SUBSTITUTE FOR

HOUSE BILL NO. 5893

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 5303 (MCL 324.5303), as amended by 2001 PA 221.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 5303. (1) Municipalities shall consider and utilize,
- 2 where possible, cooperative regional or intermunicipal projects
- 3 in satisfying sewerage needs in the development of project
- 4 plans.
- 5 (2) A municipality may submit a project plan for use by the
- 6 department in developing a priority list.
- 7 (3) The project plan for a tier I project shall include doc-
- 8 umentation that demonstrates that the project is needed to assure
- 9 maintenance of, or to progress toward, compliance with the
- 10 federal water pollution control act or part 31, and to meet the

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- 1 minimum requirements of the national environmental policy act of
- 2 1969, Public Law 91-190, 42 U.S.C. 4321, 4331 to 4335, and 4341
- 3 to 4347. The documentation shall demonstrate all of the
- 4 following:
- 5 (a) The need for the project.
- **6** (b) That feasible alternatives to the project were evaluated
- 7 taking into consideration the demographic, topographic, hydro-
- 8 logic, and institutional characteristics of the area.
- 9 (c) That the project is cost effective and implementable
- 10 from a legal, institutional, financial, and management
- 11 standpoint.
- 12 (d) Other information as required by the department.
- 13 (4) The project plan for a tier II project shall include
- 14 documentation that demonstrates that the project is or was needed
- 15 to assure maintenance of or progress towards compliance with the
- 16 federal water pollution control act or part 31, and is consistent
- 17 with all applicable state environmental laws. The documentation
- 18 shall include all of the following information:
- (a) Information to demonstrate the need for the project.
- 20 (b) A showing that the cost of the project is or was justi-
- 21 fied, taking into account available alternatives. Those costs
- 22 determined by the department to be in excess of those costs jus-
- 23 tified will not be eligible for assistance under this part.
- 24 (5) After notice and an opportunity for public comment, the
- 25 department shall annually develop a priority list for sewage
- 26 treatment works projects and stormwater treatment projects and a
- 27 separate priority list for nonpoint source projects. Projects

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- 1 not funded during the time that a priority list developed under
- 2 this section is in effect shall be automatically prioritized on
- 3 the next annual list using the same criteria, unless the munici-
- 4 pality submits an amendment to its plan that introduces new
- 5 information to be used as the basis for prioritization. These
- 6 priority lists shall be based upon project plans submitted by
- 7 municipalities, and the following criteria:
- 8 (a) That a project complies with all applicable standards in
- 9 part 31 and the federal water pollution control act.
- 10 (b) An application for a segment of a project that received
- 11 funds under the title II construction grant program or title VI
- 12 state revolving loan funds of the federal water pollution control
- 13 act shall be first priority for funding for a period of not more
- 14 than 3 years after funds were first committed under those
- 15 programs.
- 16 (c) If the project is a sewage treatment works project or a
- 17 stormwater treatment project, all of the following criteria:
- 18 (i) The severity of the water pollution problem to be
- 19 addressed, maximizing progress towards restoring beneficial uses
- 20 and meeting water quality standards.
- 21 (ii) A determination of whether a project is or was neces-
- 22 sary to comply with an order, permit, or other document with an
- 23 enforceable schedule for addressing a municipality's
- 24 sewage-related water pollution problems that was issued by the
- 25 department or entered as part of an action brought by the state
- 26 against the municipality or any component of the municipality. A
- 27 municipality may voluntarily agree to an order, permit, or other

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- 1 document with an enforceable schedule as described in this
- 2 subparagraph.
- 3 (iii) The population to be served by the project.
- 4 (iv) The dilution ratio existing between the discharge
- 5 volume and the receiving stream.
- 6 (v) TO THE EXTENT THE PROJECT PLANNING PROCESS CONSIDERS THE
- 7 NATURAL RESOURCE IMPACTS OF THE PROJECT, AS REQUIRED UNDER
- 8 R 323.952 OR R 323.953 OF THE MICHIGAN ADMINISTRATIVE CODE, AND
- 9 ATTEMPTS TO REDUCE THE OVERALL SCOPE OF THE PROJECT THROUGH
- 10 VOLUME REDUCTION PRACTICES, UP TO 100 PRIORITY POINTS SHALL BE
- 11 ADDED.
- 12 (D) IF THE PROJECT IS A SEWAGE TREATMENT WORKS PROJECT, 100
- 13 PRIORITY POINTS SHALL BE AWARDED PURSUANT TO R 323.958 OF THE
- 14 MICHIGAN ADMINISTRATIVE CODE IF THE PROJECT ADDRESSES ON-SITE
- 15 SEPTIC SYSTEMS THAT ARE ADVERSELY AFFECTING THE WATER OUALITY OF
- 16 A WATER BODY AND THAT SOIL AND HYDROLOGIC CONDITIONS ARE NOT
- 17 SUITABLE SITES FOR THE REPLACEMENT OF THOSE SEPTIC SYSTEMS.
- 18 (E) $\frac{(d)}{(d)}$ Rankings for nonpoint source projects shall be
- 19 consistent with the state nonpoint source management plan devel-
- 20 oped pursuant to section 319 of title III of the federal water
- 21 pollution control act, chapter 758, 101 Stat. 52, 33
- 22 U.S.C. 1329.
- (F) $\overline{(e)}$ Any other criteria established by the department
- 24 by rule.
- 25 (6) The priority list shall be submitted annually to the
- 26 chair of the senate and house of representatives standing

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- 1 committees that primarily consider legislation pertaining to the
- 2 protection of natural resources and the environment.
- 3 (7) For purposes of providing assistance, the priority list
- 4 shall take effect on the first day of each fiscal year.
- 5 (8) This section does not limit other actions undertaken to
- 6 enforce part 31, the federal water pollution control act, or any
- 7 other act.
- 8 Enacting section 1. This amendatory act does not take
- 9 effect unless all of the following bills of the 91st Legislature
- 10 are enacted into law:
- 11 (a) House Bill No. 4625.
- 12 (b) House Bill No. 5892.
- 13 Enacting section 2. This amendatory act does not take
- 14 effect unless the question provided for in the Great Lakes water
- 15 quality bond authorization act is approved by a majority of the
- 16 registered electors voting on the question at the November 2002
- 17 general election.