

HOUSE BILL No. 4572

March 24, 2005, Introduced by Reps. Stakoe, Stahl, Robertson, Taub, Palsrok, Pastor, Garfield, Brandenburg, Meyer, Jones, Green, Ward, Baxter, Marleau, Caswell, Gosselin, Vander Veen, Gaffney, Hopgood, Accavitti, Tobocman, Acciavatti, Schuitmaker, Shaffer, Amos, Moolenaar, LaJoy, Nitz and Drolet and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1985 PA 227, entitled
"Shared credit rating act,"
(MCL 141.1051 to 141.1076) by adding section 16c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 16C. (1) THE WASTEWATER APPLICATION GRANT FUND IS CREATED
2 WITHIN THE STATE TREASURY.

3 (2) THE STATE TREASURER MAY RECEIVE MONEY OF OTHER ASSETS FROM
4 ANY SOURCE FOR DEPOSIT INTO THE FUND. THE STATE TREASURER SHALL
5 DIRECT THE INVESTMENT OF THE FUND. THE STATE TREASURER SHALL CREDIT
6 TO THE FUND INTEREST AND EARNINGS FROM FUND INVESTMENTS. THE
7 AUTHORITY SHALL ACT AS FISCAL AGENT FOR THE FUND.

8 (3) MONEY IN THE FUND AT THE CLOSE OF THE FISCAL YEAR SHALL
9 REMAIN IN THE FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.

1 (4) THE AUTHORITY, IN CONSULTATION WITH THE DEPARTMENT, SHALL
2 EXPEND MONEY FROM THE FUND, UPON APPROPRIATION, ONLY FOR GRANTS TO
3 GOVERNMENTAL UNITS TO COVER THE TOTAL COST OF ENGINEERING AND
4 PROFESSIONAL CONSULTING WHEN DEVELOPING THE PROJECT PLAN IN
5 APPLYING FOR LOAN ASSISTANCE FROM THE STATE WATER POLLUTION CONTROL
6 REVOLVING FUND. GRANT FUNDS SHALL NOT BE USED FOR PUBLIC NOTICE
7 ACTIVITIES, GENERAL LOCAL GOVERNMENT ADMINISTRATION COSTS, OR COSTS
8 ASSOCIATED WITH PUBLIC EDUCATION OF THE PROPOSED PROJECT. A
9 GOVERNMENTAL UNIT SHALL NOT RECEIVE MORE THAN AN ACCUMULATED TOTAL
10 OF MORE THAN \$3,000,000.00 IN GRANTS UNDER THIS SECTION.

11 (5) THE DEPARTMENT SHALL ESTABLISH AN APPLICATION AND REVIEW
12 PROCESS FOR CONSIDERING GRANT APPLICATIONS UNDER THIS SECTION. THE
13 APPLICATION SHALL CONTAIN THE INFORMATION REQUIRED BY THE
14 DEPARTMENT. WITHIN 60 DAYS AFTER RECEIPT OF AN ADMINISTRATIVELY
15 COMPLETE GRANT APPLICATION, THE DEPARTMENT SHALL NOTIFY THE
16 APPLICANT WHETHER THE APPLICATION IS APPROVED OR REJECTED. IF THE
17 APPLICATION IS REJECTED, THE DEPARTMENT SHALL, IN WRITING, NOTIFY
18 THE APPLICANT OF THE REASONS WHY THE APPLICATION WAS REJECTED.

19 (6) IF THE DEPARTMENT APPROVES A GRANT UNDER THIS SECTION, THE
20 DEPARTMENT SHALL ENTER INTO A GRANT AGREEMENT WITH THE GRANT
21 RECIPIENT PRIOR TO RELEASING THE GRANT. THE GRANT AGREEMENT SHALL
22 CONTAIN TERMS APPROVED BY THE DEPARTMENT AND A REQUIREMENT THAT THE
23 GRANT RECIPIENT REPAY THE GRANT, WITH INTEREST AT A RATE NOT TO
24 EXCEED 8% PER YEAR, TO THE AUTHORITY IF ANY OF THE FOLLOWING OCCUR:

25 (A) IF THE GRANT RECIPIENT FAILS TO SUBMIT AN ADMINISTRATIVELY
26 COMPLETE LOAN APPLICATION FOR ASSISTANCE FROM THE STATE WATER
27 POLLUTION CONTROL REVOLVING FUND WITHIN 12 MONTHS AFTER A GRANT IS

1 ISSUED.

2 (B) IF THE GRANT RECIPIENT DOES NOT USE FUNDING FROM THE STATE
3 WATER POLLUTION CONTROL REVOLVING FUND FOR THE PROJECT AFTER
4 RECEIVING APPROVAL FOR A LOAN FROM THE STATE WATER POLLUTION
5 CONTROL REVOLVING FUND.

6 (C) IF THE GRANT RECIPIENT OBTAINS A LOAN FROM THE STATE WATER
7 POLLUTION CONTROL REVOLVING FUND, BUT FAILS TO MAKE SUBSTANTIAL
8 PROGRESS TOWARD IMPLEMENTING THE PROJECT FOR WHICH THE LOAN WAS
9 ISSUED WITHIN 18 MONTHS AFTER THE ISSUANCE OF THE LOAN.

10 (7) IF AN APPLICANT'S ADMINISTRATIVELY COMPLETE APPLICATION
11 FOR A LOAN FROM THE STATE WATER POLLUTION CONTROL REVOLVING FUND IS
12 REJECTED, THE GRANT RECIPIENT IS NOT REQUIRED TO REPAY THE GRANT.

13 (8) AS USED IN THIS SECTION:

14 (A) "FUND" MEANS THE WASTEWATER GRANT FUND CREATED IN
15 SUBSECTION (1).

16 (B) "STATE WATER POLLUTION CONTROL REVOLVING FUND" MEANS THE
17 STATE WATER POLLUTION CONTROL REVOLVING FUND ESTABLISHED IN SECTION
18 16A.

19 Enacting section 1. This amendatory act does not take effect
20 unless Senate Bill No.____ or House Bill No. 4573(request no.
21 02060'05) of the 93rd Legislature is enacted into law.