

SENATE BILL No. 1059

February 22, 2006, Introduced by Senator BROWN and referred to the Committee on Agriculture, Forestry and Tourism.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 5301 and 5304 (MCL 324.5301 and 324.5304), section 5301 as amended by 2005 PA 255 and section 5304 as amended by 2002 PA 397; and to repeal acts and parts of acts.

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.

1 (ii) Project refinancing assistance.

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

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

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

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

13 (vii) Provision for reasonable costs of administering and
14 conducting activities under title VI of the federal water pollution
15 control act, 33 USC 1381 to 1387.

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

19 (c) "Capitalization grant" means the federal grant made to
20 this state by the United States environmental protection agency for
21 the purpose of establishing a state water pollution control
22 revolving fund, as provided in title VI of the federal water
23 pollution control act, 33 USC 1381 to 1387.

24 (d) "Construction activities" means any actions undertaken in
25 the planning, designing, or building of sewage treatment works
26 projects, stormwater treatment projects, or nonpoint source
27 projects. Construction activities include, but are not limited to,

1 all of the following:

2 (i) Project planning services.

3 (ii) Engineering services.

4 (iii) Legal services.

5 (iv) Financial services.

6 (v) Design of plans and specifications.

7 (vi) Acquisition of land or structural components, or both.

8 (vii) Building, erection, alteration, remodeling, or extension
9 of a sewage treatment works.

10 (viii) Building, erection, alteration, remodeling, or extension
11 of projects designed to control nonpoint source pollution,
12 consistent with section 319 of title III of the federal water
13 pollution control act, 33 USC 1329.

14 (ix) Building, erection, alteration, or remodeling of a
15 stormwater treatment project.

16 (x) Municipal supervision of the project activities described
17 in subparagraphs (i) to (ix).

18 **(E) "DEPARTMENT" MEANS THE DIRECTOR OF THE DEPARTMENT OF**
19 **ENVIRONMENTAL QUALITY. HOWEVER, WITH RESPECT TO ANY PROVISION OF**
20 **THIS PART APPLICABLE TO AN AGRICULTURAL NONPOINT SOURCE PROJECT,**
21 **DEPARTMENT MEANS THE DEPARTMENT OF AGRICULTURE.**

22 **(F) —(e)— "Federal water pollution control act" means 33 USC**
23 **1251 to 1387.**

24 **(G) —(f)— "Fund" means the state water pollution control**
25 **revolving fund established under the shared credit rating act, 1985**
26 **PA 227, MCL 141.1051 to 141.1076, established pursuant to title VI**
27 **of the federal water pollution control act, 33 USC 1381 TO 1387.**

1 (H) ~~-(g)-~~ "Fundable range" means those projects, taken in
2 descending order on the priority lists, for which sufficient funds
3 are estimated by the department to exist to provide assistance at
4 the beginning of each annual funding cycle.

5 (I) ~~-(h)-~~ "Municipality" means a city, village, county,
6 township, authority, or other public body, including an
7 intermunicipal agency of 2 or more municipalities, authorized or
8 created under state law; or an Indian tribe that has jurisdiction
9 over construction and operation of sewage treatment works or other
10 projects qualifying under section 319 of title III of the federal
11 water pollution control act, 33 USC 1329.

12 (J) ~~-(i)-~~ "Nonpoint source project" means construction
13 activities designed to reduce nonpoint source pollution consistent
14 with the state nonpoint source management plan pursuant to section
15 319 of title III of the federal water pollution control act, 33 USC
16 1329.

17 (K) ~~-(j)-~~ "Priority list" means the annual ranked listing of
18 projects developed by the department in section 5303. ~~or used by~~
19 ~~the department pursuant to section 5315.~~

20 (L) ~~-(k)-~~ "Project" means a sewage treatment works project, a
21 stormwater treatment project, or a nonpoint source project, or a
22 combination of these.

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

27 (N) ~~-(m)-~~ "Sewage treatment works project" means construction

1 activities on any device or system for the treatment, storage,
2 collection, conveyance, recycling, or reclamation of the sewage of
3 a municipality, including combined sewer overflow correction and
4 major rehabilitation of sewers.

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

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

14 (Q) ~~(p)~~ "Tier II project" means a project for which
15 assistance is sought or provided from funds other than those made
16 directly available from the federal capitalization grant or from
17 the Great Lakes water quality bond fund pursuant to section
18 19708(1)(a).

19 Sec. 5304. Subject to sections 5309 and 5310, assistance
20 provided to municipalities to construct sewage treatment works
21 projects, stormwater projects, and nonpoint source projects shall
22 be in accordance with all of the following:

23 (a) Assistance for approved sewage treatment works projects
24 and stormwater treatment projects shall be provided for projects in
25 the fundable range of the priority list developed pursuant to 5303,
26 and to other projects that may become fundable pursuant to section
27 5310.

1 (b) Assistance for approved qualified nonpoint source projects
2 shall be provided for projects in the fundable range of the
3 priority list developed pursuant to section 5303. The director **OF**
4 **THE DEPARTMENT OF ENVIRONMENTAL QUALITY** shall annually allocate at
5 least 2% of the available funds to the extent needed to provide
6 assistance to projects on the nonpoint source priority list. If
7 these funds are not awarded, the allocation shall revert to provide
8 assistance to projects on the sewage treatment works priority list.

9 Enacting section 1. Section 5315 of the natural resources and
10 environmental protection act, 1994 PA 451, MCL 324.5315, is
11 repealed.

12 Enacting section 2. This amendatory act does not take effect
13 unless all of the following bills of the 93rd Legislature are
14 enacted into law:

15 (a) House Bill No. 5712.

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17 (b) House Bill No. 5711.

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19 (c) House Bill No. 5713.

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21 (d) House Bill No. 5714.

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23 (e) Senate Bill No. 1060.

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