~**water management**  
 2 **program.**

3 (3) As used in this section, "federal government" and "public  
 4 corporation" include any agency of the federal government or a  
 5 public corporation, respectively.

6 Sec. 569. (1) ~~The~~**A water management** board may issue **1 or more**  
 7 **series of** bonds for and on behalf of the water management district  
 8 ~~, and~~ in anticipation of the collection of any or all installments  
 9 of **special** assessments. ~~, and pledge the full faith and credit of~~  
 10 ~~the water management district for the prompt payment of the~~  
 11 ~~principal of and interest on the bonds.~~**The chairperson and**  
 12 **secretary of the water management board shall sign the bonds on**  
 13 **behalf of the water management board. The bonds shall specify on**  
 14 **their face that they are payable out of the installments of special**  
 15 **assessments to be collected, and the amount of the bonds shall not**  
 16 **exceed the aggregate of the installments levied.**

17 (2) The bonds shall mature or be subject to mandatory  
 18 redemption with the last maturity not later than 2 1/2 years after  
 19 the due date of the last installment of the assessments. ~~However,~~  
 20 ~~there may~~**There shall not** be more than 1 principal maturity or  
 21 mandatory redemption date during any 12-month period. ~~The bonds~~  
 22 ~~shall be signed by the chairperson and secretary of the board, who~~  
 23 ~~shall cause their facsimile signatures to be affixed to the~~  
 24 ~~interest coupons attached thereto.~~**The number of installments shall**  
 25 **not exceed 30.** Collections of both principal and interest on ~~all~~  
 26 ~~installments of assessments in anticipation of which bonds shall~~  
 27 ~~have been issued shall be kept in a separate bank account by the~~  
 28 ~~treasurer for the board~~**water management district** and used **only** for  
 29 ~~no other purpose than the payment of principal and interest on the~~

1 bonds until the full payment of the principal and interest on the  
2 bonds.

3 (3) In addition to the installments of special assessments  
4 pledged to the payment of the bonds, the water management district  
5 shall pledge in the bonds the full faith and credit of the water  
6 management district. The bonds shall be sold subject to the revised  
7 municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. The  
8 proceeds derived from the sale of the bonds, including any premium  
9 received on the bonds, shall be deposited with the treasurer of the  
10 water management district to the credit of the water management  
11 district fund. The water management district treasurer shall safely  
12 keep all the bonds until sold as provided in this section.

13 Sec. 569b. The county board of commissioners of an affected  
14 county may, by resolution adopted by a majority of its total  
15 membership, pledge the limited tax full faith and credit of the  
16 county for the prompt payment of the principal of and interest on  
17 any bonds or notes issued under section 569. If the water  
18 management district includes lands in 2 or more counties, the  
19 pledge applies to the extent of assessments against property and  
20 public corporations in the pledging county. If a county is required  
21 to advance any money because of such a pledge, and if the  
22 collections from special assessments are not sufficient to  
23 reimburse the county, the drain commissioner of the county shall,  
24 within a 2-year period from the date of advancement, reassess the  
25 water management district as in the first instance to reimburse the  
26 county for the money advanced.

27 Sec. 570. If ~~for any reason~~ the original assessment ~~shall is~~  
28 not ~~be~~ sufficient to pay the principal and interest on bonds ~~or~~  
29 notes issued under section 569 in anticipation of the collection

1 ~~thereof, then of the assessment,~~ the **water management** board shall  
 2 make ~~such additional assessments therefor as may be necessary.~~ 7  
 3 **The additional assessments shall be** apportioned ~~as in the first~~  
 4 ~~instance, it being the intention hereof~~ **at the same percentages as**  
 5 **determined under section 563. It is the intent of the legislature**  
 6 that the collections on assessments shall under all circumstances  
 7 be sufficient to pay ~~said the~~ principal and interest **on the bonds.**

8       Sec. 571. (1) ~~The~~ **Subject to section 553, the water management**  
 9 **board and the water management commission, if any, for a water**  
 10 **management district** shall continue in existence with ~~such changes~~  
 11 in personnel ~~as shall that~~ result from **changes in the offices of**  
 12 **those serving or from the** appointment of members ~~by the commission.~~  
 13 ~~It shall be as provided in section 553.~~

14       (2) **The water management board is** responsible for ~~the~~  
 15 ~~operation all water management program operations~~ and maintenance  
 16 **in the water management district.** ~~of district projects. The~~

17       (3) During the course of a water management program, the **water**  
 18 **management** board shall ~~prepare annually and submit to the~~  
 19 ~~commission a tentative budget for the maintenance and operation of~~  
 20 ~~district projects together with the percentage of such costs~~  
 21 ~~proposed to be assessed against each of the several public~~  
 22 ~~corporations. The commission shall give 10 days' notice by~~  
 23 ~~registered mail of the hearing on the budget to each public~~  
 24 ~~corporation in the district. After such hearing, a budget shall be~~  
 25 ~~adopted and the assessment against each public corporation~~  
 26 ~~determined.~~ **prepare a report on the status of the water management**  
 27 **program. If the drain commissioner of an affected county directly**  
 28 **or indirectly maintains an official internet presence, the**  
 29 **commissioner shall post and maintain the most recent report on a**

1 portion of the website that is fully accessible to the public. If a  
2 drain commissioner does not maintain an official internet presence,  
3 the most recent report shall be so posted and maintained on the  
4 county website.

5 (4) The water management board, by resolution, may relinquish  
6 jurisdiction and control over all or part of an activity of a water  
7 management program to a county, municipality, or authority in which  
8 the activity is wholly located or to the county road agency or the  
9 state transportation department if the activity to be relinquished  
10 is within the right-of-way of a county road or state highway, if  
11 all of the following apply:

12 (a) The water management district has no outstanding  
13 indebtedness or contract liability in relation to the activity.  
14 Indebtedness or contract liability that will be paid in full when  
15 jurisdiction and control is relinquished is not considered to be  
16 outstanding.

17 (b) The governing body of the county, municipality, or  
18 authority, the county road agency, or the director of the state  
19 transportation department, as applicable, requests or consents to  
20 the relinquishment. If jurisdiction and control will be  
21 relinquished to a county, the resolution of the county board of  
22 commissioners shall specify the county agency, such as the board of  
23 public works, county road agency, or parks and recreation  
24 commission, that will be responsible for the exercise of  
25 jurisdiction and control.

26 (5) Upon relinquishment of jurisdiction and control over all  
27 or part of an activity under this section, the following apply:

28 (a) The water management board is relieved of, and the county,  
29 municipality, authority, county road agency, or state



1 transportation department shall assume, jurisdiction and control  
2 over the activity, including any property rights.

3 (b) Money in the water management district fund for the  
4 activity or part thereof shall be used to pay any remaining  
5 indebtedness or contract liability for the activity or part  
6 thereof, and the balance shall be transferred to the county,  
7 municipality, authority, county road agency, or state  
8 transportation department to be used solely with respect to the  
9 activity or part thereof over which it assumes jurisdiction and  
10 control.

11 Sec. 572. ~~(1) Public corporations~~ Any person may advance funds  
12 for the payment of any part of the cost of a ~~project hereunder and~~  
13 ~~shall be repaid by the~~ water management program. The water  
14 management district shall reimburse the person, with or without  
15 interest as may be agreed, when funds are available. ~~therefor. The~~  
16 ~~board is hereby authorized to assess preliminary costs in an~~  
17 ~~equitable manner prior to the issuance of bonds, against public~~  
18 ~~corporations within the district, to be assessed and collected as~~  
19 ~~provided in section 567 of this act: Provided, That the percentage~~  
20 ~~of such costs to be assessed against such public corporations shall~~  
21 ~~be approved by the commission.~~

22 (2) The obligation of the water management district to make  
23 the reimbursement under subsection (1) may be evidenced by a  
24 contract or note. The contract or note is not subject to the  
25 revised municipal finance act, 2001 PA 34, MCL 141.2101 to  
26 141.2821. The contract or note may pledge the full faith and credit  
27 of the water management district and may be made payable out of any  
28 of the following:

29 (a) Assessments levied by the water management district.

1           (b) The proceeds of drain orders or bonds issued by the water  
2 management district pursuant to this act.

3           (c) Any other available funds.

4           Sec. 573. The cost of any project shall include ~~(1) the cost~~  
5 ~~of locating, establishing and constructing the project;~~ ~~(2) the a~~  
6 water management program and proceedings under this chapter  
7 includes all of the following:

8           (a) The cost of establishing a water management district.

9           (b) The cost of activities included in the water management  
10 program.

11           (c) ~~The administrative staff, office and other expenses of the~~  
12 **water management** board and **any water management** commission, ~~;~~ ~~(3)~~  
13 ~~the cost of construction of all works and appurtenances necessary~~  
14 ~~to efficient operation and maintenance of the project;~~ ~~(4) the cost~~  
15 ~~of acquiring any lands and/or rights of way;~~ ~~(5) all engineering,~~  
16 including the cost of mailing, posting, service, and publication of  
17 all notices.

18           (d) **Engineering**, legal, and other professional fees. ~~;~~ ~~(6) the~~  
19 ~~cost of the service and publication of all notices;~~ ~~(7) interest~~

20           (e) **Interest** on bonds for the first year, if bonds are to be  
21 issued, ~~;~~ ~~and (8) an~~ **and interest on funds advanced under section**  
22 **572.**

23           (f) The estimated cost of an appeal to the board of review  
24 under chapter 7 if the apportionment made by the commissioner is  
25 not sustained on appeal.

26           (g) Any compensation and expenses to be paid to special  
27 commissioners under section 563 or to water management board or  
28 water management commission members.

29           (h) An amount not exceeding ~~10%~~ **15%** of the gross sum of these

~~the costs which are to be assessed under subdivisions (a) to (g), against public corporations, to cover contingent expenses.~~

~~Sec. 574. The commission of any water management district created under this act may authorize the board to (a) sell surplus water acquired as a result of construction of projects; (b) lease district-owned lands for agricultural or other purposes; (c) cooperate with soil conservation districts in control of soil erosion; and (d) develop and operate recreational facilities on district-owned property, either in cooperation with the Michigan department of conservation and/or public corporations within the district, or independently when it is not feasible or practical for the department or such public corporations to provide and operate the facilities: Provided, That if any such acts shall result in additional expense, they shall not be authorized until after public hearing as provided in section 558 of this act.~~  
**A water management district is a body corporate with power to do all of the following:**

**(a) Contract.**

**(b) Acquire rights in real or personal property by gift, purchase, lease, grant, trade, or any other lawful method, including condemnation pursuant to the uniform condemnation procedures act, 1980 PA 87, MCL 213.51 to 213.75.**

**(c) Hold, manage, and dispose of real and personal property.**

**(d) Sue. A water management district may also be sued.**

~~Sec. 576. Whenever it shall be necessary for the public health, safety or welfare to establish a water management district in all or part of 1 or more contiguous Michigan counties lying within an interstate river basin, to undertake a project in cooperation with districts in states adjoining Michigan for purposes of flood control or drainage, such district may be~~

~~created, and such project shall be authorized, financed and~~  
~~constructed in conformity with the provisions of this chapter,~~  
~~except as otherwise provided in this section. If such district~~  
~~shall consist of less than 3 counties, the commission shall~~  
~~exercise all powers and perform all functions and duties of the~~  
~~board, and the boards of supervisors of said counties may increase~~  
~~the membership of said commission by a majority vote of all of said~~  
~~boards of supervisors. The commission of such district shall also~~  
~~have power to~~ **This chapter applies to a watershed management**  
**district if all or part of the watershed lies within this state.**  
**The water management board may** enter into contracts with other  
states, or ~~its~~ **their** agencies, or ~~water management districts~~ **other**  
**relevant entities** of other states, ~~with respect to apportionment of~~  
~~the costs of such project between the said Michigan district and~~  
~~said other state or its agencies or water management districts of~~  
~~other states, and~~ **as necessary** with respect to any matter connected  
with the ~~construction and maintenance of the project or any part~~  
~~thereof.~~ **proceedings of a water management district for an**  
**interstate watershed.**

Sec. 577. ~~Any~~ **Unless otherwise provided in this chapter, an**  
action **or appeal** arising ~~from the provisions of~~ **under** this chapter,  
except ~~such actions as~~ **an action or appeal that** may be brought  
directly in the supreme court, may be brought in the circuit court  
of any county ~~in which any part of the project involved is located:~~  
~~Provided, That on request by any party to said action made prior to~~  
~~the time said action is instituted, or within 30 days after receipt~~  
~~of service of process, the presiding circuit judge of Michigan~~  
~~shall appoint a circuit judge to hear said action.~~ **with lands**  
**included in the water management district.**

1        Sec. 578. The director ~~of agriculture~~ may designate a deputy  
 2 **or assistant** to act ~~in his stead in respect to the performance of~~  
 3 ~~his duties on the director's behalf~~ under this chapter. ~~Where any~~  
 4 **If a** deputy **or assistant** so acts, it ~~shall be~~ **is** conclusively  
 5 presumed that he **or she** was properly designated by the director. ~~of~~  
 6 ~~agriculture.~~ Any official proceedings may be signed by ~~such the~~  
 7 **designated** deputy **or assistant** in his **or her** own name. The  
 8 signature of ~~such the designated~~ deputy **or assistant** shall be  
 9 followed by his **or her** official title. ~~Where~~ **If a** deputy **or**  
 10 **assistant** has been designated by the director ~~of agriculture~~ to act  
 11 ~~in his stead on the director's behalf~~ in connection with all the  
 12 proceedings ~~as to any project, then under this chapter,~~ any notice  
 13 required to be served upon or mailed to the director ~~of agriculture~~  
 14 may be served upon or mailed to ~~such the~~ deputy **or assistant**. The  
 15 director ~~of agriculture~~ is hereby empowered to appoint a deputy who  
 16 shall have power to act in his place under any and all  
 17 circumstances in respect to matters within the scope of this  
 18 chapter, ~~irrespective of whether or not he is authorized to appoint~~  
 19 ~~a general deputy.~~

20        Sec. 580. ~~Plans for the alteration or construction of any~~ **A**  
 21 **person shall not construct or alter a** bridge, road, ~~pipe line,~~  
 22 **pipeline,** power line, drain, sewer, or other public ~~and or~~ private  
 23 ~~construction works~~ in, into, or across any right of way or in, into  
 24 ~~or across any drain, channel, dike, reservoir or other works owned,~~  
 25 ~~constructed and~~ **property or an easement** controlled by a water  
 26 management district ~~shall be unless the person has~~ submitted **plans**  
 27 **for the alteration or construction** to the **water management** board.  
 28 ~~prior to construction, and the~~ **The water management** board is hereby  
 29 ~~authorized to may~~ prescribe the manner in which ~~such the~~ public or

private works shall cross ~~or~~ be adjusted to or connected with ~~any right of way, channel, dike, reservoir or other construction owned or the property or easement~~ controlled by the water management district. This section does not limit or supersede any property rights obtained by the water management district in compliance with this chapter.

Sec. 581. (1) ~~Neither the final order of determination nor the final order of apportionment shall be subject to attack in any court except by proceedings in certiorari brought within 30 days after the filing of such order in the office of the secretary of the board issuing the same. If no such proceeding shall be brought within the time above prescribed,~~ Proceedings under this chapter and related assessment levies are subject to review by action for an order of superintending control in the circuit court as follows:

(a) An action for any error occurring before the issuance of or in the water management program order shall be filed within 20 days after the water management program order is entered under section 561b.

(b) An action for any error occurring after the issuance of the water management program order shall be filed as follows:

(i) Except as provided in subparagraph (ii), within 20 days after the drain commissioner confirms by his or her signature the apportionment with any adjustments resulting from the day of review.

(ii) If the apportionment is appealed under chapter 7, within 10 days after the board of review makes its determination on the appeal.

(2) If a timely action is not brought under subsection (1), ~~the project water management district shall be deemed to have been~~

1 is legally established and the legality of the ~~project~~ **proceedings**  
2 and the assessments therefor shall not thereafter ~~subsequently~~ be  
3 questioned in any ~~suit at law or in equity: Provided, That all~~  
4 ~~notices given under this chapter shall include the language~~  
5 ~~contained in this section prior to this provision.~~ **action.**

6 (3) The plaintiff in an action under subsection (1) shall  
7 provide notice of the action to the chairperson of the water  
8 management board in the same manner as required for an action for  
9 an order of superintending control for the review of judgments  
10 rendered by lower courts or tribunals. However, the notice must be  
11 provided within 10 days after filing the action. A bond shall be  
12 given and approved and the action commenced in the same time and  
13 manner, as near as may be, as otherwise provided for such actions,  
14 except that an action under subsection (1) may be heard by the  
15 court not sooner than 5 days after notice is given to the  
16 plaintiff. A court shall not enter a superintending control order  
17 questioning the legality of proceedings under this chapter unless  
18 notice has been given to the chairperson of the water management  
19 board as required by this subsection.

20 (4) If issues of fact are raised by the complaint or answer,  
21 the issues shall, on application of either party, be framed and  
22 testimony on the issues taken under the direction of the court.

23 (5) If the proceedings are sustained, the party bringing the  
24 action for an order for superintending control is liable for the  
25 costs of the proposed or established water management district  
26 incurred in relation to the proceedings. If the proceedings are not  
27 sustained, such costs shall be assessed as follows:

28 (a) Except as provided in subdivision (b), to public  
29 corporations, at large, based upon apportionments developed by the

1 drain commissioner for each affected county, subject to approval by  
2 the water management board.

3 (b) For proceedings to initiate a water management program in  
4 an established water management district, the water management  
5 district.

6 (6) If the court finds a material defect in the proceedings,  
7 the court shall set aside the proceedings. If any other error is  
8 found in the proceedings, the court shall direct the water  
9 management board to correct the error and then proceed as though an  
10 error was not made.

11 (7) When an action is brought under this section, the water  
12 management board shall postpone the letting of contracts and all  
13 other proceedings until after the determination of the court.

14 Sec. 582. ~~In operating under the terms of this chapter, the~~  
15 ~~several boards and officials shall not be limited by the provisions~~  
16 ~~contained in other chapters of this act and the procedures required~~  
17 ~~under the terms of such other chapters shall not be deemed to be~~  
18 ~~applicable.~~ Except as otherwise provided in this chapter, provisions  
19 of other chapters of this act do not apply to a water management  
20 board, water management commission, or official acting under this  
21 chapter. However, if not contrary to the express provisions of this  
22 chapter, a provision in another chapter of this act may be  
23 incorporated by recital or by reference into an order or resolution  
24 under this chapter, and if so incorporated is applicable to the  
25 proceedings under this chapter. In such a provision, a reference to  
26 a drainage district applies to a water management district, a  
27 reference to a project applies to a water management program, and a  
28 reference to a drainage board applies to a water management board  
29 or water management commission.



1       Sec. 583. The provisions of this chapter ~~shall not be~~  
2 ~~construed to validate and shall do~~ not validate any bonds or other  
3 obligations issued ~~prior to August 13, 1954.~~**before the effective**  
4 **date of the 2022 amendatory act that amended this section.**

5       Enacting section 1. Sections 554, 566, 567, 568, 575, and 579  
6 of the drain code of 1956, 1956 PA 40, MCL 280.554, 280.566,  
7 280.567, 280.568, 280.575, and 280.579, are repealed.

8       Enacting section 2. This amendatory act does not take effect  
9 unless Senate Bill No. \_\_\_\_ or House Bill No. 6317 (request no.  
10 04313'21) of the 101st Legislature is enacted into law.