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H.B. 4147: FIRST ANALYSIS

TDD: (517) 373-0543

House Bill 4147 (as reported without amendment)

Sponsor: Representative Joseph Rivet

House Committee: Local Government and Urban Policy

Senate Committee: Natural Resources and Environmental Affairs

Date Completed: 5-24-02

### **RATIONALE**

Combined sewer overflows (CSOs) are overflows from sewer systems designed to carry both raw sewage and storm water. Some residential drainage systems are installed so that the sewage runoff collected in the sanitary sewer drains combines with the stormwater runoff collected in the footing drains so that they use the same system of sewers. During heavy rains or substantial snowmelt, combined sewers may not have the capacity to transport the aggregate flows of sanitary wastewater and stormwater. Many combined sewer systems discharge untreated waste directly into a nearby waterway when the sewer capacity is overloaded.

These discharges can contain solid human waste, toxic pollutants, chemicals, oil, grease, soil sediments, and other waste and debris carried by stormwater from streets, roofs, and parking lots. The discharges can severely contaminate ground or surface waters and damage water quality. Coupled with factors such as groundwater infiltration, heavy rainstorms or snowmelts, and blockages, CSOs have risen sharply with the aging of an inadequate wastewater infrastructure, according to the Department of Environmental Quality.

To prevent these overflows and minimize the volume of run-off, it has been suggested that private property owners should separate their stormwater drainage and footing drains from their sanitary sewers. Since this separation could be very expensive to individual homeowners, many people believe local units, such as charter townships, should perform the work and be able to levy special assessments to defray the expense.

# CONTENT

The bill would amend the Charter Township Act to allow a charter township to make local or public improvements by separating storm water drainage and footing drains from sanitary sewers on privately owned property for a public purpose, and to defray the expense by a special assessment.

Currently, each charter township may make local or public improvements by, for example, paving streets; laying curbs and gutters, sidewalks, and storm and sanitary sewers; and installing solid waste disposal systems, water systems, and street and highway lighting. The township board may determine the necessity of the local or public improvement and may determine that all or any part of its expense will be defrayed by special assessment upon lands benefitted by the improvement. The bill would include the separation of storm water drainage and footing drains from sanitary sewers on private property for a public purpose, as part of these improvements.

MCL 42.31

### **ARGUMENTS**

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

#### Supporting Argument

By allowing charter townships to levy special assessments to defray the costs of separating stormwater drainage and footing drains from sanitary sewers on private property, the bill would provide a funding mechanism for individual households to address the problem of combined sewers and to prevent future

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overflows. Under the Act, a charter township may borrow money and issue bonds in anticipation of the payment of special assessments, which may be an obligation of the special assessment district or may be both an obligation of the special assessment district and a general obligation of the township. Although the property owners in a special assessment district ultimately would be responsible for the cost of the work, this method of financing could be more affordable. The bill would make it clear in the law that charter townships had the authority to engage in these activities.

Legislative Analyst: Nobuko Nagata

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: David Zin