

HOUSE BILL No. 5021

September 27, 2017, Introduced by Rep. Kosowski and referred to the Committee on Natural Resources.

A bill to create an infrastructure program to fund the repair and replacement of certain public water supplies, stormwater systems, and sewer systems; and to prescribe the powers and duties of certain state and local agencies and officials.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the "local
2 infrastructure improvement act".

3 Sec. 2. As used in this act:

4 (a) "Department" means the department of environmental
5 quality.

6 (b) "Fund" means the local infrastructure improvement fund
7 created in section 4.

1 (c) "Local unit of government" means a county, township, city,
2 or village.

3 (d) "Program" means the local infrastructure improvement
4 program created in section 3.

5 (e) "Public water supply" means that term as defined in
6 section 2 of the safe drinking water act, 1976 PA 399, MCL
7 325.1002.

8 (f) "Rule" means a rule promulgated pursuant to the
9 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
10 24.328.

11 Sec. 3. (1) The department shall establish a local
12 infrastructure improvement program to fund the replacement and
13 rehabilitation of public water supplies, stormwater systems, and
14 sewer systems owned by local units of government. The program shall
15 not fund facilities that are owned or operated by this state or a
16 private entity.

17 (2) A local unit of government may apply to the department to
18 be designated as a qualifying local unit of government and become
19 eligible for distributions under this act. The application shall
20 document each public water supply, stormwater system, and sewer
21 system that the local unit of government owns on its own or with
22 other local units of government. The local unit of government shall
23 also include information required by the department related to the
24 length and width of all pipelines eligible for funding under the
25 program. The department shall qualify a local unit of government if
26 the local unit of government owns a public water supply, a
27 stormwater system, or a sewer system that is in compliance with

1 law. A local unit of government is eligible to be qualified if it
2 owns 1 or more of these systems on its own or with 1 or more other
3 local units of government.

4 (3) The department shall make distributions to qualifying
5 local units of government based upon the total length and width of
6 all pipelines and mains owned and operated by the local unit of
7 government or owned and operated in conjunction with 1 or more
8 other local units of government.

9 (4) On or before the twenty-fifth day of April, June,
10 September, and November of each year, the department shall
11 distribute 25% of the money annually appropriated from the fund for
12 the program to each qualifying local unit of government as provided
13 in this section.

14 (5) Money received by the local unit of government under this
15 section may be used for the replacement or rehabilitation of all or
16 a portion of a public water supply, a stormwater system, or a sewer
17 system. Money may be used as a match for other state or federal
18 funds that are available for the purpose of the distribution. Money
19 may be used for a consolidated project for the repair or
20 rehabilitation of a public water supply, a stormwater system, or a
21 sewer system.

22 Sec. 4. (1) The local infrastructure improvement fund is
23 created within the state treasury.

24 (2) The state treasurer may receive money or other assets from
25 any source for deposit into the fund. The state treasurer shall
26 direct the investment of the fund. The state treasurer shall credit
27 to the fund interest and earnings from fund investments.

1 (3) Money in the fund at the close of the fiscal year shall
2 remain in the fund and shall not lapse to the general fund.

3 (4) The department shall be the administrator of the fund for
4 auditing purposes.

5 (5) The department shall expend money from the fund, upon
6 appropriation, only for distributions to qualifying local units of
7 government under the program.

8 Sec. 5. The department may promulgate rules necessary to
9 implement this act.