

SENATE BILL No. 356

March 24, 2005, Introduced by Senators PATTERSON, BARCIA, KUIPERS, BIRKHOLZ, CASSIS, GILBERT, JOHNSON, McMANUS, VAN WOERKOM, BROWN, BISHOP, SANBORN and ALLEN and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 5301 (MCL 324.5301), as amended by 2002 PA 397,
and by adding section 5309a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5301. As used in this part:

2 (a) "Assistance" means 1 or more of the following activities
3 to the extent authorized by the federal water pollution control
4 act:

5 (i) Provision of loans to municipalities for construction of
6 sewage treatment works projects, stormwater treatment projects, or
7 nonpoint source projects.

(ii) Project refinancing assistance.

(iii) The guarantee or purchase of insurance for local obligations, if the guarantee or purchase action would improve credit market access or reduce interest rates.

(iv) Use of the proceeds of the fund as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by this state, if the proceeds of the sale of the bonds will be deposited into the fund.

(v) Provision of loan guarantees for similar revolving funds established by municipalities.

(vi) The use of deposited funds to earn interest on fund accounts.

(vii) Provision for reasonable costs of administering and conducting activities under title VI of the federal water pollution control act, ~~chapter 758, 101 Stat. 22, 33 U.S.C.~~ USC 1381 to 1387.

(viii) PROVISION OF LOAN, FINANCING, OR GUARANTEE BY A PRIVATE, INVESTOR OWNED UTILITY FOR THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF SEWAGE TREATMENT WORKS PROJECTS AND STORMWATER TREATMENT PROJECTS.

(b) "Authority" means the Michigan municipal bond authority created in the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076.

(c) "Capitalization grant" means the federal grant made to this state by the United States environmental protection agency for the purpose of establishing a state water pollution control revolving fund, as provided in title VI of the federal water

1 pollution control act, ~~chapter 758, 101 Stat. 22,~~ 33 ~~U.S.C.~~ **USC**
 2 1381 to 1387.

3 (d) "Construction activities" means any actions undertaken in
 4 the designing or building of sewage treatment works projects,
 5 stormwater treatment projects, or nonpoint source projects.
 6 Construction activities include, but are not limited to, all of the
 7 following:

8 (i) Engineering services.

9 (ii) Legal services.

10 (iii) Financial services.

11 (iv) Design of plans and specifications.

12 (v) Acquisition of land or structural components, or both.

13 (vi) Building, erection, alteration, remodeling, or extension
 14 of a sewage treatment works **PROJECT**.

15 (vii) Building, erection, alteration, remodeling, or extension
 16 of projects designed to control nonpoint source pollution,
 17 consistent with section 319 of title III of the federal water
 18 pollution control act, ~~chapter 758, 101 Stat. 52,~~ 33 ~~U.S.C.~~ **USC**
 19 1329.

20 (viii) Building, erection, alteration, or remodeling of a
 21 stormwater treatment project.

22 (ix) Municipal supervision of the project activities described
 23 in subparagraphs (i) to (viii).

24 (e) "Federal water pollution control act" means ~~chapter 758,~~
 25 ~~86 Stat. 816,~~ 33 ~~U.S.C.~~ **USC** 1251 to 1252, 1253 to 1254, 1255 to
 26 1257, 1258 to 1263, 1265 to 1270, 1273 to 1274, 1281, 1282 to 1293,
 27 1294 to 1301, 1311 to 1313, 1314 to 1326, 1328 to 1330, 1341 to

1 1346, 1361 to 1375, 1376 to 1377, and 1381 to 1387.

2 (f) "Fund" means the state water pollution control revolving
3 fund created in the shared credit rating act, 1985 PA 227, MCL
4 141.1051 to 141.1076, established pursuant to title VI of the
5 federal water pollution control act.

6 (g) "Fundable range" means those projects, taken in descending
7 order on the priority lists, for which sufficient funds are
8 estimated by the department to exist to provide assistance at the
9 beginning of each annual funding cycle.

10 (h) "Municipality" means a city, village, county, township,
11 authority, or other public body, including an intermunicipal agency
12 of 2 or more municipalities, authorized or created under state law;
13 or an Indian tribe that has jurisdiction over construction and
14 operation of sewage treatment works or other projects qualifying
15 under section 319 of title III of the federal water pollution
16 control act, ~~chapter 758, 101 Stat. 52, 33 U.S.C.~~ **USC** 1329.

17 (i) "Nonpoint source project" means construction activities
18 designed to reduce nonpoint source pollution consistent with the
19 state nonpoint source management plan pursuant to section 319 of
20 title III of the federal water pollution control act, ~~chapter 758,~~
21 ~~101 Stat. 52, 33 U.S.C.~~ **USC** 1329.

22 (j) "Priority list" means the annual ranked listing of
23 projects developed by the department in section 5303 or used by the
24 department pursuant to section 5315.

25 (k) "Project" means a sewage treatment works project, a
26 stormwater treatment project, or a nonpoint source project, or a
27 combination of these.

(l) "Project refinancing assistance" means buying or refinancing the debt obligations of municipalities within the state if construction activities commenced after March 7, 1985 and the debt obligation was incurred after March 7, 1985.

(m) "Sewage treatment works project" means construction activities on any device or system for the treatment, storage, collection, conveyance, recycling, or reclamation of the sewage of a municipality, including combined sewer overflow correction and major rehabilitation of sewers.

(n) "Stormwater treatment project" means construction activities of a municipality on any device or system for the treatment, storage, recycling, or reclamation of storm water that is conveyed by a storm sewer that is separate from a sanitary sewer.

(o) "Tier I project" means a project for which assistance is sought or provided from funds made directly available from the federal capitalization grant or from the Great Lakes water quality bond fund pursuant to section 19708(1)(a).

(p) "Tier II project" means a project for which assistance is sought or provided from funds other than those made directly available from the federal capitalization grant or from the Great Lakes water quality bond fund pursuant to section 19708(1)(a).

SEC. 5309A. ASSISTANCE PROVIDED BY A PRIVATE, INVESTOR OWNED UTILITY FOR SEWAGE TREATMENT WORKS PROJECTS AND STORMWATER TREATMENT PROJECTS UNDER THIS ACT SHALL BE IN ACCORDANCE WITH ALL APPLICABLE PROVISIONS OF THIS ACT AND THE CONSTRUCTION AND OPERATION REQUIREMENTS OF THE FEDERAL WATER POLLUTION CONTROL ACT

1 AND THE NATURAL ENVIRONMENTAL POLICY ACT OF 1969, 42 USC 4321, 4331
2 TO 4335, AND 4341 TO 4347.