

SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4572

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
(MCL 324.101 to 324.90106) by adding section 5204a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 5204A. (1) THE AUTHORITY IN CONJUNCTION WITH THE  
2        DEPARTMENT SHALL ESTABLISH A STRATEGIC WATER QUALITY INITIATIVES  
3        GRANT PROGRAM THAT PROVIDES GRANTS TOTALING NOT MORE THAN  
4        \$40,000,000.00 TO ELIGIBLE MUNICIPALITIES. THE GRANT PROGRAM SHALL  
5        PROVIDE ASSISTANCE TO MUNICIPALITIES TO COMPLETE THE LOAN  
6        APPLICATION REQUIREMENTS OF SECTION 5308.  
7        (2) THE GRANT PROGRAM IS SUBJECT TO ALL OF THE FOLLOWING:  
8        (A) THE GRANT PROGRAM SHALL PROVIDE GRANTS TO COVER NOT MORE  
9        THAN 90% OF THE COSTS INCURRED BY A MUNICIPALITY TO COMPLETE AN  
10       APPLICATION FOR LOAN ASSISTANCE FROM THE STATE WATER POLLUTION

1 CONTROL REVOLVING FUND OR THE FUND.

2 (B) THE 10% LOCAL MATCH IS NOT ELIGIBLE FOR LOAN ASSISTANCE  
3 FROM THE STATE WATER POLLUTION CONTROL REVOLVING FUND OR THE FUND.

4 (C) GRANT FUNDS SHALL NOT BE USED FOR GENERAL LOCAL GOVERNMENT  
5 ADMINISTRATIVE ACTIVITIES OR ACTIVITIES PERFORMED BY MUNICIPAL  
6 EMPLOYEES.

7 (D) A MUNICIPALITY SHALL NOT RECEIVE MORE THAN \$1,000,000.00  
8 IN TOTAL GRANT ASSISTANCE UNDER THIS SECTION.

9 (E) GRANTS UNDER THIS SECTION SHALL BE AVAILABLE FOR PROJECTS  
10 SEEKING OR INTENDING TO SEEK LOAN ASSISTANCE AFTER SEPTEMBER 30,  
11 2006.

12 (F) THE DEPARTMENT SHALL CEASE ACCEPTING GRANT APPLICATIONS  
13 UNDER THIS SECTION 2 YEARS AFTER THE DATE THE FIRST GRANT AGREEMENT  
14 IS ENTERED INTO UNDER SUBSECTION (3).

15 (3) WITHIN 6 MONTHS AFTER THE EFFECTIVE DATE OF THE AMENDATORY  
16 ACT THAT ADDED THIS SECTION, THE DEPARTMENT SHALL ESTABLISH AN  
17 APPLICATION AND REVIEW PROCESS FOR CONSIDERING GRANT APPLICATIONS  
18 UNDER THIS SECTION. THE APPLICATION SHALL CONTAIN THE INFORMATION  
19 REQUIRED BY THE DEPARTMENT AND THE AUTHORITY. WITHIN 30 DAYS AFTER  
20 RECEIPT OF AN APPLICATION, THE DEPARTMENT SHALL PUBLISH NOTICE OF  
21 THE APPLICATION ON THE DEPARTMENT'S CALENDAR. WITHIN 60 DAYS AFTER  
22 RECEIPT OF AN ADMINISTRATIVELY COMPLETE GRANT APPLICATION, THE  
23 DEPARTMENT SHALL, IN WRITING, NOTIFY THE APPLICANT WHETHER THE  
24 APPLICATION IS APPROVED OR REJECTED. IF THE DEPARTMENT APPROVES A  
25 GRANT UNDER THIS SECTION, THE DEPARTMENT AND THE AUTHORITY SHALL  
26 ENTER INTO A GRANT AGREEMENT WITH THE RECIPIENT PRIOR TO  
27 TRANSFERRING FUNDS. THE GRANT AGREEMENT SHALL CONTAIN TERMS

1 ESTABLISHED BY THE DEPARTMENT AND THE AUTHORITY AND A REQUIREMENT  
2 THAT THE GRANT RECIPIENT REPAY THE GRANT, WITHIN 90 DAYS OF BEING  
3 INFORMED TO DO SO, WITH INTEREST AT A RATE NOT TO EXCEED 8% PER  
4 YEAR, TO THE AUTHORITY FOR DEPOSIT INTO THE FUND IF ANY OF THE  
5 FOLLOWING OCCUR:

6 (A) THE APPLICANT FAILS TO SUBMIT AN ADMINISTRATIVELY COMPLETE  
7 LOAN APPLICATION FOR ASSISTANCE FROM THE STATE WATER POLLUTION  
8 CONTROL REVOLVING FUND OR THE FUND FOR THE PROJECT WITHIN 3 YEARS  
9 OF THE GRANT AWARD.

10 (B) THE PROJECT HAS BEEN IDENTIFIED AS BEING IN THE FUNDABLE  
11 RANGE AND THE APPLICANT DECLINES LOAN ASSISTANCE FROM THE STATE  
12 WATER POLLUTION CONTROL REVOLVING FUND OR THE FUND IN THAT FISCAL  
13 YEAR.

14 (C) THE APPLICANT IS UNABLE TO, OR DECIDES NOT TO, PROCEED  
15 WITH CONSTRUCTING THE PROJECT OR OPTS TO FINANCE CONSTRUCTION BY  
16 MEANS OTHER THAN A GRANT FROM THE STATE WATER POLLUTION CONTROL  
17 REVOLVING FUND OR THE FUND.

18 (4) FOR EACH YEAR IN WHICH THE DEPARTMENT RECEIVES GRANT  
19 APPLICATIONS UNDER THIS SECTION, THE DEPARTMENT SHALL REPORT BY  
20 JULY 1 OF EACH YEAR TO THE STANDING COMMITTEES OF THE SENATE AND  
21 THE HOUSE OF REPRESENTATIVES WITH PRIMARY JURISDICTION OVER ISSUES  
22 PERTAINING TO NATURAL RESOURCES AND THE ENVIRONMENT AND TO THE  
23 SENATE AND HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEES ON  
24 THE UTILIZATION OF FUNDS UNDER THIS PART THAT WERE RECEIVED FROM  
25 THE GREAT LAKES WATER QUALITY BOND FUND CREATED IN SECTION 19706.  
26 THE REPORT SHALL INCLUDE, AT A MINIMUM, ALL OF THE FOLLOWING:

27 (A) THE NUMBER OF GRANT APPLICATIONS RECEIVED UNDER THIS

1 SECTION.

2 (B) THE NAME OF EACH MUNICIPALITY APPLYING FOR A GRANT.

3 (C) THE INDIVIDUAL AND ANNUAL CUMULATIVE AMOUNT OF GRANT FUNDS  
4 AWARDED, INCLUDING AN IDENTIFICATION OF WHETHER EACH AWARD WAS FOR  
5 THE PURPOSE OF APPLYING FOR ASSISTANCE FROM THE STATE WATER  
6 POLLUTION CONTROL REVOLVING FUND OR THE FUND.

7 (D) A SUMMARY OF LOAN ASSISTANCE, BY YEAR, TENDERED FROM THE  
8 STATE WATER POLLUTION CONTROL REVOLVING FUND AND THE FUND.

9 (5) THE SENATE AND HOUSE APPROPRIATIONS COMMITTEES SHALL  
10 ANNUALLY REVIEW WHETHER THERE IS SUFFICIENT MONEY IN THE FUND TO  
11 IMPLEMENT THIS SECTION AND SECTION 5202.

12 Enacting section 1. 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. 4573.

16 (b) Senate Bill No. 789.

17 (c) Senate Bill No. 790.

18 (d) Senate Bill No. 799.

19 (e) Senate Bill No. 800.