

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

280.280 Additional assessments; levy; surplus; exemption of certain lands from deficiency assessments; purpose.

Sec. 280. (1) If there is not sufficient money in the fund in a particular drain at the time of the maturity of the bonds last to mature, or any drain orders, to pay all outstanding bonds or drain orders with interest, or to reimburse the county for money which it has been obliged to advance pursuant to section 275, whether such insufficiency is due to the anticipation of installments as provided in section 279, or to failure to sell any lands for delinquent taxes, or to any other cause, the commissioner shall at once levy an additional assessment as provided in this act in such an amount as will make up the deficiency which shall be spread in not to exceed 7 annual installments; and if the commissioner determines that the entire amount, if spread in 1 year, would be an undue burden or create unnecessary hardship, he or she may order it spread over any number of years up to but not exceeding 7. If bonds or other evidences of indebtedness are issued pursuant to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, to refund the outstanding indebtedness of a drain district, the governing body of the drain district shall provide, subject to the requirements of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, for such additional levies of assessments prior to the maturity or mandatory redemption of the refunding obligations as necessary to prevent default in the payment of interest on the obligations, and the maintenance of a sinking fund for their retirement. Every officer charged with the determination of the amount of taxes to be raised, or the levying of the taxes, shall make or cause to be made the additional levies as provided. Any surplus remaining after the payment of the bonds and interest shall remain in the county treasury and be used for the maintenance of the drain.

(2) The additional assessments shall only apply to drain orders or bonds issued after March 28, 1956 and shall be apportioned, assessed, levied, and collected as provided in the first instance. As to deficiency assessments levied for drain orders or bonds issued after March 28, 1956, there shall be no lands exempted from the levy, except lands that are 1 or more of the following:

- (a) Owned by the United States.
- (b) Owned by the state of Michigan.
- (c) Owned by any county, city, village, township, or school district and used for public purposes.
- (d) Used exclusively for burial grounds.
- (e) Dedicated to the public and actually used as a highway or alley, and not used for gain.

(3) An additional assessment shall not be levied or collected for the purpose of paying the principal or interest upon any bonds or obligations which have been held to be invalid, and any additional assessment shall not be apportioned, assessed, levied, or collected for the purpose of paying any bonds, interest, or obligations for the payment of which assessments have been made.

History: 1956, Act 40, Imd. Eff. Mar. 28, 1956;—Am. 1983, Act 176, Imd. Eff. Oct. 14, 1983;—Am. 2002, Act 406, Imd. Eff. June 3, 2002;—Am. 2016, Act 27, Imd. Eff. Mar. 1, 2016.

Popular name: Act 40