SENATE BILL No. 909

April 21, 2016, Introduced by Senator SCHMIDT and referred to the Committee on Commerce.

A bill to amend 1994 PA 451, entitled

"Natural resources and environmental protection act,"

by amending sections 19511, 19512, and 19513 (MCL 324.19511,

324.19512, and 324.19513), as added by 1995 PA 60.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   Sec. 19511. The department shall not make a grant or a loan

2 under section 19508(1)(a) or (b) unless all of the following

3 conditions are met:

4   (a) The applicant demonstrates that the proposed project is in

5 compliance with **OR WILL RESULT IN COMPLIANCE WITH** all applicable

6 state laws and rules. , or the proposed project will result in

7 compliance with state laws and rules.

8   (b) The applicant demonstrates to the department the

9 capability to carry out the proposed project.

1   (c) The applicant provides the department with evidence that a

2 licensed professional engineer has approved the plans and

3 specifications for the project, if appropriate.

4   (d) The applicant demonstrates to the department that there is

5 an identifiable source of funds for the future maintenance and

6 operation of the proposed project.

7   **(E) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, FOR**

8 **GRANT PROJECTS APPROVED FOR FUNDING UNDER SECTION 19508(1)(A) ON OR**

9 **AFTER THE EFFECTIVE DATE OF THE 2016 AMENDATORY ACT THAT AMENDED**

10 **THIS SECTION, SUBDIVISIONS (A) TO (D) DO NOT APPLY AND THE**

11 **DEPARTMENT SHALL APPLY THE SAME APPLICATION REQUIREMENTS PROVIDED**

12 **FOR A GRANT OR LOAN IN SECTION 19609.**

13   Sec. 19512. (1) A recipient of a grant or a loan made under

14 section 19508(1)(a) or (b) ~~shall be subject to~~ **MUST COMPLY WITH** all

15 of the following:

16   (a) A recipient shall keep an accounting of the money spent on

17 the project or facility in a generally accepted manner. The

18 accounting ~~shall be~~ **IS** subject to a postaudit.

19   (b) A recipient shall obtain authorization from the department

20 before implementing a change that significantly alters the proposed

21 project or facility.

22   (2) The department may revoke a grant or a loan made by it

23 under this part or withhold payment if the recipient fails to

24 comply with the terms and conditions of the grant or loan or with

25 the requirements of this part or the rules promulgated under this

26 part.

27   (3) The department may recover a grant if the project for

1 which the grant was made never operates.

2   (4) The department may withhold a grant or a loan until the

3 department determines that the recipient is able to proceed with

4 the proposed project or facility.

5   (5) To assure timely completion of a project, the department

6 may withhold 10% of the grant or loan amount until the project is

7 complete.

8   **(6) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, FOR**

9 **GRANT PROJECTS APPROVED FOR FUNDING UNDER SECTION 19508(1)(A) ON OR**

10 **AFTER THE EFFECTIVE DATE OF THE 2016 AMENDATORY ACT THAT AMENDED**

11 **THIS SECTION, SUBSECTIONS (1) TO (5) DO NOT APPLY AND THE RECIPIENT**

12 **OF ANY GRANT OR LOAN MUST COMPLY WITH THE REQUIREMENTS OF SECTION**

13 **19612.**

14   Sec. 19513. **(1)** The department ~~shall~~ **MAY** promulgate rules as

15 are necessary or required to implement this part.

16   **(2) FOR GRANT PROJECTS FUNDED UNDER SECTION 19508(1)(A), THE**

17 **DEPARTMENT SHALL NOT IMPLEMENT OR ENFORCE R 299.5051 TO R 299.5061**

18 **RELATED TO ANY GRANT OR LOAN AUTHORIZED OR APPROVED ON OR AFTER THE**

19 **EFFECTIVE DATE OF THE 2016 AMENDATORY ACT THAT AMENDED THIS**

20 **SECTION.**

21   Enacting section 1. This amendatory act takes effect 90 days

22 after the date it is enacted into law.

23   Enacting section 2. This amendatory act does not take effect

24 unless all of the following bills of the 98th Legislature are

25 enacted into law:

26   (a) Senate Bill No. 911.

27

1   (b) Senate Bill No. 908.

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3   (c) Senate Bill No. 910.

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5   (d) Senate Bill No. 913.

6

7   (e) Senate Bill No. 912.

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