NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

CHAPTER 1
POINT SOURCE POLLUTION CONTROL

PART 31
WATER RESOURCES PROTECTION

324.3101 Definitions.

Sec. 3101. As used in this part:

(a) "Aquatic nuisance species" means a nonindigenous species that threatens the diversity or abundance of native species or the ecological stability of infested waters, or commercial, agricultural, aquacultural, or recreational activities dependent on such waters.

(b) "Ballast water" means water and associated solids taken on board a vessel to control or maintain trim, draft, stability, or stresses on the vessel, without regard to the manner in which it is carried.

(c) "Ballast water treatment method" means a method of treating ballast water and sediments to remove or destroy living biological organisms through 1 or more of the following:

(*i*) Filtration.

(*ii*) The application of biocides or ultraviolet light.

(*iii*) Thermal methods.

(*iv*) Other treatment techniques approved by the department.

(d) "Department" means the department of environmental quality.

(e) "Detroit consumer price index" means the most comprehensive index of consumer prices available for the Detroit area from the United States Department of Labor, Bureau of Labor Statistics.

(f) "Emergency management coordinator" means that term as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(g) "Great Lakes" means the Great Lakes and their connecting waters, including Lake St. Clair.

(h) "Group 1 facility" means a facility whose discharge is described by R 323.2218 of the Michigan administrative code.

(i) "Group 2 facility" means a facility whose discharge is described by R 323.2210(y), R 323.2215, or R 323.2216 of the Michigan administrative code. Group 2 facility does not include a Group 2a facility.

(j) "Group 2a facility" means a facility whose discharge is described by R 323.2210(y) or R 323.2215 of the Michigan administrative code and that meets 1 or more of the following:

(*i*) The facility's discharge is from a coin-operated laundromat.

(*ii*) The facility's discharge is from a car wash or vehicle wash open to the public.

(*iii*) The facility's discharge is a subsurface sanitary discharge of fewer than 10,000 gallons per day that does not meet the terms for authorization under R 323.2211(a) of the Michigan administrative code.

(*iv*) The facility's discharge is a seasonal sanitary discharge from a public park, public or private recreational vehicle park or campground, or recreational or vacation camp.

(k) "Group 3 facility" means a facility whose discharge is described by R 323.2211 or R 323.2213 of the Michigan administrative code.

(*l*) "Local health department" means that term as defined in section 1105 of the public health code, 1978 PA 368, MCL 333.1105.

(m) "Local unit" means a county, city, village, or township or an agency or instrumentality of any of these entities.

(n) "Municipality" means this state, a county, city, village, or township, or an agency or instrumentality of any of these entities.

(o) "National response center" means the National Communications Center established under the clean water act, 33 USC 1251 to 1387, located in Washington, DC, that receives and relays notice of oil discharge or releases of hazardous substances to appropriate federal officials.

(p) "Nonoceangoing vessel" means a vessel that is not an oceangoing vessel.

(q) "Oceangoing vessel" means a vessel that operates on the Great Lakes or the St. Lawrence waterway after operating in waters outside of the Great Lakes or the St. Lawrence waterway.

(r) "Open water disposal of contaminated dredge materials" means the placement of dredge materials contaminated with toxic substances as defined in R 323.1205 of the Michigan administrative code into the open waters of the waters of the state but does not include the siting or use of a confined disposal facility designated by the United States Army Corps of Engineers or beach nourishment activities utilizing

uncontaminated materials.

(s) "Primary public safety answering point" means that term as defined in section 102 of the emergency telephone service enabling act, 1986 PA 32, MCL 484.1102.

(t) "Sediments" means any matter settled out of ballast water within a vessel.

(u) "Sewage sludge" means sewage sludge generated in the treatment of domestic sewage, other than only septage or industrial waste.

(v) "Sewage sludge derivative" means a product for land application derived from sewage sludge that does not include solid waste or other waste regulated under this act.

(w) "Sewage sludge generator" means a person who generates sewage sludge that is applied to land.

(x) "Sewage sludge distributor" means a person who applies, markets, or distributes, except at retail, a sewage sludge derivative.

(y) "St. Lawrence waterway" means the St. Lawrence River, the St. Lawrence Seaway, and the Gulf of St. Lawrence.

(z) "Threshold reporting quantity" means that term as defined in R 324.2002 of the Michigan administrative code.

(aa) "Waters of the state" means groundwaters, lakes, rivers, and streams and all other watercourses and waters, including the Great Lakes, within the jurisdiction of this state.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1997, Act 29, Imd. Eff. June 18, 1997;—Am. 2001, Act 114, Imd. Eff. Aug. 6, 2001;—Am. 2004, Act 90, Imd. Eff. Apr. 22, 2004;—Am. 2004, Act 142, Imd. Eff. June 15, 2004;—Am. 2006, Act 97, Imd. Eff. Apr. 4, 2006;—Am. 2015, Act 247, Imd. Eff. Dec. 22, 2015.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Waste Management Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.3102 Implementation of part.

Sec. 3102. The director shall implement this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For creation of the office of administrative hearings within the department of natural resources and transfer of authority to make decisions regarding administrative appeals of surface water discharge permit applications from the commission of natural resources to the office of administrative hearings, see E.R.O. No. 1995-3, compiled at MCL 299.911 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Surface Water Quality Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Waste Management Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

For transfer of the Office of Administrative Hearings, including but not limited to authority, powers, duties, functions, and responsibilities, to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.3103 Department of environmental quality; powers and duties generally; rules; other actions.

Sec. 3103. (1) The department shall protect and conserve the water resources of the state and shall have control of the pollution of surface or underground waters of the state and the Great Lakes, which are or may be affected by waste disposal of any person. The department may make or cause to be made surveys, studies, and investigations of the uses of waters of the state, both surface and underground, and cooperate with other governments and governmental units and agencies in making the surveys, studies, and investigations. The department shall assist in an advisory capacity a flood control district that may be authorized by the legislature. The department, in the public interest, shall appear and present evidence, reports, and other testimony during the hearings involving the creation and organization of flood control districts. The department shall advise and consult with the legislature on the obligation of the state to participate in the costs of construction and maintenance as provided for in the official plans of a flood control district or intercounty drainage district.

(2) The department shall enforce this part and may promulgate rules as it considers necessary to carry out its duties under this part. However, notwithstanding any rule-promulgation authority that is provided in this part, except for rules authorized under section 3112(6), the department shall not promulgate any additional rules under this part after December 31, 2006.

(3) The department may promulgate rules and take other actions as may be necessary to comply with the federal water pollution control act, 33 USC 1251 to 1387, and to expend funds available under such law for extension or improvement of the state or interstate program for prevention and control of water pollution. This part shall not be construed as authorizing the department to expend or to incur any obligation to expend any state funds for such purpose in excess of any amount that is appropriated by the legislature.

(4) Notwithstanding the limitations on rule promulgation under subsection (2), rules promulgated under this part before January 1, 2007 shall remain in effect unless rescinded.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2004, Act 91, Imd. Eff. Apr. 22, 2004;—Am. 2005, Act 33, Imd. Eff. June 6, 2005.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Environmental Assistance Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Surface Water Quality Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled MCL 324.99901 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Waste Management Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 323.1001 et seq. and R 323.2101 et seq. of the Michigan Administrative Code.

324.3103a Legislative findings; duties of department; vessel owner or operator ineligible for new grant, loan, or award.

Sec. 3103a. (1) The legislature finds both of the following:

(a) It is a goal of this state to prevent the introduction of and minimize the spread of aquatic nuisance species within the Great Lakes.

(b) That, to achieve the goal stated in subdivision (a), this state shall cooperate with the United States and Canadian authorities, other states and provinces, and the maritime industry.

(2) By March 1, 2002, the department shall do all of the following:

(a) Determine whether the ballast water management practices that were proposed by the shipping federation of Canada to the department on June 7, 2000 are being complied with by all oceangoing vessels operating on the Great Lakes and the St. Lawrence waterway. Upon request by the department, the owner or operator of an oceangoing vessel shall provide, on a form developed by the department and the shipping federation of Canada, confirmation of whether or not the vessel is complying with the ballast water management practices described in this subdivision.

(b) Determine whether the ballast water management practices that were proposed jointly by the lake carriers' association and the Canadian shipowners' association to the department on January 26, 2001 are being complied with by all nonoceangoing vessels operating on the Great Lakes and the St. Lawrence waterway. Upon request by the department, the owner or operator of a nonoceangoing vessel shall provide, on a form developed by the department and the lake carriers' association and the Canadian shipowners' association, confirmation of whether or not the vessel is complying with the ballast water management practices described in this subdivision. For a nonoceangoing vessel that is a ferry used to transport motor vehicles across Lake Michigan, if the configuration of the vessel would prohibit compliance with 1 or more of the ballast water management practices described in this section, the department shall establish alternative ballast water management practices for the vessel and shall determine whether those practices are being complied with.

(c) Determine whether either or both of the ballast water management practices described in subdivisions (a) and (b) have been made conditions of passage on the St. Lawrence seaway by the St. Lawrence seaway management corporation and the Saint Lawrence seaway development corporation.

(d) Determine the following:

(*i*) Whether 1 or more ballast water treatment methods, which protect the safety of the vessel, its crew, and its passengers, could be used by oceangoing vessels to prevent the introduction of aquatic nuisance species into the Great Lakes.

(*ii*) A time period after which 1 or more ballast water treatment methods identified under subparagraph (*i*) could be used by all oceangoing vessels operating on the Great Lakes.

(*iii*) If the department determines under subparagraph (*i*) that a ballast water treatment method is not available, the actions needed to be taken for 1 or more ballast water treatment methods that would meet the requirements of subparagraph (*i*) to be developed, tested, and made available to vessel owners and operators and a time period after which the ballast water treatment method or methods could be used by all oceangoing vessels operating on the Great Lakes. Subsequently, if at any time the department determines that 1 or more

ballast water treatment methods that meet the requirements of subparagraph (*i*) could be used by oceangoing vessels operating on the Great Lakes, the department shall determine a date after which the ballast water treatment method or methods could be used by all oceangoing vessels operating on the Great Lakes.

(e) Submit to the governor and the standing committees of the legislature with jurisdiction primarily over issues pertaining to natural resources and the environment a letter of determination that outlines the determinations made by the department under this subsection.

(3) By March 1, 2003, the department shall do all of the following:

(a) Determine whether all oceangoing vessels that are operating on the Great Lakes are using a ballast water treatment method, identified by the department under subsection (2)(d)(*i*) or (*iii*), to prevent the introduction of aquatic nuisance species into the Great Lakes. Upon request by the department, the owner or operator of an oceangoing vessel shall provide, on a form developed by the department and the shipping federation of Canada, confirmation of whether or not the vessel is using a ballast water treatment method identified by the department under subsection (2)(d)(*i*) or (*iii*). If the department determines that all oceangoing vessels that are operating on the Great Lakes are not using a ballast water treatment method by the dates identified in subsection (2)(d)(*ii*) or (*iii*), the department shall determine what the reasons are for not doing so.

(b) Determine whether the use of a ballast water treatment method has been made a condition of passage on the St. Lawrence seaway by the St. Lawrence seaway management corporation and the Saint Lawrence seaway development corporation.

(c) Submit to the governor and the standing committees of the legislature with jurisdiction primarily over issues pertaining to natural resources and the environment a letter of determination that outlines the determinations made by the department under this subsection.

(4) The department shall do all of the following:

(a) By March 1, 2002, compile and maintain a list of all oceangoing vessels and nonoceangoing vessels that it determines have complied with the ballast water management practices described in subsection (2)(a) or (b), as appropriate, during the previous 12 months. This list shall be continually updated and maintained on the department's website.

(b) By March 1, 2003, if the department has determined under subsection (2)(d)(*i*), or if the department subsequently determines under subsection (2)(d)(*iii*), that 1 or more ballast water treatment methods could be used by oceangoing vessels to prevent the introduction of aquatic nuisance species into the Great Lakes, compile and maintain a list of all oceangoing vessels that, after the date specified in subsection (2)(d)(*ii*) or the date identified by the department under subsection (2)(d)(*iii*), as appropriate, have been using 1 of these ballast water treatment methods during the previous 12 months.

(c) Continually update and post the lists provided for in subdivisions (a) and (b) on the department's website.

(d) Annually distribute a copy of the lists prepared under subdivisions (a) and (b) to persons in the state who have contracts with oceangoing or nonoceangoing vessel operators for the transportation of cargo.

(e) Provide to the governor and the standing committees of the legislature with jurisdiction primarily over issues pertaining to natural resources and the environment copies of the initial lists prepared under subdivisions (a) and (b) and the annual list distributed under subdivision (d).

(5) The owner or operator of an oceangoing vessel or a nonoceangoing vessel that is not on an applicable list prepared under subsection (4) and any persons in the state who have contracts for the transportation of cargo with an oceangoing or nonoceangoing vessel operator that is not on an applicable list prepared under subsection (4) are not eligible for a new grant, loan, or award administered by the department.

History: Add. 2001, Act 114, Imd. Eff. Aug. 6, 2001.

Popular name: Act 451

Popular name: NREPA

324.3104 Cooperation and negotiation with other governments as to water resources; alteration of watercourses; federal assistance; formation of Great Lakes aquatic nuisance species coalition; report; requests for appropriations; recommendations; permit to alter floodplain; application; fees; disposition of fees; public hearing; minor floodplain projects; other parts subject to single highest permit fee.

Sec. 3104. (1) The department is designated the state agency to cooperate and negotiate with other governments, governmental units, and governmental agencies in matters concerning the water resources of this state, including, but not limited to, flood control, beach erosion control, water quality control planning, development, and management, and the control of aquatic nuisance species. The department shall have

control over the alterations of natural or present watercourses of all rivers and streams in this state to ensure that the channels and the portions of the floodplains that are the floodways are not inhabited and are kept free and clear of interference or obstruction that will cause any undue restriction of the capacity of the floodway. The department may take steps as may be necessary to take advantage of any act of congress that may be of assistance in carrying out the purposes of this part, including the water resources planning act, 42 USC 1962 to 1962d-3, and the federal water pollution control act, 33 USC 1251 to 1388.

(2) To address discharges of aquatic nuisance species from oceangoing vessels that damage water quality, aquatic habitat, or fish or wildlife, the department shall facilitate the formation of a Great Lakes aquatic nuisance species coalition. The Great Lakes aquatic nuisance species coalition must be formed through an agreement entered into with other states in the Great Lakes basin to implement on a basin-wide basis water pollution laws that prohibit the discharge of aquatic nuisance species into the Great Lakes from oceangoing vessels. Upon entering into the agreement, the department shall notify the Canadian Great Lakes provinces of the terms of the agreement. The department shall seek funding from the Great Lakes protection fund authorized under part 331 to implement the Great Lakes aquatic nuisance species coalition.

(3) The department shall report to the governor and the legislature at least annually on any plans or projects being implemented or considered for implementation. The report must include requests for legislation needed to implement any proposed projects or agreements made necessary as a result of a plan or project, together with any requests for appropriations. The department may make recommendations to the governor on the designation of areawide water quality planning regions and organizations relative to the governor's responsibilities under the federal water pollution control act, 33 USC 1251 to 1388.

(4) A person shall not alter a floodplain except as authorized by a floodplain permit issued by the department under part 13. An application for a floodplain permit must include information required by the department to assess the proposed alteration's impact on the floodplain. If an alteration includes activities at multiple locations in a floodplain, 1 application may be filed for combined activities.

(5) Except as otherwise provided in this section, until October 1, 2025, an application for a floodplain permit must be accompanied by a fee of $500.00. Until October 1, 2025, if the department determines that engineering computations are required to assess the impact of a proposed floodplain alteration on flood stage or discharge characteristics, the department shall assess the applicant an additional $1,500.00 to cover the department's cost of review.

(6) After providing notice and an opportunity for a public hearing, the department shall establish minor project categories of activities within floodplains and floodplain projects that are similar in nature, have minimal potential for causing harmful interference when performed separately, and will have only minimal cumulative adverse effects on the environment. All other provisions of this part, except provisions applicable only to floodplain general permits, are applicable to a minor project. A minor project category must not be valid for more than 5 years, but may be re-established. Until October 1, 2025, an application for a floodplain permit for a minor project category must be accompanied by a fee of $100.00.

(7) The department, after notice and an opportunity for a public hearing, shall issue general permits on a statewide basis or within a local unit of government for floodplain projects that are similar in nature, have minimal potential for causing harmful interference when performed separately, and will have only minimal cumulative adverse effects on the environment. A general permit category must not be valid for more than 5 years, but may be re-established. Until October 1, 2025, an application for a floodplain permit for a general permit category must be accompanied by a fee of $50.00.

(8) By December 31, 2019, the department shall propose new minor project and general project categories as authorized under subsections (6) and (7).

(9) The department may issue, deny, or impose conditions on project activities authorized under a floodplain permit for a minor project category or a general permit category if the conditions are designed to remove an impairment to a river and its floodplain, or to mitigate the effects of the project. The department may also establish a reasonable time when the proposed project is to be completed or terminated.

(10) If the department determines that activity in a proposed project, although within a floodplain minor project category or a floodplain general permit category, is likely to cause more than minimal adverse environmental effects, the department may require that the application be processed according to subsection (5).

(11) If work has been done in violation of a permit requirement under this part and restoration is not ordered by the department, the department may accept an application for a permit for that work if the application is accompanied by a fee equal to 2 times the permit fee otherwise required under this section.

(12) The department shall forward fees collected under this section to the state treasurer for deposit in the land and water management permit fee fund created in section 30113.

(13) A project that requires review and approval under this part and 1 or more of the following is subject to

only the single highest permit fee required under this part or the following:

(a) Part 301.

(b) Part 303.

(c) Part 323.

(d) Part 325.

(e) Section 117 of the land division act, 1967 PA 288, MCL 560.117.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1995, Act 169, Imd. Eff. Oct. 9, 1995;—Am. 1999, Act 106, Imd. Eff. July 7, 1999;—Am. 2003, Act 163, Imd. Eff. Aug. 12, 2003;—Am. 2004, Act 325, Imd. Eff. Sept. 10, 2004;—Am. 2005, Act 33, Imd. Eff. June 6, 2005;—Am. 2008, Act 276, Imd. Eff. Sept. 29, 2008;—Am. 2011, Act 90, Imd. Eff. July 15, 2011;—Am. 2015, Act 82, Eff. Oct. 1, 2015;—Am. 2018, Act 518, Eff. Mar. 28, 2019;—Am. 2021, Act 91, Imd. Eff. Oct. 20, 2021.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 323.1001 et seq. of the Michigan Administrative Code.

324.3105 Entering property for inspections and investigations; assistance.

Sec. 3105. The department may enter at all reasonable times in or upon any private or public property for the purpose of inspecting and investigating conditions relating to the pollution of any waters of the state and the obstruction of the floodways of the rivers and streams of this state. The department may call upon any officer, board, department, school, university, or other state institution and the officers or employees thereof for any assistance considered necessary to implement this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.3106 Establishment of pollution standards; permits; determination of volume of water and high and low water marks; rules; orders; pollution prevention.

Sec. 3106. The department shall establish pollution standards for lakes, rivers, streams, and other waters of the state in relation to the public use to which they are or may be put, as it considers necessary. The department shall issue permits that will assure compliance with state standards to regulate municipal, industrial, and commercial discharges or storage of any substance that may affect the quality of the waters of the state. The department may set permit restrictions that will assure compliance with applicable federal law and regulations. The department may ascertain and determine for record and in making its order what volume of water actually flows in all streams, and the high and low water marks of lakes and other waters of the state, affected by the waste disposal or pollution of any persons. The department may promulgate rules and issue orders restricting the polluting content of any waste material or polluting substance discharged or sought to be discharged into any lake, river, stream, or other waters of the state. The department shall take all appropriate steps to prevent any pollution the department considers to be unreasonable and against public interest in view of the existing conditions in any lake, river, stream, or other waters of the state.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 323.1001 et seq. and R 323.2101 et seq. of the Michigan Administrative Code.

324.3106a Satisfaction of remedial obligations.

Sec. 3106a. Corrective action measures conducted pursuant to part 213 satisfy remedial obligations under this part.

History: Add. 1995, Act 15, Imd. Eff. Apr. 12, 1995.

Popular name: Act 451

Popular name: NREPA

324.3107 Harmful interference with streams; rules; orders; determinations for record.

Sec. 3107. The department may promulgate rules and issue orders for the prevention of harmful interference with the discharge and stage characteristics of streams. The department may ascertain and determine for record and in making its order the location and extent of floodplains, stream beds, and channels and the discharge and stage characteristics of streams at various times and circumstances.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 323.1001 et seq. of the Michigan Administrative Code.

324.3108 Unlawful occupation, filling, or grading of floodplain, stream bed, or channel of stream; exceptions; construction of building with basement.

Sec. 3108. (1) A person shall not occupy or permit the occupation of land for residential, commercial, or industrial purposes or fill or grade or permit the filling or grading for a purpose other than agricultural of land in a floodplain, stream bed, or channel of a stream, as ascertained and determined for the record by the department, or undertake or engage in an activity on or with respect to land that is determined by the department to interfere harmfully with the discharge or stage characteristics of a stream, unless the occupation, filling, grading, or other activity is permitted under this part.

(2) A person may construct or cause the construction of a building that includes a basement in a floodplain that has been properly filled above the 100-year flood elevation under permit if 1 or more of the following apply:

(a) The lowest floor, including the basement, will be constructed above the 100-year flood elevation.

(b) A licensed professional engineer schooled in the science of soil mechanics certifies that the building site has been filled with soil of a type and in a manner that hydrostatic pressures are not exerted upon the basement walls or floor while the watercourse is at or below the 100-year flood elevation, that the placement of the fill will prevent settling of the building or buckling of floors or walls, and that the building is equipped with a positive means of preventing sewer backup from sewer lines and drains that serve the building.

(c) A licensed professional engineer or architect certifies that the basement walls and floors are designed to be watertight and to withstand hydrostatic pressure from a water level equal to the 100-year flood elevation and that the building is properly anchored or weighted to prevent flotation and is equipped with a positive means of preventing sewer backup from sewer lines and drains that serve the building.

(3) If the community within which a building described in subsection (2) is located is a participant in the national flood insurance program authorized under the national flood insurance act of 1968, title XIII of the housing and urban development act of 1968, Public Law 90-448, 82 Stat. 572, 42 U.S.C. 4001, 4011 to 4012, 4013 to 4020, 4022 to 4102, 4104 to 4104d, 4121 to 4127, and 4129, then the developer shall apply for and obtain a letter of map revision, based on fill, from the federal emergency management agency prior to the issuance of a local building permit or the construction of the building if 1 or both of the following apply:

(a) The floodplain will be altered through the placement of fill.

(b) The watercourse is relocated or enclosed.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1996, Act 162, Imd. Eff. Apr. 11, 1996.

Popular name: Act 451

Popular name: NREPA

324.3109 Discharge into state waters; prohibitions; exception; violation; penalties; abatement; "on-site wastewater treatment system" defined.

Sec. 3109. (1) A person shall not directly or indirectly discharge into the waters of the state a substance that is or may become injurious to any of the following:

(a) To the public health, safety, or welfare.

(b) To domestic, commercial, industrial, agricultural, recreational, or other uses that are being made or may be made of such waters.

(c) To the value or utility of riparian lands.

(d) To livestock, wild animals, birds, fish, aquatic life, or plants or to their growth or propagation.

(e) To the value of fish and game.

(2) The discharge of any raw sewage of human origin, directly or indirectly, into any of the waters of the state shall be considered prima facie evidence of a violation of this part by the municipality in which the discharge originated unless the discharge is permitted by an order or rule of the department. If the discharge is not the subject of a valid permit issued by the department, a municipality responsible for the discharge may be subject to the remedies provided in section 3115. If the discharge is the subject of a valid permit issued by the department pursuant to section 3112, and is in violation of that permit, a municipality responsible for the discharge is subject to the penalties prescribed in section 3115.

(3) Notwithstanding subsection (2), a municipality is not responsible or subject to the remedies or penalties provided in section 3115 under either of the following circumstances:

(a) The discharge is an unauthorized discharge from a sewerage system as defined in section 4101 that is permitted under this part and owned by a party other than the municipality, unless the municipality has accepted responsibility in writing for the sewerage system and, with respect to the civil fine and penalty under

section 3115, the municipality has been notified in writing by the department of its responsibility for the sewerage system.

(b) The discharge is from 3 or fewer on-site wastewater treatment systems.

(4) Unless authorized by a permit, order, or rule of the department, the discharge into the waters of this state of any medical waste, as defined in part 138 of the public health code, 1978 PA 368, MCL 333.13801 to 333.13832, is prima facie evidence of a violation of this part and subjects the responsible person to the penalties prescribed in section 3115.

(5) Unless a discharge is authorized by a permit, order, or rule of the department, the discharge into the waters of this state from an oceangoing vessel of any ballast water is prima facie evidence of a violation of this part and subjects the responsible person to the penalties prescribed in section 3115.

(6) A violation of this section is prima facie evidence of the existence of a public nuisance and in addition to the remedies provided for in this part may be abated according to law in an action brought by the attorney general in a court of competent jurisdiction.

(7) As used in this section, "on-site wastewater treatment system" means a system of components, other than a sewerage system as defined in section 4101, used to collect and treat sanitary sewage or domestic equivalent wastewater from 1 or more dwellings, buildings, or structures and discharge the resulting effluent to a soil dispersal system on property owned by or under the control of the same individual or entity that owns or controls the dwellings, buildings, or structures.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2005, Act 32, Eff. Jan. 1, 2007;—Am. 2005, Act 241, Imd. Eff. Nov. 22, 2005;—Am. 2014, Act 536, Imd. Eff. Jan 15, 2015.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 323.1001 et seq. of the Michigan Administrative Code.

324.3109a Mixing zones for discharges of venting groundwater; conditions not requiring permit; definitions.

Sec. 3109a. (1) Notwithstanding any other provision of this part, or rules promulgated under this part, the department shall allow for a mixing zone for discharges of venting groundwater in the same manner as the department provides for a mixing zone for point source discharges. Mixing zones for discharges of venting groundwater shall not be less protective of public health or the environment than the level of protection provided for mixing zones from point source discharges.

(2) Notwithstanding any other provision of this part, if a discharge of venting groundwater is in compliance with the water quality standards provided for in this part and the rules promulgated under this part, a permit is not required under this part for the discharge if the discharge is provided for in either or both of the following:

(a) A remedial action plan that is approved by the department under part 201.

(b) A corrective action plan that is submitted to the department under part 213 that includes a mixing zone determination made by the department and that has been noticed in the department calendar.

(3) As used in this section:

(a) "Mixing zone" means that portion of a water body where a point source discharge or venting groundwater is mixed with receiving water.

(b) "Venting groundwater" means groundwater that is entering a surface water of the state from a facility, as defined in section 20101.

History: Add. 1995, Act 70, Imd. Eff. June 5, 1995;—Am. 1999, Act 106, Imd. Eff. July 7, 1999.

Popular name: Act 451

Popular name: NREPA

324.3109b Satisfaction of remedial obligations.

Sec. 3109b. Notwithstanding any other provision of this part, remedial actions that satisfy the requirements of part 201 satisfy a person's remedial obligations under this part.

History: Add. 1995, Act 70, Imd. Eff. June 5, 1995.

Popular name: Act 451

Popular name: NREPA

324.3109c Open water disposal of dredge materials contaminated with toxic substances; prohibition.

Sec. 3109c. Notwithstanding any other provision of this part or the rules promulgated under this part, the

open water disposal of dredge materials that are contaminated with toxic substances as defined in R 323.1205 of the Michigan administrative code is prohibited.

History: Add. 2006, Act 97, Imd. Eff. Apr. 4, 2006;—Am. 2013, Act 87, Imd. Eff. June 28, 2013.

Popular name: Act 451

Popular name: NREPA

324.3109d MAEAP-verified farms; applicable conditions; obligation to obtain permit not modified or limited; definitions.

Sec. 3109d. (1) Beginning 6 months after the effective date of the amendatory act that added this section, notwithstanding any other provision of this part, the following apply to MAEAP-verified farms:

(a) Except as provided in subdivision (b), if all of the following conditions are met, the owner or operator of the MAEAP-verified farm is not subject to civil fines under section 3115, but may be responsible for actual natural resources damages:

(*i*) A discharge to the waters of the state occurs from a portion or operation of the farm that is MAEAP-verified and in compliance with MAEAP standards.

(*ii*) The owner or operator acted promptly to correct the condition after discovery.

(*iii*) The owner or operator reported the discharge to the department within 24 hours of the discovery.

(b) Subdivision (a) does not apply if either of the following conditions occurs:

(*i*) The actions of the owner or operator pose or posed a substantial endangerment to the public health, safety, or welfare.

(*ii*) The director, upon advice from the interagency technical review panel provided for in section 8710, determines the owner or operator has previously committed significant violations that constitute a pattern of repeated violations of environmental laws, rules, regulations, permit conditions, settlement agreements, or orders of consent or judicial orders and that were due to separate and distinct events.

(c) If a MAEAP-verified farm is in compliance with all MAEAP standards applicable to the farming operation, the farm is considered to be implementing conservation and management practices needed to meet total maximum daily load implementation for impaired waters pursuant to 33 USC 1313.

(d) If a discharge from a MAEAP-verified farm that is in compliance with all MAEAP standards applicable to land application is caused by an act of God weather event, both of the following apply:

(*i*) The discharge shall be considered nonpoint source pollution.

(*ii*) If the discharge is determined by the director with scientific evidence provided by water quality data to have caused an exceedance of water quality standards, the farm, within 30 days of notification, shall provide to the department a report that includes details of conservation or management practice changes, if necessary, to further address the risk of discharge recurrence. The report shall state whether those conservation or management practices have already been implemented by the farm. Upon receipt of the report, the department shall review the report and respond within 30 days. The departmental response may include report acceptance with no further action required or may recommend environmentally sound and economically feasible conservation or management practices to prevent future discharges.

(2) This section does not modify or limit any obligation to obtain a permit under this part.

(3) As used in this section:

(a) "Act of God weather event" means a precipitation event that meets both of the following conditions:

(*i*) Exceeds 1/2 inch in precipitation.

(*ii*) Was forecast by the national weather service 24 hours earlier as having less than a 70% probability of exceeding 1/2 inch of precipitation.

(b) "MAEAP-verified farm" means that term as it is defined in part 87.

History: Add. 2011, Act 1, Imd. Eff. Mar. 9, 2011.

Popular name: Act 451

Popular name: NREPA

324.3109e Sodium or chloride in groundwater discharge permit; limitation; discharge of sodium or chloride causing groundwater concentration exceeding certain levels; duties of permittee; response activities.

Sec. 3109e. (1) Notwithstanding any other provision in this act or the rules promulgated under this act, the department shall not establish or enforce a limitation for sodium or chloride in a groundwater discharge permit that is more restrictive than the following:

(a) 400 milligrams of sodium per liter.

(b) 500 milligrams of chloride per liter.

(2) Notwithstanding any other provision of this act or the rules promulgated under this act, the department shall not establish or enforce a limitation for sodium or chloride in groundwater that is more restrictive than the following:

(a) 230 milligrams of sodium per liter.

(b) 250 milligrams of chloride per liter.

(3) Notwithstanding any other provision of this part or rules promulgated under this part, if a permittee discharges sodium or chloride, or both, into groundwater that migrates off of the property on which the discharge was made and that discharge directly causes the groundwater concentration of sodium or chloride, or both, to exceed the levels provided under subsection (2), the permittee shall do all of the following:

(a) Initiate a sampling program approved by the department to monitor downgradient water supply wells for the levels of sodium or chloride, or both, in the water supply.

(b) If the concentration of sodium in a downgradient water supply exceeds the level provided under subsection (2), the permittee shall provide and maintain, for each affected downgradient water supply, free of charge, a point-of-use treatment system approved by the department that will remove sodium from the water supply so as to be in compliance with the level provided under subsection (2).

(c) If the concentration of chloride in a downgradient water supply exceeds the level provided under subsection (2), provide to each affected water supply owner a notice of aesthetic impact with respect to chloride levels.

(4) Notwithstanding any other provision of this act, a permittee subject to the requirements of subsection (3) that complies with the requirements of subsection (3) is not subject to response activities under part 201 with respect to a discharge of sodium or chloride, or both, that is in compliance with the discharge level under subsection (1).

History: Add. 2013, Act 180, Imd. Eff. Nov. 26, 2013.

Popular name: Act 451

Popular name: NREPA

324.3110 Waste treatment facilities of industrial or commercial entity; exception; examination and certification of supervisory personnel; training program; fees; failure to pay fee; continuing education programs; reports; false statement; applicability of section.

Sec. 3110. (1) Each industrial or commercial entity, other than a concentrated animal feed operation, that discharges liquid wastes into any surface water or groundwater or underground or on the ground other than through a public sanitary sewer shall have waste treatment or control facilities under the specific supervision and control of individuals who are certified by the department as properly qualified to operate the facilities. The department shall examine all supervisory personnel having supervision and control of the facilities, other than a concentrated animal feed operation, and certify that the individuals are properly qualified to operate or supervise the facilities.

(2) The department may conduct a program for training individuals seeking to be certified as operators or supervisors under subsection (1), section 4104, or section 9 of the safe drinking water act, 1976 PA 399, MCL 325.1009. Until October 1, 2025, the department may charge a fee based on the costs to the department of operating this training program. The fees must be deposited into the operator training and certification fund created in section 3134.

(3) The department shall administer certification operator programs for individuals seeking to be certified as operators or supervisors under subsection (1), section 4104, or section 9 of the safe drinking water act, 1976 PA 399, MCL 325.1009. An individual that wishes to become certified as an operator or a supervisor shall submit an application to the department that contains the information required by the department. Information submitted as part of the application must be considered part of the examination for certification. Until October 1, 2025, the department may charge a certification examination fee and a certification renewal fee in accordance with the following fee schedule:

(a) For certification examinations under subsection (1), the following fees apply:

(*i*) Industrial wastewater certification level 1 or 2 examination as described under subrule (2) of R 323.1253 of the Michigan Administrative Code, $35.00.

(*ii*) Industrial wastewater certification level 3 examination as described under subrule (2) of R 323.1253 of the Michigan Administrative Code, $40.00.

(*iii*) Industrial wastewater special classification A-1a examination or noncontact cooling water A-1h examination as described under subrule (2) of R 323.1253 of the Michigan Administrative Code, $30.00.

(*iv*) Stormwater industrial certification A-1i examination as described under subrule (2) of R 323.1253 of the Michigan Administrative Code, $30.00.

(b) For certification examinations under section 4104, the following fees apply:

(*i*) Municipal wastewater certification level A, B, C, or D examination as described under subrule (1) of R 299.2911 of the Michigan Administrative Code, $70.00.

(*ii*) Municipal wastewater certification level L2 examination as described under subrule (3)(a) of R 299.2911 of the Michigan Administrative Code, $45.00.

(*iii*) Municipal wastewater certification level L1 examination as described under subrule (3)(b) of R 299.2911 of the Michigan Administrative Code, $45.00.

(*iv*) Municipal wastewater certification level SC examination as described under subrule (4) of R 299.2911 of the Michigan Administrative Code, $45.00.

(c) For certification examinations under section 9 of the safe drinking water act, 1976 PA 399, MCL 325.1009, for operators of the following systems, the following fees apply:

(*i*) Drinking water complete treatment system classes F-1, F-2, F-3, or F-4 as described under subrule (1) of R 325.11901 of the Michigan Administrative Code, $70.00.

(*ii*) Drinking water limited treatment system classes D-1, D-2, D-3, or D-4 as described under subrule (2) of R 325.11901 of the Michigan Administrative Code, $70.00.

(*iii*) Drinking water distribution system classes S-1, S-2, S-3, or S-4 as described under R 325.11902 of the Michigan Administrative Code, $70.00.

(*iv*) Drinking water complete treatment system class F-5 as described under subrule (1) of R 325.11901 of the Michigan Administrative Code, $45.00.

(*v*) Drinking water limited treatment system class D-5 as described under subrule (2) of R 325.11901 of the Michigan Administrative Code, $45.00.

(*vi*) Drinking water distribution system class S-5 as described under R 325.11902 of the Michigan Administrative Code, $45.00.

(d) For certification renewals under subsection (1), the following fees apply:

(*i*) Stormwater industrial certification A-1i as described under subrule (2) of R 323.1253 of the Michigan Administrative Code, $95.00.

(*ii*) Stormwater construction certification A-1j as described under subrule (2) of R 323.1253 of the Michigan Administrative Code, $95.00.

(*iii*) All other industrial wastewater certification levels 1, 2, or 3 as described under subrule (2) of R 323.1253 of the Michigan Administrative Code and issued on a single certificate, $95.00.

(e) For certification renewals under section 4104 for all municipal wastewater certification levels as described under R 299.2911 of the Michigan Administrative Code and issued on a single certificate, $95.00.

(f) For certification renewals under section 9 of the safe drinking water act, 1976 PA 399, MCL 325.1009, for all drinking water certification levels as described under R 325.11901 or R 325.11902 of the Michigan Administrative Code and issued on a single certificate, $95.00.

(4) The failure to pay a required certification examination fee within 90 days after taking an examination is considered failure of the examination. The department shall not allow an individual to take a future examination within the failed examination program unless he or she pays the prior fee in full.

(5) The department shall conduct a program for persons or organizations seeking to offer approved continuing education courses to be used by certified operators and supervisors when renewing their certifications under subsection (1), section 4104, and section 9 of the safe drinking water act, 1976 PA 399, MCL 325.1009. The department may charge continuing education providers a course application fee and course renewal fee as provided in the following fee schedule:

(a) An application for approval of a training course, $75.00 for each course.

(b) An application for renewal of an approved training course, $50.00 for each course.

(6) All fees collected under this section must be deposited in the operator training and certification fund created in section 3134.

(7) An individual certified as required by subsection (1) shall file monthly, or at longer intervals as the department may designate, on forms provided by the department, reports showing the effectiveness of the treatment or control facility operation and the quantity and quality of discharged liquid wastes. If an individual knowingly makes a false statement in a report, the department may revoke his or her certificate as an approved treatment facility operator.

(8) This section does not apply to water, gas, or other material that is injected into a well to facilitate production of oil or gas or to water derived in association with oil or gas production and disposed of in a well, if the well is used either to facilitate production or for disposal purposes and is under permit by the state supervisor of wells.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2011, Act 148, Imd. Eff. Sept. 21, 2011;—Am. 2017, Act 90, Imd. Eff. July 12,

2017;—Am. 2021, Act 91, Imd. Eff. Oct. 20, 2021.

Popular name: Act 451

Popular name: NREPA

324.3111 Repealed. 2012, Act 43, Imd. Eff. Mar. 6, 2012.

Compiler's note: The repealed section pertained to requirements for filing of report by person doing business with state who discharges wastewater into waters of the state or sewer system.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 299.9001 et seq. of the Michigan Administrative Code.

324.3111b Release required to be reported under R 324.2001 to R 324.2009.

Sec. 3111b. (1) If a person is required to report a release to the department under part 5 of the water resources protection rules, R 324.2001 to R 324.2009 of the Michigan administrative code, the person, via a 9-1-1 call, shall at the same time report the release to the primary public safety answering point serving the jurisdiction where the release occurred.

(2) If a person described in subsection (1) is required to subsequently submit to the department a written report on the release under part 5 of the water resources protection rules, R 324.2001 to R 324.2009 of the Michigan administrative code, the person shall at the same time submit a copy of the report to the local health department serving the jurisdiction where the release occurred.

(3) If the department of state police or other state agency receives notification, pursuant to an agreement with or the laws of another state, Canada, or the province of Ontario, of the release in that other jurisdiction of a polluting material in excess of the threshold reporting quantity and if the polluting material has entered or may enter surface waters or groundwaters of this state, the department of state police or other state agency shall contact the primary public safety answering point serving each county that may be affected by the release.

(4) The emergency management coordinator of each county shall develop and oversee the implementation of a plan to provide timely notification of a release required to be reported under subsection (1) or (3) to appropriate local, state, and federal agencies. In developing and overseeing the implementation of the plan, the emergency management coordinator shall consult with both of the following:

(a) The directors of the primary public safety answering points with jurisdiction within the county.

(b) Any emergency management coordinator appointed for a city, village, or township located in that county.

(5) If rules promulgated under this part require a person to maintain a pollution incident prevention plan, the person shall update the plan to include the requirements of subsections (1) and (2) when conducting any evaluation of the plan required by rule.

(6) If a person reports to the department a release pursuant to subsection (1), the department shall do both of the following:

(a) Notify the person of the requirements imposed under subsections (1) and (2).

(b) Request that the person, even if not responsible for the release, report the release, via a 9-1-1 call, to the primary public safety answering point serving 1 of the following, as applicable:

(*i*) The jurisdiction where the release occurred, if known.

(*ii*) The jurisdiction where the release was discovered, if the jurisdiction where the release occurred is not known.

(7) The department shall notify the public and interested parties, by posting on its website within 30 days after the effective date of the amendatory act that added this section and by other appropriate means, of all of the following:

(a) The requirements of subsections (1) and (2).

(b) The relevant voice, and, if applicable, facsimile telephone numbers of the department and the national response center.

(c) The criminal and civil sanctions under section 3115 applicable to violations of subsections (1) and (2).

(8) Failure of the department to provide a person with the notification required under subsection (6) or (7) does not relieve the person of any obligation to report a release or other legal obligation.

(9) The department shall biennially do both of the following:

(a) Evaluate the state and local reporting system established under this section.

(b) Submit to the standing committees of the senate and house of representatives with primary responsibility for environmental protection issues a written report on any changes recommended to the reporting system.

History: Add. 2004, Act 142, Imd. Eff. June 15, 2004.

Popular name: Act 451

Popular name: NREPA

324.3112 Permit to discharge waste into state waters; application determined as complete; condition of validity; modification, suspension, or revocation of permit; reissuance; application for new permit; notice; order; complaint; petition; contested case hearing; rejection of petition; oceangoing vessels engaging in port operations; permit required; compliance with federal aquatic nuisance rule; legislative intent.

Sec. 3112. (1) A person shall not discharge any waste or waste effluent into the waters of this state unless the person is in possession of a valid permit from the department.

(2) An application for a permit under subsection (1) shall be submitted to the department. Within 30 days after an application for a new or increased use is received, the department shall determine whether the application is administratively complete. Within 90 days after an application for reissuance of a permit is received, the department shall determine whether the application is administratively complete. If the department determines that an application is not complete, the department shall notify the applicant in writing within the applicable time period. If the department does not make a determination as to whether the application is complete within the applicable time period, the application shall be considered to be complete.

(3) The department shall condition the continued validity of a permit upon the permittee's meeting the effluent requirements that the department considers necessary to prevent unlawful pollution by the dates that the department considers to be reasonable and necessary and to ensure compliance with applicable federal law. If the department finds that the terms of a permit have been, are being, or may be violated, it may modify, suspend, or revoke the permit or grant the permittee a reasonable period of time in which to comply with the permit. The department may reissue a revoked permit upon a showing satisfactory to the department that the permittee has corrected the violation. A person who has had a permit revoked may apply for a new permit.

(4) If the department determines that a person is causing or is about to cause unlawful pollution of the waters of this state, the department may notify the alleged offender of its determination and enter an order requiring the person to abate the pollution or may refer the matter to the attorney general for legal action, or both.

(5) A person who is aggrieved by an order of abatement of the department or by the reissuance, modification, suspension, or revocation of an existing permit of the department executed pursuant to this section may file a sworn petition with the department setting forth the grounds and reasons for the complaint and requesting a contested case hearing on the matter pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. A petition filed more than 60 days after action on the order or permit may be rejected by the department as being untimely.

(6) All oceangoing vessels engaging in port operations in this state shall obtain a permit from the department. The department shall issue a permit for an oceangoing vessel only if the applicant can demonstrate that the oceangoing vessel complies with 33 CFR 151.1510 as then in effect or the oceangoing vessel will utilize environmentally sound technology and methods approved by the department that prevent the discharge of aquatic nuisance species. However, all of the following shall apply:

(a) The grant by the coast guard of an extension to the implementation schedule under 33 CFR 151.1513 or the exchange of ballast water under 33 CFR 151.1510(a)(1) or saltwater flushing under 33 CFR 401.30 alone is not considered compliance with the federal aquatic nuisance rule for the purposes of this section.

(b) A vessel discharging ballast water must employ a ballast water management system approved pursuant to 33 CFR 151.1510(A)(3) or a ballast water treatment method approved by the department.

(c) A vessel must carry out an exchange of ballast water or saltwater flushing and comply with other applicable requirements of 33 CFR part 151, subpart C, and 33 CFR 401.30.

(d) A vessel using water from a public water system under 33 CFR 151.1510(a)(4) shall utilize a method to sufficiently clean ballast water tanks prior to using water from a public water supply system as ballast water as approved by the department.

(e) A discharge that may cause or contribute to a violation of a water quality standard is not authorized by a permit described in this subsection.

(f) If the federal aquatic nuisance rule is amended after the enactment date of the 2018 amendatory act that added subsection (7), and the director determines that the amended version of the federal aquatic nuisance rule is less protective of the waters of this state from aquatic nuisance species, the applicant shall demonstrate that the oceangoing vessel complies with the federal aquatic nuisance rule as in effect immediately before the effective date of that amendment to the federal aquatic nuisance rule.

(g) If pursuant to a compact of Great Lakes states of which this state is a part, this state adopts standards more protective of the waters of this state from aquatic nuisance species than the version of the federal aquatic nuisance rule otherwise applicable under this subsection, the standards adopted pursuant to the compact apply.

(7) The intent of the legislature in adopting in part the federal aquatic nuisance rule by reference is to help harmonize regulatory programs in Great Lakes states for preventing the introduction and spread of aquatic nuisance species in the Great Lakes, including ballast water management programs, and to allow regulatory agencies to cooperate in developing stronger programs.

(8) Permit fees for permits under subsection (6) shall be assessed as provided in section 3120. The permit fees for an individual permit issued under subsection (6) are the fees specified in section 3120(1)(a) and (5)(a). The permit fees for a general permit issued under subsection (6) are the fees specified in section 3120(1)(c) and (5)(b)(*i*). Permits under subsection (6) shall be issued in accordance with the timelines provided in section 3120. The department may promulgate rules to implement subsections (6) to (8).

(9) As used in this section, "federal aquatic nuisance rule" means 33 CFR part 151, subpart C, and applicable requirements of 33 CFR 151.2050, 151.2060, and 151.2070.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2004, Act 91, Imd. Eff. Apr. 22, 2004;—Am. 2005, Act 33, Imd. Eff. June 6, 2005;—Am. 2018, Act 667, Imd. Eff. Dec. 28, 2018.

Popular name: Act 451

Popular name: NREPA

324.3112a Discharge of untreated sewage from sewer system; notification; duties of municipality; legal action by state not limited; penalties and fines; definitions.

Sec. 3112a. (1) Except for sewer systems described in subsection (8), if untreated sewage or partially treated sewage is directly or indirectly discharged from a sewer system onto land or into the waters of the state, the person responsible for the sewer system shall immediately, but not more than 24 hours after the discharge begins, notify the department; local health departments as defined in section 1105 of the public health code, 1978 PA 368, MCL 333.1105; a daily newspaper of general circulation in the county or counties in which a municipality notified pursuant to subsection (4) is located; and a daily newspaper of general circulation in the county in which the discharge occurred or is occurring of all of the following:

(a) Promptly after the discharge starts, by telephone or in another manner required by the department, that the discharge is occurring.

(b) At the conclusion of the discharge, in writing or in another manner required by the department, all of the following:

(*i*) The volume and quality of the discharge as measured pursuant to procedures and analytical methods approved by the department.

(*ii*) The reason for the discharge.

(*iii*) The waters or land area, or both, receiving the discharge.

(*iv*) The time the discharge began and ended as measured pursuant to procedures approved by the department.

(*v*) Verification of the person's compliance status with the requirements of its national pollutant discharge elimination system permit or groundwater discharge permit and applicable state and federal statutes, rules, and orders.

(2) Upon being notified of a discharge under subsection (1), the department shall promptly post the notification on its website.

(3) Each time a discharge to surface waters occurs under subsection (1), the person responsible for the sewer system shall test the affected waters for E. coli to assess the risk to the public health as a result of the discharge and shall provide the test results to the affected local county health departments and to the department. The testing shall be done at locations specified by each affected local county health department but shall not exceed 10 tests for each separate discharge event. The requirement for this testing may be waived by the affected local county health department if the affected local county health department determines that such testing is not needed to assess the risk to the public health as a result of the discharge event.

(4) A person responsible for a sewer system that may discharge untreated sewage or partially treated sewage into the waters of the state shall annually contact each municipality whose jurisdiction contains waters that may be affected by the discharge. If those contacted municipalities wish to be notified in the same manner as provided in subsection (1), the person responsible for the sewer system shall provide that notification.

(5) A person who is responsible for a discharge of untreated sewage or partially treated sewage from a sewer system into the waters of the state shall comply with the requirements of its national pollutant discharge elimination system permit or groundwater discharge permit and applicable state and federal statutes, rules, and orders.

(6) This section does not authorize the discharge of untreated sewage or partially treated sewage into the waters of the state or limit the state from bringing legal action as otherwise authorized by this part.

(7) The penalties and fines provided for in section 3115 apply to a violation of this section.

(8) For sewer systems that discharge to the groundwater via a subsurface disposal system, that do not have a groundwater discharge permit issued by the department, and the discharge of untreated sewage or partially treated sewage is not to surface waters, the person responsible for the sewer system shall notify the local health department in accordance with subsection (1)(a) and (b), but the requirements of subsections (2), (3), (4), and (5) do not apply.

(9) As used in this section:

(a) "Partially treated sewage" means any sewage, sewage and storm water, or sewage and wastewater, from domestic or industrial sources that meets 1 or more of the following:

(*i*) Is not treated to national secondary treatment standards for wastewater or that is treated to a level less than that required by the person's national pollutant discharge elimination system permit.

(*ii*) Is treated to a level less than that required by the person's groundwater discharge permit.

(*iii*) Is found on the ground surface.

(b) "Sewer system" means a public or privately owned sewer system designed and used to convey or treat sanitary sewage or sanitary sewage and storm water. Sewer system does not include an on-site wastewater treatment system serving 1 residential unit or duplex.

(c) "Surface water" means all of the following, but does not include drainage ways and ponds used solely for wastewater conveyance, treatment, or control:

(*i*) The Great Lakes and their connecting waters.

(*ii*) Inland lakes.

(*iii*) Rivers.

(*iv*) Streams.

(*v*) Impoundments.

(*vi*) Open drains.

(*vii*) Other surface bodies of water.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1998, Act 3, Imd. Eff. Jan. 30, 1998;—Am. 2000, Act 286, Imd. Eff. July 10, 2000;—Am. 2004, Act 72, Imd. Eff. Apr. 20, 2004.

Popular name: Act 451

Popular name: NREPA

324.3112b Discharge from combined sewer system; issuance or renewal of permit; disconnection of eaves troughs and downspouts as condition; exception; “combined sewer system” defined.

Sec. 3112b. (1) When a permit for a discharge from a combined sewer system is issued or renewed under this part, the department shall require as a condition of the permit that eaves troughs and roof downspouts for the collection of storm water throughout the tributary service area are not directly connected to the sewer system. The department may allow the permittee up to 1 year to comply with this provision for residential property and up to 5 years for commercial and industrial properties.

(2) Subsection (1) does not apply if the permittee demonstrates to the satisfaction of the department that the disconnection of downspouts and eaves troughs is not a cost-effective means of reducing the frequency or duration of combined sewer overflows or of maintaining compliance with discharge requirements.

(3) As used in this section, "combined sewer system" means a sewer designed and used to convey both storm water runoff and sanitary sewage, and which contains lawfully installed regulators and control devices that allow for delivery of sanitary flow to treatment during dry weather periods and divert storm water and sanitary sewage to surface waters during storm flow periods.

History: Add. 1998, Act 4, Imd. Eff. Jan. 30, 1998.

Popular name: Act 451

Popular name: NREPA

324.3112c Discharges of untreated or partially treated sewage from sewer systems; list of occurrences; “partially treated sewage” and “sewer system” defined.

Sec. 3112c. (1) The department shall compile and maintain a list of occurrences of discharges of untreated or partially treated sewage from sewer systems onto land or into the waters of the state that have been reported to the department or are otherwise known to the department. This list shall be made available on the department's website on an ongoing basis. In addition, the department shall annually publish this list and make it available to the general public. The list shall include all of the following:

(a) The entity responsible for the discharge.

(b) The waters or land area, or both, receiving the discharge.

(c) The volume and quality of the discharge.

(d) The time the discharge began and ended.

(e) A description of the actions the department has taken to address the discharge.

(f) Whether the entity responsible for the discharge is subject to a schedule of compliance approved by the department.

(g) Any other information that the department considers relevant.

(2) As used in this section:

(a) "Partially treated sewage" means any sewage, sewage and storm water, or sewage and wastewater, from domestic or industrial sources that is not treated to national secondary treatment standards for wastewater or that is treated to a level less than that required by a national pollutant discharge elimination system permit.

(b) "Sewer system" means a sewer system designed and used to convey sanitary sewage or storm water, or both.

History: Add. 2000, Act 287, Imd. Eff. July 10, 2000.

Popular name: Act 451

Popular name: NREPA

324.3112e Permit not required; "beneficial use by-product" and "beneficial use 3" defined.

Sec. 3112e. (1) Notwithstanding sections 3112 and 3113, a permit is not required under this part for any of the following:

(a) The use of a beneficial use by-product for beneficial use 3 in compliance with part 115.

(b) The storage of a beneficial use by-product in compliance with part 115.

(2) As used in subsection (1), "beneficial use by-product" and "beneficial use 3" mean those terms as defined in section 11502.

History: Add. 2014, Act 178, Eff. Sept. 16, 2014.

Popular name: Act 451

Popular name: NREPA

324.3113 New or increased use of waters for sewage or other waste disposal purposes; filing information; permit; conditions; complaint; petition; contested case hearing; rejection of petition.

Sec. 3113. (1) A person who seeks a new or increased use of the waters of the state for sewage or other waste disposal purposes shall file with the department an application setting forth the information required by the department, including the nature of the enterprise or development contemplated, the amount of water required to be used, its source, the proposed point of discharge of the wastes into the waters of the state, the estimated amount to be discharged, and a statement setting forth the expected bacterial, physical, chemical, and other known characteristics of the wastes.

(2) If a permit is granted, the department shall condition the permit upon such restrictions that the department considers necessary to adequately guard against unlawful uses of the waters of the state as are set forth in section 3109.

(3) If the permit or denial of a new or increased use is not acceptable to the permittee, the applicant, or any other person, the permittee, the applicant, or other person may file a sworn petition with the department setting forth the grounds and reasons for the complaint and asking for a contested case hearing on the matter pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. A petition filed more than 60 days after action on the permit application may be rejected by the department as being untimely.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2004, Act 91, Imd. Eff. Apr. 22, 2004.

Popular name: Act 451

Popular name: NREPA

324.3114 Enforcement of part; criminal complaint.

Sec. 3114. An employee of the department of natural resources or an employee of another governmental

agency appointed by the department may, with the concurrence of the department, enforce this part and may make a criminal complaint against a person who violates this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.3115 Violations; civil or criminal liability; venue; jurisdiction; penalties; knowledge attributable to defendant; lien; setoff.

Sec. 3115. (1) The department may request the attorney general to commence a civil action for appropriate relief, including a permanent or temporary injunction, for a violation of this part or a provision of a permit or order issued or rule promulgated under this part. An action under this subsection may be brought in the circuit court for the county of Ingham or for the county in which the defendant is located, resides, or is doing business. If requested by the defendant within 21 days after service of process, the court shall grant a change of venue to the circuit court for the county of Ingham or for the county in which the alleged violation occurred, is occurring, or, in the event of a threat of violation, will occur. The court has jurisdiction to restrain the violation and to require compliance. In addition to any other relief granted under this subsection, the court, except as otherwise provided in this subsection, shall impose a civil fine of not less than $2,500.00 and the court may award reasonable attorney fees and costs to the prevailing party. However, all of the following apply:

(a) The maximum fine imposed by the court shall be not more than $25,000.00 per day of violation.

(b) For a failure to report a release to the department or to the primary public safety answering point under section 3111b(1), the court shall impose a civil fine of not more than $2,500.00.

(c) For a failure to report a release to the local health department under section 3111b(2), the court shall impose a civil fine of not more than $500.00.

(2) A person who at the time of the violation knew or should have known that he or she discharged a substance contrary to this part, or contrary to a permit or order issued or rule promulgated under this part, or who intentionally makes a false statement, representation, or certification in an application for or form pertaining to a permit or in a notice or report required by the terms and conditions of an issued permit, or who intentionally renders inaccurate a monitoring device or record required to be maintained by the department, is guilty of a felony and shall be fined not less than $2,500.00 or more than $25,000.00 for each violation. The court may impose an additional fine of not more than $25,000.00 for each day during which the unlawful discharge occurred. If the conviction is for a violation committed after a first conviction of the person under this subsection, the court shall impose a fine of not less than $25,000.00 per day and not more than $50,000.00 per day of violation. Upon conviction, in addition to a fine, the court in its discretion may sentence the defendant to imprisonment for not more than 2 years or impose probation upon a person for a violation of this part. With the exception of the issuance of criminal complaints, issuance of warrants, and the holding of an arraignment, the circuit court for the county in which the violation occurred has exclusive jurisdiction. However, the person shall not be subject to the penalties of this subsection if the discharge of the effluent is in conformance with and obedient to a rule, order, or permit of the department. In addition to a fine, the attorney general may file a civil suit in a court of competent jurisdiction to recover the full value of the injuries done to the natural resources of the state and the costs of surveillance and enforcement by the state resulting from the violation.

(3) Upon a finding by the court that the actions of a civil defendant pose or posed a substantial endangerment to the public health, safety, or welfare, the court shall impose, in addition to the sanctions set forth in subsection (1), a fine of not less than $500,000.00 and not more than $5,000,000.00.

(4) Upon a finding by the court that the actions of a criminal defendant pose or posed a substantial endangerment to the public health, safety, or welfare, the court shall impose, in addition to the penalties set forth in subsection (2), a fine of not less than $1,000,000.00 and, in addition to a fine, a sentence of 5 years' imprisonment.

(5) To find a defendant civilly or criminally liable for substantial endangerment under subsection (3) or (4), the court shall determine that the defendant knowingly or recklessly acted in such a manner as to cause a danger of death or serious bodily injury and that either of the following occurred:

(a) The defendant had an actual awareness, belief, or understanding that his or her conduct would cause a substantial danger of death or serious bodily injury.

(b) The defendant acted in gross disregard of the standard of care that any reasonable person should observe in similar circumstances.

(6) Knowledge possessed by a person other than the defendant under subsection (5) may be attributable to the defendant if the defendant took affirmative steps to shield himself or herself from the relevant

information.

(7) A civil fine or other award ordered paid pursuant to this section shall do both of the following:

(a) Be payable to the state of Michigan and credited to the general fund.

(b) Constitute a lien on any property, of any nature or kind, owned by the defendant.

(8) A lien under subsection (7)(b) shall take effect and have priority over all other liens and encumbrances except those filed or recorded prior to the date of judgment only if notice of the lien is filed or recorded as required by state or federal law.

(9) A lien filed or recorded pursuant to subsection (8) shall be terminated according to the procedures required by state or federal law within 14 days after the fine or other award ordered to be paid is paid.

(10) In addition to any other method of collection, any fine or other award ordered paid may be recovered by right of setoff to any debt owed to the defendant by the state of Michigan, including the right to a refund of income taxes paid.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2004, Act 91, Imd. Eff. Apr. 22, 2004;—Am. 2004, Act 143, Imd. Eff. June 15, 2004.

Popular name: Act 451

Popular name: NREPA

324.3115a Violation as misdemeanor; penalty; "minor offense" defined.

Sec. 3115a. (1) Except as provided in subsections (2) and (3), a person who alters or causes the alteration of a floodplain in violation of this part is guilty of a misdemeanor punishable by a fine of not more than $2,500.00 for each occurrence.

(2) A person who commits a minor offense is guilty of a misdemeanor punishable by a fine of not more than $500.00 for each violation. A law enforcement officer may issue and serve an appearance ticket upon a person for a minor offense pursuant to sections 9a to 9g of chapter IV of the code of criminal procedure, Act No. 175 of the Public Acts of 1927, being sections 764.9a to 764.9g of the Michigan Compiled Laws.

(3) A person who willfully or recklessly violates a condition of a floodplain permit issued under this part is guilty of a misdemeanor punishable by a fine of not more than $2,500.00 per day.

(4) As used in this section, "minor offense" means either of the following violations of this part if the department determines that restoration of the affected floodplain is not required:

(a) The failure to obtain a permit under this part.

(b) A violation of a permit issued under this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.3116 Construction of part; exemptions.

Sec. 3116. (1) This part does not repeal any law governing the pollution of lakes and streams, but shall be held and construed as ancillary to and supplementing the other laws and in addition to the laws now in force, except as a law may be in direct conflict with this part. This part does not apply to ferrous and nonferrous mining operations subject to parts 631 and 632 with respect to mining areas, as defined in sections 63101 and 63201, with regard to the placement, removal, use, or processing of mineral tailings or mineral deposits being placed in inland waters on bottomlands owned by or under the control of the ferrous or nonferrous mineral operator unless there is to be a discharge of waste or waste effluent from the inland waters into waters of the state. This part does not apply to the discharge of water from underground ferrous and nonferrous mining operations unless there is to be a discharge of waste or waste effluent into the waters of the state.

(2) The exemption provided in subsection (1) does not apply to inland waters owned by or under control of a ferrous or nonferrous mineral operator if there is an inland lake or stream as defined in section 30101 that flows both into those inland waters and out from those inland waters directly into the waters of the state.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2018, Act 164, Eff. Aug. 21, 2018.

Popular name: Act 451

Popular name: NREPA

324.3117 Supplemental construction.

Sec. 3117. This part is supplemental to and in addition to the drain code of 1956, Act No. 40 of the Public Acts of 1956, being sections 280.1 to 280.630 of the Michigan Compiled Laws. This part does not amend or repeal any law of the state relating to the public service commission, the department, and the department of public health relating to waters and water structures, or any act or parts of acts not inconsistent with this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.3118 Stormwater discharge fees; definitions.

Sec. 3118. (1) Except as otherwise provided in this section, until October 1, 2025, the department shall collect the following stormwater discharge fees from persons that apply for or have been issued stormwater discharge permits:

(a) A 1-time fee of $400.00 for a permit related solely to a site of construction activity for each permitted site. The fee must be submitted with the application for an individual permit or for a certificate of coverage under a general permit. For a permit by rule, the fee must be submitted by the construction site permittee with the notice of coverage. A person needing more than 1 permit may submit a single payment for more than 1 permit and receive appropriate credit. Payment of the fee under this subdivision or verification of prepayment is a necessary part of a valid permit application or notice of coverage under a permit by rule.

(b) An annual fee of $260.00 for a permit related solely to a stormwater discharge associated with industrial activity or from a commercial site for which the department determines a permit is needed.

(c) Except as provided in subdivision (d), (e), or (f), an annual fee of $500.00 for a permit for a municipal separate storm sewer system.

(d) For a permit for a municipal separate storm sewer system issued to a city, village, or township, an annual fee determined by its population in an urbanized area as defined by the United States Bureau of the Census and, except as provided in subsection (11), based on the latest available decennial census, as follows:

(*i*) For a population of 1,000 people or fewer, $500.00.

(*ii*) For a population of more than 1,000 people, but fewer than 3,001 people, $1,000.00.

(*iii*) For a population of more than 3,000 people, but fewer than 10,001 people, $2,000.00.

(*iv*) For a population of more than 10,000 people, but fewer than 30,001 people, $3,000.00.

(*v*) For a population of more than 30,000 people, but fewer than 50,001 people, $4,000.00.

(*vi*) For a population of more than 50,000 people, but fewer than 75,001 people, $5,000.00.

(*vii*) For a population of more than 75,000 people, but fewer than 100,001 people, $6,000.00.

(*viii*) For a population of more than 100,000 people, $7,000.00.

(e) An annual fee of $3,000.00 for a permit for a municipal separate storm sewer system issued to a county.

(f) For a single municipal separate storm sewer systems permit authorizing a state or federal agency to operate municipal separate storm sewer systems in multiple locations statewide, an annual fee determined pursuant to a memorandum of understanding between that state or federal agency and the department and based on the projected costs of the department to administer the permit.

(2) A stormwater discharge permit is not required for a municipality that does not own or operate a separate storm sewer system. The department shall not collect stormwater discharge fees under this section from a municipality that does not own or operate a separate storm sewer system.

(3) Permit fees required under this section are nonrefundable.

(4) A person possessing a permit not related solely to a site of construction activity as of January 1 shall be assessed a fee. The department shall notify those persons of their fee assessments by February 1. Payment must be postmarked no later than March 15. Failure by the department to send a person a fee assessment notification by the deadline, or failure of a person to receive a fee assessment notification, does not relieve that person of the obligation to pay the fee. If the department does not meet the February deadline for sending the fee assessment, the fee assessment is due not later than 45 days after the permittee receives a fee notification.

(5) If a stormwater permit is issued for a drainage district, the drainage district is responsible for the applicable fee under this section.

(6) The department shall assess interest on all fee payments submitted under this section after the due date. The permittee shall pay an additional amount equal to 0.75% of the payment due for each month or portion of a month the payment remains past due.

(7) The department shall forward fees and interest payments collected under this section to the state treasurer for deposit into the fund.

(8) The department shall require the payment of the fee assessed under this section as a condition of issuance or reissuance of a permit not related solely to a site of construction activity.

(9) In addition to any other penalty provided in this part, if a person fails to pay the fee required under this section by its due date, the person is in violation of this part and the department may undertake enforcement actions as authorized under this part.

(10) The attorney general may bring an action to collect overdue fees and interest payments imposed under this section.

(11) If the permit is for a municipal separate storm sewer system and the population served by that system is different than that determined by the latest decennial census, the permittee may appeal the annual fee determination and submit written verification of actual population served by the municipal separate storm sewer system.

(12) A person that wishes to appeal either a fee or a penalty assessed under this section is limited to an administrative appeal under section 631 of the revised judicature act of 1961, 1961 PA 236, MCL 600.631. The appeal must be filed within 30 days after the department's fee notification under subsection (4).

(13) As used in this section and section 3119:

(a) "Certificate of coverage" means a document issued by the department that authorizes a discharge under a general permit.

(b) "Clean water act" means the federal water pollution control act, 33 USC 1251 to 1388.

(c) "Construction activity" means a human-made earth change or disturbance in the existing cover or topography of land that is 5 acres or more in size, for which a national permit is required pursuant to 40 CFR 122.26(a), and which is described as a construction activity in 40 CFR 122.26(b)(14)(x). Construction activity includes clearing, grading, and excavating activities. Construction activity does not include the practice of clearing, plowing, tilling soil, and harvesting for the purpose of crop production.

(d) "Fee" means a stormwater discharge fee authorized under this section.

(e) "Fund" means the stormwater fund created in section 3119.

(f) "General permit" means a permit issued authorizing a category of similar discharges.

(g) "Individual permit" means a site-specific permit.

(h) "Municipal separate storm sewer system" means all separate storm sewers that are owned or operated by the United States or a state, city, village, township, county, district, association, or other public body created by or pursuant to state law, having jurisdiction over disposal of sewage, industrial wastes, stormwater, or other wastes, including special districts under state law, such as a sewer district, flood control district, or drainage district or similar entity, or a designated or approved management agency under section 208 of the clean water act, 33 USC 1288, that discharges to waters of the state. Municipal separate storm sewer system includes systems similar to separate storm sewer systems in municipalities, such as systems at military bases, large hospital or prison complexes, and highways and other thoroughfares. Municipal separate storm sewer system does not include separate storm sewers in very discrete areas, such as individual buildings.

(i) "Notice of coverage" means a notice that a person engaging in construction activity agrees to comply with a permit by rule for that activity. A notice of coverage is not required to include a copy of an individual permit issued under part 91 if the notice of coverage includes a copy of a permit for the construction activity issued under part 615, 625, 631, 632, or 634, along with any forms or diagrams pertaining to soil erosion and sedimentation control that were part of the application for that permit.

(j) "Permit", unless the context implies otherwise, or "stormwater discharge permit" means a permit authorizing the discharge of wastewater or any other substance to surface waters of the state under the national pollutant discharge elimination system, pursuant to the clean water act or this part and the regulations or rules promulgated under that act or this part.

(k) "Public body" means the United States, this state, a city, village, township, county, school district, public college or university, or single purpose governmental agency, or any other body that is created by federal or state law.

(*l*) "Separate storm sewer system" means a system of drainage, including, but not limited to, roads, catch basins, curbs, gutters, parking lots, ditches, conduits, pumping devices, or man-made channels, that has the following characteristics:

(*i*) The system is not a combined sewer where stormwater mixes with sanitary wastes.

(*ii*) The system is not part of a publicly owned treatment works.

(m) "Stormwater" means stormwater runoff, snowmelt runoff, and surface runoff and drainage.

(n) "Stormwater discharge associated with industrial activity" means a point source discharge of stormwater from a facility that is considered to be engaging in industrial activity under 40 CFR 122.26(b)(14)(i) to (ix) and (xi).

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1995, Act 169, Imd. Eff. Oct. 9, 1995;—Am. 1999, Act 35, Imd. Eff. June 3, 1999;—Am. 2004, Act 91, Imd. Eff. Apr. 22, 2004;—Am. 2008, Act 2, Imd. Eff. Jan. 16, 2008;—Am. 2009, Act 102, Imd. Eff. Sept. 30, 2009;—Am. 2011, Act 90, Imd. Eff. July 15, 2011;—Am. 2015, Act 82, Eff. Oct. 1, 2015;—Am. 2017, Act 40, Eff. Aug. 21, 2017;—Am. 2019, Act 84, Imd. Eff. Sept. 30, 2019;—Am. 2021, Act 91, Imd. Eff. Oct. 20, 2021.

Popular name: Act 451

Popular name: NREPA

324.3119 Storm water fund.

Sec. 3119. (1) The storm water fund is created within the state treasury.

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

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

(4) The department shall expend money from the fund, upon appropriation, only for 1 or more of the following purposes:

(a) Review of storm water permit applications.

(b) Storm water permit development, issuance, reissuance, modification, and termination.

(c) Surface water monitoring to support the storm water permitting process.

(d) Assessment of compliance with storm water permit conditions.

(e) Enforcement against storm water permit violations.

(f) Classification of storm water control facilities.

(g) Not more than 10% of the money in the fund for training for certification of storm water operators and educational material to assist persons regulated under this part.

(h) Regional or statewide public education to enhance the effectiveness of storm water permits.

(5) Money in the fund shall not be used to support the direct costs of litigation undertaken to enforce this part.

(6) Upon the expenditure or appropriation of money raised in section 3118 for any other purpose than those specifically listed in this section, authorization to collect fees under section 3118 shall be suspended until such time as the money expended or appropriated for purposes other than those listed in this section is returned to the fund.

(7) By January 1, 2006 and by January 1 of each year thereafter, the department shall prepare and submit to the governor, the legislature, the chairs of the standing committees of the senate and house of representatives with primary responsibility for issues related to natural resources and the environment, and the chairs of the subcommittees of the senate and house appropriations committees with primary responsibility for appropriations to the department a report that details the departmental activities of the previous fiscal year in administering the department's storm water program that were funded by the fund. This report shall include, at a minimum, all of the following:

(a) The number of full-time equated positions performing each of the following functions:

(*i*) Permit issuance and development.

(*ii*) Compliance.

(*iii*) Enforcement.

(b) The number of new permit applications received by the department in the preceding year.

(c) The number of renewal permits in the preceding year.

(d) The number of permit modifications requested in the preceding year.

(e) The number of staff hours dedicated to each of the fee categories listed in section 3118.

(f) The number of permits issued for fee categories listed in section 3118.

(g) The average number of days required for review of a permit from the date the permit application is determined to be administratively complete.

(h) The number of permit applications denied.

(i) The number of permit applications withdrawn by the applicant.

(j) The percentage and number of permit applications that were reviewed for administrative completeness within 10 days of receipt by the department.

(k) The percentage and number of permit applications submitted to the department that were administratively complete as received.

(*l*) The percentage and number of new permit applications for which a final action was taken by the department within 180 days.

(m) The percentage and number of permit renewals and modifications processed within the required time.

(n) The number of permits reopened by the department.

(o) The number of unfilled positions dedicated to the department's storm water program.

(p) The amount of revenue in the fund at the end of the fiscal year.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1999, Act 106, Imd. Eff. July 7, 1999;—Am. 2004, Act 91, Imd. Eff. Apr. 22, 2004.

Popular name: Act 451

Popular name: NREPA

324.3120 New, reissued, or modified permit fees; new or increased use permit; grant or denial of permit; failure to make decision within applicable time period; annual permit fees; definitions.

Sec. 3120. (1) Until October 1, 2025, an application for a new permit, a reissuance of a permit, or a modification of an existing permit under this part authorizing a discharge into surface water, other than a storm water discharge, must be accompanied by an application fee as follows:

(a) For an EPA major facility permit, $750.00.

(b) For an EPA minor facility individual permit, a CSO permit, or a wastewater stabilization lagoon individual permit, $400.00.

(c) For an EPA minor facility general permit, $75.00.

(2) Within 180 days after receipt of a complete application for a new or increased use permit, the department shall either grant or deny the permit, unless the applicant and the department agree to extend this time period.

(3) By September 30 of the year following the submittal of a complete application for reissuance of a permit, the department shall either grant or deny the permit, unless the applicant and the department agree to extend this time period.

(4) If the department fails to make a decision on an application within the applicable time period under subsection (2) or (3), all of the following apply:

(a) The department shall return to the applicant the application fee submitted under subsection (1).

(b) The applicant is not subject to an application fee.

(c) The applicant shall receive a 15% annual discount on an annual permit fee required for a permit issued based on that application.

(5) Until October 1, 2025, a person who receives a permit under this part authorizing a discharge into surface water, other than a stormwater discharge, is subject to an annual permit fee as follows:

(a) For an industrial or commercial facility that is an EPA major facility, $8,700.00.

(b) For an industrial or commercial facility that is an EPA minor facility, the following amount:

(*i*) For a general permit for a low-flow facility, $150.00.

(*ii*) For a general permit for a high-flow facility, $400.00.

(*iii*) For an individual permit for a low-flow facility, $1,650.00.

(*iv*) For an individual permit for a high-flow facility, $3,650.00.

(c) For a municipal facility that is an EPA major facility, the following amount:

(*i*) For an individual permit for a facility discharging 500 MGD or more, $213,000.00.

(*ii*) For an individual permit for a facility discharging 50 MGD or more but less than 500 MGD, $20,000.00.

(*iii*) For an individual permit for a facility discharging 10 MGD or more but less than 50 MGD, $13,000.00.

(*iv*) For an individual permit for a facility discharging less than 10 MGD, $5,500.00.

(d) For a municipal facility that is an EPA minor facility, the following amount:

(*i*) For an individual permit for a facility discharging 10 MGD or more, $3,775.00.

(*ii*) For an individual permit for a facility discharging 1 MGD or more but less than 10 MGD, $3,000.00.

(*iii*) For an individual permit for a facility discharging less than 1 MGD, $1,950.00.

(*iv*) For a general permit for a high-flow facility, $600.00.

(*v*) For a general permit for a low-flow facility, $400.00.

(e) For a municipal facility that is a CSO facility, $6,000.00.

(f) For an individual permit for a wastewater stabilization lagoon, $1,525.00.

(g) For an individual or general permit for an agricultural purpose, $600.00, unless either of the following applies:

(*i*) The facility is an EPA minor facility and would qualify for a general permit for a low-flow facility, in which case the fee is $150.00.

(*ii*) The facility is an EPA major facility that is not a farmers' cooperative corporation, in which case the fee is $8,700.00.

(h) For a facility that holds a permit issued under this part but has no discharge and is connected to and is authorized to discharge only to a municipal wastewater treatment system, an annual permit maintenance fee of $100.00. However, if a facility does have a discharge or at some time is no longer connected to a municipal wastewater treatment system, the annual permit fee must be the appropriate fee as otherwise provided in this subsection.

(6) If the person required to pay an application fee under subsection (1) or an annual permit fee under

subsection (5) is a municipality, the municipality may pass on the application fee or the annual permit fee, or both, to each user of the municipal facility.

(7) The department shall send invoices for annual permit fees under subsection (5) to all permit holders by December 1 of each year. A fee must be based on the status of the facility as of October 1 of that year. A person subject to an annual permit fee shall pay the fee not later than January 15 of each year. Failure by the department to send a person an invoice by December 1, or failure of a person to receive an invoice, does not relieve that person of the obligation to pay the annual permit fee. If the department does not send invoices by December 1, the annual permit fee is due not later than 45 days after the permittee receives an invoice. The department shall forward annual permit fees received under this section to the state treasurer for deposit into the national pollutant discharge elimination system fund created in section 3121.

(8) The department shall assess a penalty on all annual permit fee payments submitted under this section after the due date. The penalty is 0.75% of the payment due for each month or portion of a month the payment remains past due.

(9) Following payment of an annual permit fee, if a permittee wishes to challenge its annual permit fee under this section, the owner or operator shall submit the challenge in writing to the department. The department shall not process the challenge unless it is received by the department by March 1 of the year the payment is due. A challenge must identify the facility and state the grounds upon which the challenge is based. Within 30 calendar days after receipt of the challenge, the department shall determine the validity of the challenge and provide the permittee with notification of a revised annual permit fee and a refund, if appropriate, or a statement setting forth the reason or reasons why the annual permit fee was not revised. If the owner or operator of a facility desires to further challenge its annual permit fee, the owner or operator of the facility has an opportunity for a contested case hearing as provided for under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(10) The attorney general may bring an action for the collection of the annual permit fee imposed under this section.

(11) As used in this section:

(a) "Agricultural purpose" means the agricultural production or processing of those plants and animals useful to human beings produced by agriculture and includes, but is not limited to, forages and sod crops, grains and feed crops, field crops, dairy animals and dairy products, poultry and poultry products, cervidae, livestock, including breeding and grazing, equine, fish and other aquacultural products, bees and bee products, berries, herbs, fruits, vegetables, flowers, seeds, grasses, nursery stock, trees and tree products, mushrooms, and other similar products, or any other product, as determined by the commission of agriculture and rural development, that incorporates the use of food, feed, fiber, or fur. Agricultural purpose includes an operation or facility that produces wine.

(b) "Combined sewer overflow" means a discharge from a combined sewer system that occurs when the flow capacity of the combined sewer system is exceeded at a point before the headworks of a publicly owned treatment works during wet weather conditions.

(c) "Combined sewer system" means a sewer designed and used to convey both storm water runoff and sanitary sewage, and that contains lawfully installed regulators and control devices that allow for delivery of sanitary flow to treatment during dry weather periods and divert stormwater and sanitary sewage to surface waters during storm flow periods.

(d) "CSO facility" means a facility whose discharge is solely a combined sewer overflow.

(e) "EPA major facility" means a major facility as defined in 40 CFR 122.2.

(f) "EPA minor facility" means a facility that is not an EPA major facility.

(g) "Farmers' cooperative corporation" means a farmers' cooperative corporation organized within the limitations of section 98 of 1931 PA 327, MCL 450.98.

(h) "General permit" means a permit suitable for use at facilities meeting eligibility criteria as specified in the permit. With a general permit, the discharge from a specific facility is acknowledged through a certificate of coverage issued to the facility.

(i) "High-flow facility" means a facility that discharges 1 MGD or more.

(j) "Individual permit" means a permit developed for a particular facility, taking into account that facility's specific characteristics.

(k) "Industrial or commercial facility" means a facility that is not a municipal facility.

(*l*) "Low-flow facility" means a facility that discharges less than 1 MGD.

(m) "MGD" means 1,000,000 gallons per day.

(n) "Municipal facility" means a facility that is designed to collect or treat sanitary wastewater, is either publicly or privately owned, and serves a residential area or a group of municipalities.

(o) "Wastewater stabilization lagoon" means a treatment system constructed of ponds or basins designed to

receive, hold, and treat sanitary wastewater for a predetermined amount of time through a combination of physical, biological, and chemical processes.

History: Add. 2004, Act 91, Imd. Eff. Apr. 22, 2004;—Am. 2009, Act 102, Imd. Eff. Sept. 30, 2009;—Am. 2011, Act 90, Imd. Eff. July 15, 2011;—Am. 2015, Act 82, Eff. Oct. 1, 2015;—Am. 2019, Act 84, Imd. Eff. Sept. 30, 2019;—Am. 2021, Act 91, Imd. Eff. Oct. 20, 2021.

Popular name: Act 451

Popular name: NREPA

324.3121 National pollutant discharge elimination system fund.

Sec. 3121. (1) The national pollutant discharge elimination system fund is created within the state treasury.

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

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

(4) The department shall expend money from the fund, upon appropriation, only to administer the national pollutant discharge elimination system program under this part including, but not limited to, all of the following:

(a) Water quality standards development and maintenance.

(b) Permit development and issuance.

(c) Maintenance of program data.

(d) Ambient water quality monitoring conducted to determine permit conditions and evaluate the effectiveness of permit requirements.

(e) Activities conducted to determine a discharger's permit compliance status, including, but not limited to, inspections, discharge monitoring, and review of submittals.

(f) Laboratory services.

(g) Enforcement.

(h) Program administration activities.

(5) By January 1, 2006 and by January 1 of each year thereafter, the department shall prepare and submit to the governor, the legislature, the chairs of the standing committees of the senate and house of representatives with primary responsibility for issues related to natural resources and the environment, and the chairs of the subcommittees of the senate and house appropriations committees with primary responsibility for appropriations to the department a report that details the departmental activities of the previous fiscal year in administering the department's national pollutant discharge elimination system program that were funded by the fund. This report shall include, at a minimum, all of the following as it relates to the department:

(a) The number of full-time equated positions performing each of the following functions:

(*i*) Permit issuance and development.

(*ii*) Compliance.

(*iii*) Enforcement.

(b) The number of permit applications received by the department in the preceding year, including applications for new and increased uses and reissuances.

(c) The number of staff hours dedicated to each of the fee categories listed in section 3120.

(d) The number of permits issued for fee categories listed in section 3120.

(e) The number of permit applications denied.

(f) The number of permit applications withdrawn by the applicant.

(g) The percentage and number of permit applications that were reviewed for administrative completeness within statutory time frames.

(h) The percentage and number of permit applications submitted to the department that were administratively complete as received.

(i) The percentage and number of permit applications for which a final action was taken by the department within statutory time frames for new and increased uses and reissuances.

(j) The number of permits reopened by the department.

(k) The number of unfilled positions dedicated to the national pollutant discharge elimination system program.

(*l*) The amount of revenue in the fund at the end of the fiscal year.

(6) As used in this section:

(a) "Fund" means the national pollutant discharge elimination system fund created in subsection (1).

(b) "National pollutant discharge elimination system program" means the national pollutant discharge

elimination system program delegated to the department under section 402 of title IV of the federal water pollution control act, chapter 758, 86 Stat. 880, 33 U.S.C. 1342, and implemented under this part.

History: Add. 2004, Act 91, Imd. Eff. Apr. 22, 2004.

Popular name: Act 451

Popular name: NREPA

324.3122 Annual groundwater discharge permit fee; failure of department to grant or deny within certain time period; payment of fee by municipality; definitions.

Sec. 3122. (1) Until October 1, 2027, the department may levy and collect an annual groundwater discharge permit fee from facilities or municipalities that discharge wastewater to the ground or groundwater of this state under section 3112. The fee is as follows:

(a) For a group 1 facility, $7,500.00.

(b) For a group 2 facility or a municipality of 1,000 or fewer residents, $1,800.00.

(c) For a group 2a facility, $300.00.

(d) For a group 3 facility, $240.00.

(2) Within 180 days after receipt of a complete application for a permit to discharge wastewater to the ground or to groundwater, the department shall grant or deny a permit, unless the applicant and the department agree to extend this time period. If the department fails to make a decision on an application within the time period specified or agreed to under this subsection, an applicant subject to an annual groundwater discharge permit fee shall receive a 15% annual discount on the annual groundwater discharge permit fee.

(3) If the person required to pay the annual groundwater discharge permit fee under subsection (1) is a municipality, the municipality may pass on the annual groundwater discharge permit fee to each user of the municipal facility.

(4) As used in this section, "group 1 facility", "group 2 facility", "group 2a facility", and "group 3 facility" do not include a municipality with a population of 1,000 or fewer residents.

History: Add. 2004, Act 90, Imd. Eff. Apr. 22, 2004;—Am. 2007, Act 75, Imd. Eff. Sept. 30, 2007;—Am. 2011, Act 90, Imd. Eff. July 15, 2011;—Am. 2015, Act 82, Eff. Oct. 1, 2015;—Am. 2015, Act 247, Imd. Eff. Dec. 22, 2015;—Am. 2019, Act 79, Imd. Eff. Sept. 30, 2019;—Am. 2023, Act 140, Imd. Eff. Sept. 29, 2023.

Popular name: Act 451

Popular name: NREPA

324.3122a Annual groundwater discharge permit fees; credit; amount.

Sec. 3122a. In any state fiscal year, if the department collects more than $2,000,000.00 under section 3122 in annual groundwater discharge permit fees, the department shall credit in the next fiscal year each permittee who paid a groundwater discharge permit fee a proportional amount of the fees collected in excess of $2,000,000.00. However, if a permit is no longer required by the permittee in the next fiscal year, the department shall do the following:

(a) If the credited amount is $50.00 or more, the department shall provide a refund to the permittee for the credited amount.

(b) If the credited amount is less than $50.00, the department shall provide a credit to the permittee for an annual groundwater discharge permit fee that may be required in a subsequent year.

History: Add. 2004, Act 114, Imd. Eff. May 21, 2004.

Popular name: Act 451

Popular name: NREPA

324.3123 Groundwater discharge permit fees; invoices; late payment; action by attorney general.

Sec. 3123. (1) The department shall send invoices for the groundwater discharge permit fees under section 3122 to all permit holders by January 15 of each year. Fees will be charged for all facilities authorized as of December 15 of each calendar year. Payment shall be postmarked no later than March 1 of each year. Failure by the department to send an invoice by the deadline, or failure of a person to receive an invoice, does not relieve that person of his or her obligation to pay the annual groundwater discharge permit fee. If the department does not meet the January 15 deadline for sending invoices, the annual groundwater discharge permit fee is due not later than 45 days after receiving an invoice. The department shall forward money collected pursuant to this section to the state treasurer for deposit into the groundwater discharge permit fund established under section 3124.

(2) The department shall assess a penalty on all fee payments submitted under this section after the due

date. The penalty shall be an amount equal to 0.75% of the payment due for each month or portion of a month the payment remains past due. Failure to timely pay a fee imposed by this section is a violation of this part and is cause for revocation of a permit issued under this part and may subject the discharger to additional penalties pursuant to section 3115.

(3) The attorney general may bring an action for the collection of the groundwater discharge permit fees imposed under this section.

History: Add. 2004, Act 90, Imd. Eff. Apr. 22, 2004.

Popular name: Act 451

Popular name: NREPA

324.3124 Groundwater discharge permit fund.

Sec. 3124. (1) The groundwater discharge permit fund is created within the state treasury. The state treasurer may receive money or other assets from any source for deposit into the groundwater discharge permit fund. The state treasurer shall direct the investment of the groundwater discharge permit fund.

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

(3) The state treasurer shall credit to the groundwater discharge permit fund the interest and earnings from groundwater discharge permit fund investments.

(4) The department shall expend money from the groundwater discharge permit fund, upon appropriation, only to implement the department's groundwater discharge program under this part. However, in any state fiscal year, the department shall not expend more than $2,000,000.00 of money from the fund.

(5) By March 1 annually, the department shall prepare and submit to the governor, the legislature, the chair of the standing committees of the senate and house of representatives with primary responsibility for issues related to natural resources and the environment, and the chairs of the subcommittees of the senate and house appropriations committees with primary responsibility for appropriations to the department a report that details the activities during the previous fiscal year in administering the department's groundwater discharge program that were funded by the groundwater discharge permit fund. This report shall include, at a minimum, all of the following as they relate to the department:

(a) The number of full-time equated positions performing groundwater permitting, compliance, and enforcement activities.

(b) The number of applications received by the department, reported as the number of applications determined to be administratively incomplete and the number determined to be administratively complete.

(c) The number of applications for groundwater permits determined to be administratively complete for which a final action was taken by the department. The number of final actions shall be reported as the number of applications approved, the number of applications denied, and the number of applications withdrawn by the applicant.

(d) The percentage and number of applications determined to be administratively complete for which a final decision was made within the statutory time frame.

(e) The number of inspections conducted at groundwater facilities.

(f) The number of violation letters sent.

(g) The number of contested case hearings and civil actions initiated and completed, the number of voluntary consent orders and administrative orders entered or issued, and the amount of fines and penalties collected through such actions or orders.

(h) For each enforcement action that includes a penalty, a description of what corrective actions were required by the enforcement action.

(i) The number of groundwater complaints received, investigated, resolved, and not resolved by the department.

(j) The amount of revenue in the groundwater discharge permit fund at the end of the fiscal year.

History: Add. 2004, Act 90, Imd. Eff. Apr. 22, 2004.

Popular name: Act 451

Popular name: NREPA

324.3131 Land application of sewage sludge and derivatives; rules; applicability to bulk biosolids or bulk derivative; definitions.

Sec. 3131. (1) By October 1, 1997, the department of environmental quality in consultation with the department of agriculture and rural development shall promulgate rules to manage the land application of sewage sludge and sewage sludge derivatives. The rules shall be consistent with the minimum requirements of 40 CFR part 503 but may impose requirements in addition to or more stringent than 40 CFR part 503 to

protect public health or the environment from any adverse effect from a pollutant in sewage sludge or in a sewage sludge derivative. However, the rules shall require that if monitoring of sewage sludge or a sewage sludge derivative indicates a pollutant concentration in excess of that provided in table 3 of 40 CFR 503.13, monitoring frequency shall be increased to not less than twice that provided in table 1 of 40 CFR 503.16, until pollutant concentrations are at or below those provided in table 3 of 40 CFR 503.13. The rules shall require a sewage sludge generator or sewage sludge distributor to deliver to a county, city, village, or township a copy of any record required to be created under the rules pertaining to sewage sludge or a sewage sludge derivative applied to land in that local unit. The copy shall be delivered free of charge promptly after the record is created.

(2) Notwithstanding R 323.2407(3) of the Michigan administrative code, the requirements of R 323.2408 and R 323.2410 of the Michigan administrative code in effect on the effective date of the 2012 amendatory act that added this subsection, or subsequent revisions of those requirements, do not apply to bulk biosolids or a bulk derivative that is sold or given away if all of the following requirements are met:

(a) The material is finished compost or other material that has been demonstrated to be mature and stable and to present minimal vector attraction and potential to generate a nuisance.

(b) The material is of exceptional quality.

(c) The generator or distributor provides to the person receiving the material a written record that contains all of the following information:

(*i*) The name and address of the person who prepared the material.

(*ii*) General handling guidelines and recommended application rates.

(*iii*) A current monitoring summary of nitrogen, phosphorus, and potassium concentrations.

(d) The material is used beneficially for its nutrient value in accordance with the generator's approved residuals management program.

(e) The material is utilized only for landscaping uses at 1 or more of the following locations:

(*i*) A public park.

(*ii*) An athletic field.

(*iii*) A cemetery.

(*iv*) A plant nursery.

(*v*) A turf farm.

(*vi*) A golf course.

(*vii*) A lawn.

(*viii*) A home garden.

(*ix*) Any other location approved by the director of the department or his or her designee.

(3) The requirements of R 323.2413(2)(a) through (c) and (e) through (i) of the Michigan administrative code in effect on the effective date of the 2012 amendatory act that added this subsection do not apply to bulk biosolids or a bulk derivative of exceptional quality utilized for landscaping purposes.

(4) A person who generates bulk biosolids or a bulk derivative of exceptional quality for landscaping uses shall keep a record of quantities in excess of 20 cubic yards sold or given away in a single transaction and make the record available to the department for inspection and copying. The record shall include all of the following information:

(a) The name and address of the recipient.

(b) The quantity received.

(c) The signature or initials of the recipient.

(d) A general description of the intended use consistent with subsection (2)(e).

(5) As used in this section:

(a) All of the following mean those terms as defined in R 324.2402 of the Michigan administrative code:

(*i*) "Bulk biosolids".

(*ii*) "Derivative".

(*iii*) "Exceptional quality".

(*iv*) "Generator".

(*v*) "Residuals management program".

(b) "Bulk derivative" means a derivative that is not sold or given away in a bag or other container for application to a lawn or home garden.

History: Add. 1997, Act 29, Imd. Eff. June 18, 1997;—Am. 2012, Act 563, Imd. Eff. Jan. 2, 2013.

Compiler's note: In separate opinions, the Michigan Supreme Court held that Section 45(8), (9), (10), and (12) and the second sentence of Section 46(1) ("An agency shall not file a rule ... until at least 10 days after the date of the certificate of approval by the committee or after the legislature adopts a concurrent resolution approving the rule.") of the Administrative Procedures Act of 1969, in providing for the Legislature's reservation of authority to approve or disapprove rules proposed by executive branch agencies, did not

comply with the enactment and presentment requirements of Const 1963, Art 4, and violated the separation of powers provision of Const 1963, Art 3, and, therefore, were unconstitutional. These specified portions were declared to be severable with the remaining portions remaining effective. Blank v Department of Corrections, 462 Mich 103 (2000).

Popular name: Act 451

Popular name: NREPA

324.3132 Sewage sludge generators and sewage sludge distributors; fees; report; sewage sludge land application fund; local ordinance.

Sec. 3132. (1) Beginning in state fiscal year 1998, an annual sewage sludge land application fee is imposed upon sewage sludge generators and sewage sludge distributors. The sewage sludge land application fee shall be in an amount equal to the sum of an administrative fee and a generation fee. The administrative fee shall be $400.00 and the department shall set the generation fee as provided by subsection (2). The department shall set the generation fee so that the annual cumulative total of the sewage sludge land application fee to be paid in a state fiscal year is, as nearly as possible, $650,000.00 minus the amount in the fund created under subsection (5) carried forward from the prior state fiscal year. Starting with fees to be paid in state fiscal year 1999, the $650,000.00 amount shall be annually adjusted for inflation using the Detroit consumer price index.

(2) Each sewage sludge generator and sewage sludge distributor shall annually report to the department for each state fiscal year, beginning with the 1997 state fiscal year, the number of dry tons of sewage sludge it generated or the number of dry tons of sewage sludge in sewage sludge derivatives it distributed that were applied to land in that state fiscal year. The report is due 30 days after the end of the state fiscal year. By December 15 of each state fiscal year, the department shall determine the generation fee on a per dry ton basis by dividing the cumulative generation fee by the number of dry tons of sewage sludge applied to land or in sewage sludge derivatives applied to land in the immediately preceding state fiscal year. The department shall notify each sewage sludge generator and sewage sludge distributor of the generation fee on a per dry ton basis. Notwithstanding any other provision of this section, for the 1998 state fiscal year, the generation fee shall not exceed $4.00 per dry ton.

(3) By January 31 of each state fiscal year, each sewage sludge generator or sewage sludge distributor shall pay its sewage sludge land application fee. The sewage sludge generator or sewage sludge distributor shall determine the amount of its sewage sludge land application fee by multiplying the number of dry tons of sewage sludge that it reported under subsection (2) by the generation fee and adding the administrative fee.

(4) The department of environmental quality shall assess interest on all fee payments submitted under this section after the due date. The permittee shall pay an additional amount equal to 0.75% of the payment due for each month or portion of a month the payment remains past due. The failure by a person to timely pay a fee imposed by this section is a violation of this part.

(5) The sewage sludge land application fund is created in the state treasury. The department of environmental quality shall forward all fees collected under this section to the state treasurer for deposit into the fund. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. An unexpended balance within the fund at the close of the state fiscal year shall be carried forward to the following state fiscal year. The fund shall be allocated solely for the administration of this section and sections 3131 and 3133, including, but not limited to, education of the farmers, sewage sludge generators, sewage sludge distributors, and the general public about land application of sewage sludge and sewage sludge derivatives and the requirements of this section and sections 3131 and 3133. The director of the department of environmental quality may contract with a nonprofit educational organization to administer the educational components of this section. Ten percent of the fund shall be allocated to the department of agriculture to provide persons involved in or affected by land application of sewage sludge or sewage sludge derivatives with education and technical assistance relating to land application of sewage sludge or sewage sludge derivatives.

(6) A local unit may enact, maintain, and enforce an ordinance that prohibits the land application of sewage sludge or a sewage sludge derivative if monitoring indicates a pollutant concentration in excess of that provided in table 1 of 40 C.F.R. 503.13 until subsequent monitoring indicates that pollutant concentrations do not exceed those provided in table 1 of 40 C.F.R. 503.13.

History: Add. 1997, Act 29, Imd. Eff. June 18, 1997.

Popular name: Act 451

Popular name: NREPA

324.3133 Local ordinances, regulations, or resolutions; preemption; contracts with local units; enactment and enforcement of local standards; compliance with conditions of

approval; submission of resolution by local unit to department; public meeting; issuance of opinion and approval by department.

Sec. 3133. (1) Except as otherwise provided in this section, sections 3131 and 3132 preempt a local ordinance, regulation, or resolution of a local unit that would duplicate, extend, revise, or conflict with section 3131 or 3132. Except as otherwise provided for in this section, a local unit shall not enact, maintain, or enforce an ordinance, regulation, or resolution that duplicates, extends, revises, or conflicts with section 3131 or 3132.

(2) The director of the department of environmental quality may contract with a local unit to act as its agent for the purpose of enforcing this section and sections 3131 and 3132. The department shall have sole authority to assess fees. If a local unit is under contract with the department of environmental quality to act as its agent or the local unit has received prior written authorization from the department, then the local unit may pass an ordinance that is identical to section 3132 and rules promulgated under section 3131, except as prohibited in subsection (4).

(3) A local unit may enact an ordinance prescribing standards in addition to or more stringent than those contained in section 3132 or in rules promulgated under section 3131 and which regulate a sewage sludge or sewage sludge derivative land application site under either or both of the following circumstances:

(a) The operation of a sewage sludge or sewage sludge derivative land application site within that local unit will result in unreasonable adverse effects on the environment or public health within the local unit. The determination that unreasonable adverse effects on the environment or public health will exist shall take into consideration specific populations whose health may be adversely affected within the local unit.

(b) The operation of a sewage sludge or sewage sludge derivative land application site within that local unit has resulted or will result in the local unit being in violation of other existing state laws or federal laws.

(4) An ordinance enacted pursuant to subsection (2) or (3) shall not conflict with existing state laws or federal laws. An ordinance enacted pursuant to subsection (3) shall not be enforced by a local unit until approved or conditionally approved by the director of the department of environmental quality under subsection (5). The local unit shall comply with any conditions of approval.

(5) If the legislative body of a local unit submits to the department of environmental quality a resolution identifying how the requirements of subsection (3)(a) or (b) are met, the department shall hold a public meeting in the local unit within 60 days after the submission of the resolution to assist the department in determining whether the requirements of subsection (3)(a) or (b) are met. Within 45 days after the public meeting, the department shall issue a detailed opinion on whether the requirements of subsection (3)(a) or (b) are met as identified by the resolution of the local unit and shall approve, conditionally approve, or disapprove the ordinance accordingly. If the department fails to satisfy the requirements of this subsection, the ordinance is considered to be approved.

History: Add. 1997, Act 29, Imd. Eff. June 18, 1997.

Popular name: Act 451

Popular name: NREPA

324.3134 Operator training and certification fund.

Sec. 3134. (1) The operator training and certification fund is created within the state treasury.

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

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

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

(5) The department shall expend money from the fund, upon appropriation, only to administer this part, part 41, and the safe drinking water act, 1976 PA 399, MCL 325.1001 to 325.1023, including all of the following:

(a) Licensing, examination, compliance assistance, education, training, and other certification activities directly related to this part, part 41, and the safe drinking water act, 1976 PA 399, MCL 325.1001 to 325.1023.

(b) Maintenance of program data.

(c) Development of program-related databases and software.

(d) Program administration activities.

(6) By January 1 of each year until January 1, 2017, the department shall prepare and submit to the governor, the chairs of the standing committees of the senate and house of representatives with primary

responsibility for issues related to natural resources and the environment, and the chairs of the subcommittees of the senate and house appropriations committees with primary responsibility for appropriations to the department a report that details the department's administration of the operator training and certification program under section 3110, section 4104, and section 9 of the safe drinking water act, 1976 PA 399, MCL 325.1009, in the previous fiscal year. This report shall include, at a minimum, all of the following as itemized for each operator training and certification program:

(a) The type and number of training programs offered by the department, including the total number of participants in each type of training program.

(b) The type and number of certification exams given.

(c) The type and number of certifications awarded.

(d) The amount of revenue in the fund at the end of the fiscal year.

History: Add. 2011, Act 148, Imd. Eff. Sept. 21, 2011.

Popular name: Act 451

Popular name: NREPA

PART 33
AQUATIC NUISANCE CONTROL

324.3301 Definitions; A to D.

Sec. 3301. As used in this part:

(a) "Aquatic invasive species" means an aquatic species that is nonnative to the ecosystem under consideration and whose introduction causes or is likely to cause economic or environmental harm or harm to human health.

(b) "Aquatic nuisance" means an organism that lives or propagates, or both, within the aquatic environment and that impairs the use or enjoyment of the waters of the state, including the intermediate aquatic hosts for schistosomes that cause swimmer's itch.

(c) "Certificate of coverage" means written authorization from the department to implement a project under a general permit.

(d) "Department" means the department of environmental quality.

(e) "Director" means the director of the department.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004;—Am. 2014, Act 253, Imd. Eff. June 30, 2014.

Compiler's note: Former PART 33 was entitled "CONTAMINATION OF WATERS." Former MCL 324.3301, which pertained to disposal of refuse from fish catch, was repealed by Act 27 of 1996, Imd. Eff. Feb. 26, 1996.

Popular name: Act 451

Popular name: NREPA

324.3302 Definitions; G to W.

Sec. 3302. As used in this part:

(a) "General permit" means a permit for a category of activities that the department determines will not negatively impact human health and will have no more than minimal short-term adverse impacts on the natural resources and environment.

(b) "Lake management plan" means a document that contains all of the following:

(*i*) A description of the physical, chemical, and biological attributes of a waterbody.

(*ii*) A description of the land uses surrounding a waterbody.

(*iii*) A detailed description of the historical and planned future management of the waterbody.

(c) "Violation of this part" means a violation of a provision of this part or a permit, certificate of coverage, or order issued under or rule promulgated under this part.

(d) "Waters of the state" or "waterbody" means groundwaters, lakes, ponds, rivers, streams, and wetlands and all other watercourses and waters within the jurisdiction of this state including the Great Lakes bordering this state.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004.

Compiler's note: Former MCL 333.3302, which pertained to nonresident license to use pound or trap net, fee, and violation, was repealed by Act 27 of 1996, Imd. Eff. Feb. 26, 1996.

Popular name: Act 451

Popular name: NREPA

324.3303 Chemical treatment of waters for aquatic nuisance control; permit or certificate of coverage required; exception; records; qualifications; authorization under part 31.

Sec. 3303. (1) Subject to subsections (2), (4), and (5), a person shall not chemically treat either of the following for purposes of aquatic nuisance control unless the person has obtained from the department an individual permit or a certificate of coverage under this part:

(a) Any waters of the state, if water is visibly present or contained in the area of impact at the time of chemical treatment.

(b) The Great Lakes or Lake St. Clair if the area of impact is exposed bottomland located below the ordinary high-water mark.

(2) Subject to subsections (3), (4), and (5), a person may chemically treat waters of the state for purposes of aquatic nuisance control without obtaining from the department an individual permit or a certificate of coverage if all of the following criteria are met:

(a) The waterbody does not have an outlet.

(b) There is no record of species on a list of endangered or threatened species referred to in part 365.

(c) The waterbody has a surface area of less than 10 acres.

(d) If the bottomlands of the waterbody are owned by more than 1 person, written permission for the proposed chemical treatment is obtained from each owner.

(e) The person posts the area of impact in the manner provided in section 3310(d).

(3) A person conducting a chemical treatment authorized under subsection (2) shall maintain any written permissions required under subsection (2) and records of treatment, including treatment date, chemicals applied, amounts applied, and a map indicating the area of impact, for 1 year from the date of each chemical treatment. The records shall be made available to the department upon request.

(4) A person shall not apply for a permit or certificate of coverage under subsection (1) or conduct a chemical treatment described in this section unless the person is 1 or more of the following:

(a) An owner of bottomland within the proposed area of impact.

(b) A lake board established under part 309 for the affected waterbody.

(c) A state or local governmental entity.

(d) A person who has written authorization to act on behalf of a person described in subdivision (a), (b), or (c).

(5) The chemical treatment of waters authorized pursuant to part 31 is not subject to this part.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004.

Compiler's note: Former MCL 324.3303, which pertained to unlawful dumping into waters and molesting of nets, was repealed by Act 27 of 1996, Imd. Eff. Feb. 26, 1996.

Popular name: Act 451

Popular name: NREPA

324.3304 Lake management plan as part of permit application; proposal for whole lake evaluation treatment; placement of specific conditions in permit; scientific rationale for permit denial.

Sec. 3304. (1) An applicant shall provide a lake management plan as part of an application for permit, if a whole lake treatment is proposed.

(2) An applicant for a permit for a whole lake evaluation treatment may provide scientific evidence and documentation that the use of a specific pesticide, application rate, or means of application will selectively control an aquatic nuisance but not cause unacceptable impacts on native aquatic vegetation, other aquatic or terrestrial life, or human health. Such evaluation treatments include the use of fluridone at rates in excess of 6 parts per billion. The department may place special conditions in a permit issued under this subsection to require additional ambient monitoring to document possible adverse impacts on native aquatic vegetation or other aquatic life. If the department denies the application, the department shall provide to the applicant the scientific rationale for the denial, in writing.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004.

Compiler's note: Former MCL 324.3304, which pertained to violation of part as misdemeanor and penalty, was repealed by Act 27 of 1996, Imd. Eff. Feb. 26, 1996.

Popular name: Act 451

Popular name: NREPA

324.3305 Registration of chemical used for aquatic nuisance control; evaluations; order to prohibit or suspend chemical use.

Sec. 3305. (1) A chemical shall not be used in waters of the state for aquatic nuisance control unless it is registered with the EPA, pursuant to section 3 of the federal insecticide, fungicide, and rodenticide act, 7 USC 136a, and the department of agriculture and rural development, pursuant to part 83, for the aquatic nuisance

control activity for which it is used. The department shall not deny a permit or certificate of coverage because of the specific chemical proposed to be used, if the chemical is so registered, unless the department has worked with the applicant to identify an appropriate alternative chemical that satisfies the department's concern and no such chemical is available.

(2) The department may conduct evaluations of the impacts and effectiveness of any chemicals that are proposed for use for aquatic nuisance control in waters of the state. This may include the issuance of permits for field assessments of the chemicals.

(3) The director, in consultation with the director of the department of agriculture and rural development, may issue an order to prohibit or suspend the use of a chemical for aquatic nuisance control if, based on substantial scientific evidence, use of the chemical causes unacceptable negative impacts to human health or the environment. The department shall not issue permits authorizing the use of such chemicals. In addition, a person shall cease the use of such chemicals upon notification by the department.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004;—Am. 2014, Act 253, Imd. Eff. June 30, 2014.

Compiler's note: Former MCL 324.3305, which pertained to civil liability for unlawful acts against property lawfully set and used to take fish, was repealed by Act 27 of 1996, Imd. Eff. Feb. 26, 1996.

Popular name: Act 451

Popular name: NREPA

324.3306 Certificate of coverage; application fee; adjustment; target; "consumer price index" defined; aquatic nuisance control fund; payment of fee.

Sec. 3306. (1) Until October 1, 2014, an application for a certificate of coverage under this part shall be accompanied by a fee of $75.00. Subject to subsection (2), an application for an individual permit under this part shall be accompanied by the following fee, based on the size of the area of impact:

(a) Less than 1/2 acre, $75.00.

(b) 1/2 acre or more but less than 5 acres, $200.00.

(c) 5 acres or more but less than 20 acres, $400.00.

(d) 20 acres or more but less than 100 acres, $800.00.

(e) 100 acres or more, $1,500.00.

(2) For the 2014-2015 state fiscal year and each subsequent fiscal year, the department shall proportionately adjust the certificate of coverage and permit application fees under subsection (1) by category to achieve a target in fee revenue under subsection (1) and shall post the adjusted fees on its website by November 1. The department shall set the target so that the annual cumulative total of the target amount plus all of the following equals, as nearly as possible, $900,000.00:

(a) The total amount of annual fees to be collected under section 3309 in the state fiscal year.

(b) The amount of general funds appropriated to the program under this part.

(c) The amount in the aquatic nuisance control fund created under subsection (4) in excess of $100,000.00 carried forward from the prior state fiscal year.

(3) Notwithstanding any other provision of this section, fees as adjusted under subsection (2) shall be proportional to and shall not exceed the amounts set forth in subsection (1). For each state fiscal year beginning with the 2015-2016 state fiscal year, the state treasurer shall adjust the $900,000.00 figure in subsection (2) by an amount determined by the state treasurer at the end of the preceding fiscal year to reflect the cumulative annual percentage change in the consumer price index. As used in this subsection, "consumer price index" means the most comprehensive index of consumer prices available for this state from the bureau of labor statistics of the United States department of labor.

(4) The aquatic nuisance control fund is created in the state treasury. The department shall forward all fees collected under this section, section 3309, and section 3311 to the state treasurer for deposit into the fund. The state treasurer may receive money or other assets from any other source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund. The department shall be the administrator of the fund for auditing purposes. The department shall expend money from the fund, upon appropriation, only for the administration of this part, including, but not limited to, the following:

(a) Issuance of certificates of coverage and permits.

(b) Technology and reasonable laboratory costs to operate the program under this part.

(c) Compliance and enforcement activities related to aquatic nuisance control.

(d) Education of aquatic herbicide applicators, local and state government agencies, lake boards, lakefront property owners, and the general public about aquatic nuisance control and the requirements of this part. The director may contract with a nonprofit educational organization to administer an educational program as

described in this subdivision.

(5) A fee under this section, section 3309, or section 3311 may be paid by credit or debit card or electronic fund transfer. The department shall determine which major credit and debit cards may be used to pay a fee. If a fee is paid by credit or debit card, the department may collect a service assessment from the user of the credit or debit card. The service assessment shall not exceed the actual cost to the department of the credit or debit card transaction.

(6) The department shall not charge a fee for an amendment to an application for a certificate of coverage or permit, including an amendment to an application after that application has been resubmitted under section 3307(7).

History: Add. 2004, Act 246, Eff. Oct. 1, 2004;—Am. 2008, Act 276, Imd. Eff. Sept. 29, 2008;—Am. 2011, Act 90, Imd. Eff. July 15, 2011;—Am. 2014, Act 253, Imd. Eff. June 30, 2014.

Popular name: Act 451

Popular name: NREPA

324.3307 Application; electronic submission; approval or denial within certain time period; requirements; failure to satisfy requirements.

Sec. 3307. (1) An application for a certificate of coverage or permit may be submitted electronically.

(2) The department shall either approve or deny an application for a certificate of coverage by the latest of the following dates:

(a) April 15.

(b) 15 working days after receipt of a complete application.

(c) Any date requested by the applicant for the certificate of coverage and agreed to by the department.

(3) If the department denies an application for a certificate of coverage, the department shall notify the applicant, in writing, of the reasons for the denial.

(4) The department shall approve an application for a permit in whole or part and issue the permit, or shall deny the application, by the latest of the following dates:

(a) April 15.

(b) 30 working days after receipt of a complete application except that this approval time is reduced to 15 working days after receipt of a complete application if the waterbody is listed on the registry under section 3315 as being infested with the particular aquatic invasive species that the applicant proposes to control under the permit.

(c) Any date requested by the permit applicant and agreed to by the department.

(5) The department shall not delay processing an application for a permit or certificate of coverage because the department has not completed processing of the fee payment accompanying the application. This subsection does not apply to an applicant if a previous fee payment offered by the applicant under section 3306 or section 3309 failed because of nonsufficient funds.

(6) If the department approves the application for a permit in part or denies the application, the department shall, by the deadline for approval or denial of the application, notify the applicant, in writing, of the reasons for the partial approval or denial.

(7) The department shall not deny an application for a certificate of coverage or a permit because it was submitted after a certain date in the year in which treatment is proposed. If the department approves an application in part or denies an application, the applicant may resubmit the application with changes to address the reasons for partial approval or denial. The resubmitted application is not subject to an additional fee.

(8) If the department fails to satisfy the requirements of subsections (2) to (7) with respect to an application for a certificate of coverage or a permit, all of the following apply:

(a) The department shall pay the applicant an amount equal to 15% of the application fee specified under section 3306 for that certificate of coverage or permit.

(b) The application shall be considered to be approved and the department shall be considered to have made any determination required for approval if all of the following apply:

(*i*) The proposed area of impact is the same as or entirely contained within the area of impact approved in a previous permit.

(*ii*) The active ingredient or trade name of each chemical proposed to be applied is the same as approved in a previous permit and each chemical is currently approved for use by the department.

(*iii*) The application rate and number of treatments do not exceed those approved in the previous permit.

(*iv*) The minimum length of time between treatments is not less than that approved in the previous permit.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004;—Am. 2014, Act 253, Imd. Eff. June 30, 2014.

Popular name: Act 451

Popular name: NREPA

324.3308 Written permission from bottomland owner.

Sec. 3308. An applicant shall obtain authorization to chemically treat the proposed area of impact by obtaining written permission from each person who owns bottomlands in the area of impact. The applicant shall maintain the written permission for 1 year from the expiration date of the permit and shall make the records available to the department upon request. Written permission from each bottomland owner is not required if the applicant is providing, or has contracted to provide, chemical treatment for either of the following:

(a) A lake board established under part 309 for the waterbody for which chemical treatment is proposed.

(b) This state or a local unit of government acting under authority of state law to conduct lake improvement projects or to control aquatic vegetation.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004.

Popular name: Act 451

Popular name: NREPA

324.3309 Permit; term; information to be included; authorization of chemical treatment; annual fees; additional conditions.

Sec. 3309. (1) The term of a certificate of coverage shall not be less than 3 years unless the applicant requests a shorter term.

(2) A permit under this part shall, at a minimum, include all of the following information:

(a) The active ingredient or the trade name of each chemical to be applied.

(b) The application rate of each chemical.

(c) The maximum amount of each chemical to be applied per treatment.

(d) Minimum length of time between treatments for each chemical.

(e) A map or maps that clearly delineate the approved area of impact.

(f) The term of the permit. The term shall not be less than 3 years unless the applicant requests a shorter term.

(3) A permit under this part shall authorize chemical treatment in each year covered by the permit. This subsection does not apply to a chemical if the chemical's annual use is restricted in rules that were in effect on the effective date of the amendatory act that added this subsection.

(4) By April 1 of the second and each subsequent year of a permit, the permittee shall pay the department an annual fee. The annual fee shall equal the permit application fee paid for that specific permit under section 3306 including, for annual fees due after the initial treatment of an expanded area of impact under section 3311(3), the additional fee under section 3311(3)(e). If an annual fee is not received by the department by April 1, the permit is suspended until the annual fee is paid. When the application fee for a permit is paid, an applicant may choose to also pay in advance all the annual fees that will become due under this subsection if the permit is granted for the term requested by the applicant. If the application is denied or is granted for a shorter period than the applicant requested, the department shall refund the overpayment of annual fees.

(5) The department may impose additional conditions on a permit under this part to protect the natural resources or the public health, to prevent economic loss or impairment of recreational uses, to protect nontarget organisms, or to help ensure control of the aquatic nuisance.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004;—Am. 2014, Act 253, Imd. Eff. June 30, 2014.

Popular name: Act 451

Popular name: NREPA

324.3310 Permit conditions.

Sec. 3310. As a condition of a permit under this part, the department may require the permittee to do any of the following:

(a) Notify the department not less than 2 working days in advance of chemical treatment.

(b) Proceed with chemical treatment only if a department representative is present.

(c) Allow the department or its representative to collect a sample of the chemical or chemicals used before or during any chemical treatment.

(d) Post the area of impact before chemical treatment with signs, as follows:

(*i*) Each sign shall be of a brilliant color and made of sturdy, weather-resistant material. Each sign shall be at least 8-1/2 by 11 inches and shall be attached to a supporting device with the bottom of the sign at least 12 inches above the ground surface.

(*ii*) Signs shall be posted in the following locations:

(A) Subject to sub-subparagraph (C), along the shoreline of the area of impact not more than 100 feet apart. Signs shall also be posted in riparian lands adjacent to that portion of the shoreline.

(B) Subject to sub-subparagraph (C), for an area of impact of 2 or more acres, at all access sites, boat launching areas, and private and public parks located on the waterbody in conspicuous locations, such as at the entrances, boat ramps, and bulletin boards, if permitted by managers or owners. If the access sites, launching areas, and parks are not to be treated or are not adjacent to the area of impact, then the signs shall clearly indicate the location of the area of impact.

(C) At alternative posting locations approved by the department upon a determination that the locations where signs are otherwise required to be posted are impractical or unfeasible. The department's determination shall be based on a written request from the applicant that includes an explanation of the need for alternative posting locations and a description of the proposed alternative posting locations.

(*iii*) The department shall specify by rule the information required to be on the signs.

(e) Publish a notice in a local newspaper or make an announcement on a local radio station regarding the chemical treatment. The notice or announcement shall include all of the following information:

(*i*) The permit number.

(*ii*) The name of the waterbody.

(*iii*) A list of the chemicals to be used with corresponding water use restrictions.

(*iv*) A description of the area of impact.

(*v*) The proposed treatment dates.

(f) Apply chemicals so that swimming restrictions and fish consumption restrictions are not imposed on any Saturday, Sunday, or state-declared holiday.

(g) Take special precautions to avoid or minimize potential impacts to human health, the environment, and nontarget organisms.

(h) Notify, in writing, an owner of any waterfront property within 100 feet of the area of impact, not less than 7 days and not more than 45 days before the initial chemical treatment. However, if the owner is not the occupant of the waterfront property or the dwelling located on the property, then the owner is responsible for notifying the occupant. Written notification shall include all of the following information:

(*i*) Name, address, and telephone number of the permittee.

(*ii*) A list of chemicals proposed for use with corresponding water use restrictions.

(*iii*) Approximate treatment dates for each chemical to be used.

(i) Complete and return the treatment report form provided by the department for each treatment season.

(j) Perform lake water residue analysis to verify the chemical concentrations in the waterbody according to a frequency, timing, and methodology approved by the department.

(k) Before submitting a permit application, perform aquatic vegetation surveys according to a frequency, timing, and methodology approved by the department.

(*l*) Use chemical control methods for nuisance aquatic vegetation that are consistent with the approved vegetation management plan submitted separately or as part of a lake management plan. The department may approve modifications to the vegetation management plan upon receipt of a written request from the permittee that includes supporting documentation.

(m) Perform pretreatment monitoring of the target aquatic nuisance population according to a frequency, timing, and methodology that has been approved by the department before submittal of a permit application.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004.

Popular name: Act 451

Popular name: NREPA

324.3311 Permit; revisions; transfer; expansion of area of impact.

Sec. 3311. (1) The department may make revisions to a permit under this part, to minimize the impacts to the natural resources, public health, and safety or to improve aquatic nuisance control, if the proposed revisions do not change the scope of the project and the permittee requests the revisions in writing. The department shall not charge a fee for a request for revisions to a permit. The department shall approve a request for revisions to a permit in whole or in part or deny the request within 3 business days after the request is received. The request shall include all of the following information:

(a) The proposed changes to the permit.

(b) An explanation of the necessity for the proposed changes.

(c) Maps that clearly delineate any proposed changes to the area of impact.

(d) Additional information that would help the department reach a decision on a permit amendment.

(2) If the permittee has written authorization to act on behalf of a person described in section 3303(4)(a),

(b), or (c), upon written request of that person, the department shall transfer the permit to a new permittee with written authorization to act on behalf of that person. The department shall notify the original permittee of the transfer of the permit.

(3) Subject to subsection (4), a permittee may, without a revision to the permit or certificate of coverage, expand the area of impact beyond that authorized in the permit or certificate of coverage to include adjacent areas of the same waterbody that become infested after the application for the permit or certificate of coverage was submitted to the department. The permittee may increase the amount of chemicals used, as authorized in the permit or certificate of coverage, by an amount proportionate to the expansion in the area of impact. Before the initial treatment of the expanded area, the permittee shall notify the department. The permittee shall, within 15 business days after the initial treatment of the expanded area of impact, provide the department with all of the following:

(a) A written explanation of the necessity for the expansion of the area of impact.

(b) A map that clearly delineates the changes to the area of impact.

(c) A written statement specifying the increase in the amount of chemicals used or to be used as a result of the expansion of the area of impact.

(d) The treatment dates for the expanded area of impact.

(e) If the permit application fee under section 3306 would have been higher if the expanded area of impact had been included in the permit application, a fee equal to the difference between the application fee paid and the application fee that would have been due.

(4) If the area of impact authorized in a permit or certificate of coverage is greater than 100 acres, a permittee shall not expand the area of impact under subsection (3) by more than 50% unless both of the following apply:

(a) The permittee has notified the department in advance of the proposal to expand the area of impact. The notification shall include the information described in subsection (3)(a) and (b).

(b) The department has not, within 2 business days after receiving notification under subdivision (a), notified the permittee of specific concerns about the proposal and that the proposal requires a revision of the permit or certificate of coverage.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004;—Am. 2014, Act 253, Imd. Eff. June 30, 2014.

Popular name: Act 451

Popular name: NREPA

324.3312 Rules.

Sec. 3312. The department may promulgate rules to implement this part.

History: Add. 2004, Act 246, Eff. Oct. 1, 2004.

Popular name: Act 451

Popular name: NREPA

324.3313 Violations as misdemeanors; penalty; commencement of civil action by attorney general; revocation of permit or certificate of coverage.

Sec. 3313. (1) A person who commits a violation of this part that does not result in harm to or pose a substantial threat to natural resources, the environment, or human health is guilty of a misdemeanor punishable by a fine of not more than $500.00 for each violation. A law enforcement officer may issue and serve an appearance ticket upon a person for that violation pursuant to sections 9a to 9g of chapter IV of the code of criminal procedure, 1927 PA 175, MCL 764.9a to 764.9g.

(2) A person who commits a violation of this part that results in harm to or poses a substantial threat to natural resources, the environment, or human health, or a corporate officer who had advance knowledge of such a violation of this part but failed to prevent the violation, is guilty of a misdemeanor and may be imprisoned for not more than 6 months and shall be fined not less than $1,000.00 or more than $2,500.00.

(3) A person who commits a violation described in subsection (2) after a first conviction for such a violation is guilty of a misdemeanor and may be imprisoned for not more than 1 year and shall be fined not less than $2,500.00 or more than $5,000.00.

(4) A person who commits a violation of this part that results in serious harm to or poses an imminent and substantial threat to natural resources, the environment, or human health and who knew or should have known that the violation could have such a result is guilty of a misdemeanor and may be imprisoned for not more than 1 year and shall be fined not less than $5,000.00 or more than $10,000.00.

(5) A person who commits a violation described in subsection (4) after a first conviction for such a violation is guilty of a misdemeanor and may be imprisoned for not more than 2 years and shall be fined not

less than $7,500.00 or more than $15,000.00.

(6) A person who knowingly makes a false statement, representation, or certification in an application for a permit or a certificate of coverage or in a report required by a permit or certificate of coverage issued under or rule promulgated under this part is guilty of a misdemeanor and shall be fined not less than $1,000.00 or more than $2,500.00.

(7) A person who commits a violation described in subsection (6) after a first conviction for such a violation is guilty of a misdemeanor and may be imprisoned for not more than 1 year and shall be fined not less than $2,000.00 or more than $5,000.00.

(8) The attorney general may commence a civil action for appropriate relief for a violation of this part, including a permanent or temporary injunction restraining a violation or ordering restoration of natural resources affected by a violation and a civil fine of not more than $25,000.00. The action may be commenced in the circuit court for the county of Ingham or the county in which the violation occurred.

(9) If a person knowingly commits a violation of this part, the department may revoke a permit or certificate of coverage issued to the person under this part.

History: Add. 2004, Act 247, Eff. Oct. 1, 2004.

Popular name: NREPA

324.3315 Registry of waterbodies infested by aquatic invasive species; maintenance of website.

Sec. 3315. The department shall post, by January 1, 2016, and maintain on its website a registry of waterbodies infested by aquatic invasive species and the particular aquatic invasive species infesting each waterbody. The registry shall be based on information from all of the following:

(a) Permits and certificates of coverage issued under this part.

(b) Reports received by the department from any of the following:

(*i*) Certified applicators or registered applicators under part 83.

(*ii*) Representatives of public or private institutions of higher education.

(*iii*) Representatives of any other state, local, or federal agency with responsibility for the environment or natural resources.

History: Add. 2014, Act 253, Imd. Eff. June 30, 2014.

Popular name: Act 451

Popular name: NREPA

PART 35
USE OF WATER IN MINING LOW-GRADE IRON ORE

324.3501 Definitions.

Sec. 3501. As used in this part:

(a) "Low-grade iron ore" means iron-bearing rock in the Upper Peninsula of this state that is not merchantable as ore in its natural state and from which merchantable ore can be produced only by beneficiation or treatment.

(b) "Low-grade iron ore mining property" includes the ore beneficiation or treatment plant and other necessary buildings, facilities, and lands located in the Upper Peninsula of this state.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3502 Iron ore mining in Upper Peninsula; issuance of water permits.

Sec. 3502. Substantial deposits of low-grade iron ore are located in the Upper Peninsula of this state. The development and continuation of the industry of mining and beneficiating low-grade ores will provide employment and generally improve economic conditions in that area and will be in the public interest and for the public welfare of this state. As the mining and beneficiating of the low-grade iron ore requires considerable quantities of water, it is necessary that persons engaged in or about to engage in the mining and beneficiation of low-grade iron ores be assured of an adequate and continuing supply of water for the operations to protect the large capital expenditures required for mills, plants, and other improvements. Therefore, the use of water in connection with the mining and beneficiation of low-grade iron ores is in the public interest, for the public welfare, and for a public purpose, and permits for the use of water or waters may be issued by the department in connection with the mining and beneficiation of low-grade iron ores as provided in this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3503 Operation of low-grade iron ore mining property; draining, diverting, controlling, or using water; permit required; application; contents; hearing; notice; publication; findings.

Sec. 3503. A person shall not drain, divert, control, or use water for the operation of a low-grade iron ore mining property except as authorized by a permit issued by the department pursuant to part 13. An application for a permit shall include information and data as may be prescribed by the department in its rules and regulations. Not later than 60 days following receipt of an application, the department shall fix the time and place for a public hearing on the application and shall publish notice of the hearing. The notice shall be published twice in each county involved in at least 1 newspaper of general circulation in the county. At the hearing, the applicant and any other interested party may appear, present witnesses, and submit evidence. Following the hearing, the department may grant the permit and publish notice of the granting of the permit, in the manner provided for publication of notice of hearing, upon finding the following conditions:

(a) That the proposed drainage, diversion, control, or use of waters is necessary for the mining of substantial deposits of low-grade iron ore, and that other feasible and economical methods of obtaining a continuing supply of water for that purpose are not available to the applicant.

(b) That the proposed drainage, diversion, control, or use of waters will not unreasonably impair the interests of the public or of riparians in lands or waters or the beneficial public use of lands, and will not endanger the public health or safety.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2004, Act 325, Imd. Eff. Sept. 10, 2004.

Popular name: Act 451

Popular name: NREPA

324.3504 Water permits; liability of state.

Sec. 3504. Neither the state nor any of its officers, agents, or employees shall incur any liability because of the issuance of a permit under this part or of any act or omission of the permittee or his or her agents or servants under or in connection with a permit issued under this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3505 Water permits; term.

Sec. 3505. Every permit granted under this part shall be for a term as is necessary to permit the mining to exhaustion and beneficiation of all low-grade iron ore referred to in the permit application, but not to exceed 50 years. The department may prescribe in the permit such time as it considers reasonable for the commencement or completion of any operations or construction under the permit or the exercise of the rights granted in the permit. The original term of the permit or the time allowed for the performance of any condition in the permit may be extended by the department upon application of the permittee.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3506 Water permits; rights; violation; revocation; emergency order for abatement.

Sec. 3506. Every permit issued by the department under this part shall give to the permittee the right to use the water specified in the permit at the times, in the manner, in the quantity, and under the circumstances as specified in the permit, subject to the conditions contained in the permit, and shall be irrevocable except for a breach or violation of the terms and conditions of the permit. If the department finds, upon consideration of the needs of the applicant, the public interest to be served by the use of the water by the applicant, and all other facts relating to the use of the water, that the public interest requires the inclusion in the permit of a provision that will authorize modification or revocation of the permit, then the department may provide for modification or revocation of the permit by including in the permit the specific grounds upon which the permit may be modified or revoked by the department in the public interest. A permit issued pursuant to this part shall not be revoked for breach or violation of the terms and conditions of the permit or be revoked or modified upon other grounds specified in the permit unless the permittee has been given an opportunity to be heard on the grounds for the proposed revocation or modification after 30 days' written notice to the permittee. A permit shall not be revoked for breach or violation of the terms and conditions of the permit

unless the permittee has been given an opportunity to correct or remedy the alleged breach or violation within a reasonable time and has failed to do so. Every notice shall specify the grounds for the proposed revocation or modification and, in the event of a proposed modification, the extent of the modification. If a violation of the conditions of a permit exists that in the judgment of the department threatens the public interest in the waters involved as to require abatement without first giving 30 days' written notice to the permittee, the department may issue an emergency order for abatement, which order shall have the same validity as if a 30 days' written notice had been given and the permittee had been granted a hearing. The emergency order shall remain in force no longer than 21 days from its effective date. Failure to comply with an emergency order constitutes grounds for revocation of the permit.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3507 Enforcement; administration.

Sec. 3507. (1) The department is responsible for enforcing this part.

(2) At any hearing, the department, or its duly authorized agents, has the power to administer oaths, to take testimony and compel the introduction of written evidence, to issue subpoenas, and to compel the attendance of witnesses.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3508 Rules; judicial review.

Sec. 3508. The department shall promulgate rules to implement this part. Any interested person has the right of judicial review from any decision, order, or permit made or granted by the department under the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

PART 37
WATER POLLUTION CONTROL FACILITIES; TAX EXEMPTION

324.3701 Definitions.

Sec. 3701. As used in this part:

(a) "Facility" means any disposal system, including disposal wells, or any treatment works, appliance, equipment, machinery, or installation constructed, used, or placed in operation primarily for the purpose of reducing, controlling, or eliminating water pollution caused by industrial waste.

(b) "Industrial waste" means any liquid, gaseous, or solid waste substance resulting from any process of industry, manufacture, trade, or business, or from the development, processing, or recovery of any paper or wood, which is capable of polluting the waters of the state.

(c) "Treatment works" means any plant, pumping station, incinerator, or other works or reservoir used primarily for the purpose of treating, stabilizing, isolating, or holding industrial waste.

(d) "Disposal system" means a system used primarily for disposing of or isolating industrial waste and includes pipelines or conduits, pumping stations and force mains, and all other constructions, devices, appurtenances, and facilities used for collecting or conducting water-borne industrial waste to a point of disposal, treatment, or isolation, except that which is necessary to the manufacture of products.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3702 Tax exemption certificate; application; filing; manner; form; notice; hearing.

Sec. 3702. (1) An application for a water pollution control tax exemption certificate shall be filed with the state tax commission in a manner and in a form as prescribed by the state tax commission. The application shall contain plans and specifications of the facility, including all materials incorporated or to be incorporated in the facility and a descriptive list of all equipment acquired or to be acquired by the applicant for the purpose of industrial waste pollution control, together with the proposed operating procedure for the control

facility.

(2) Before issuing a certificate, the state tax commission shall seek approval of the department and give notice in writing by certified mail to the department of treasury and to the assessor of the taxing unit in which the facility is located or to be located, and shall afford to the applicant and the assessor an opportunity for a hearing. Tax exemption granted under this part shall be reduced to the extent of any commercial or productive value derived from any materials captured or recovered by any facility.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3703 Issuance of certificate; grounds; effective date.

Sec. 3703. If the department finds that the facility is designed and operated primarily for the control, capture, and removal of industrial waste from the water, and is suitable, reasonably adequate, and meets the intent and purposes of part 31, the department shall notify the state tax commission, which shall issue a certificate. The effective date of the certificate is the date on which the certificate is issued.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3704 Exemption of facility from real and personal property taxes; exemption of certain tangible personal property from sales and use taxes; statement in certificate.

Sec. 3704. (1) For the period subsequent to the effective date of the certificate and continuing as long as the certificate is in force, a facility covered by the certificate is exempt from real and personal property taxes imposed under the general property tax act, Act No. 206 of the Public Acts of 1893, being sections 211.1 to 211.157 of the Michigan Compiled Laws.

(2) Tangible personal property purchased and installed as a component part of the facility shall be exempt from both of the following:

(a) Sales taxes imposed under the general sales tax act, Act No. 167 of the Public Acts of 1933, being sections 205.51 to 205.78 of the Michigan Compiled Laws.

(b) Use taxes imposed under the use tax act, Act No. 94 of the Public Acts of 1937, being sections 205.91 to 205.111 of the Michigan Compiled Laws.

(3) The certificate shall state the total acquisition cost of the facility entitled to exemption.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3705 Tax exemption certificate; issuance; mailing to applicant, local tax assessors, and department of treasury; filing; notice of refusal of certificate.

Sec. 3705. The state tax commission shall send a water pollution control tax exemption certificate, when issued, by certified mail to the applicant, and certified copies by certified mail to the assessor of the taxing unit in which any property to which the certificate relates is located or to be located and to the department of treasury, which copies shall be filed of record in their offices. Notice of the state tax commission's refusal to issue a certificate shall be sent by certified mail to the applicant, to the department of treasury, and to the assessor.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3706 Tax exemption certificate; modification or revocation; grounds; notice and hearing; statute of limitations.

Sec. 3706. (1) The state tax commission, on notice by certified mail to the applicant and opportunity for a hearing, on its own initiative or on complaint of the department, the department of treasury, or the assessor of the taxing unit in which any property to which the certificate relates is located, shall modify or revoke the certificate if any of the following appear:

(a) The certificate was obtained by fraud or misrepresentation.

(b) The holder of the certificate has failed substantially to proceed with the construction, reconstruction, installation, or acquisition of a facility or to operate the facility for the purpose and degree of control specified

in the certification or an amended certificate.

(c) The facility covered by the certificate is no longer used for the primary purpose of pollution control and is being used for a different purpose.

(2) On the mailing by certified mail to the certificate holder, the department of treasury, and the local assessor of notice of the action of the state tax commission modifying or revoking a certificate, the certificates shall cease to be in force or shall remain in force only as modified. If a certificate is revoked because it was obtained by fraud or misrepresentation, all taxes that would have been payable if a certificate had not been issued are immediately due and payable with the maximum interest and penalties prescribed by applicable law. A statute of limitations shall not operate in the event of fraud or misrepresentation.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3707 Tax exemption certificate; appeal.

Sec. 3707. A party aggrieved by the issuance, refusal to issue, revocation, or modification of a pollution control tax exemption certificate may appeal from the finding and order of the state tax commission in the manner and form and within the time provided by the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.3708 State tax commission; rules.

Sec. 3708. The state tax commission may promulgate rules as it considers necessary for the administration of this part. These rules shall not abridge the authority of the department to determine whether or not industrial waste pollution control exists within the meaning of this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

PART 39
CLEANING AGENTS

324.3901 Definitions; selling or distributing cleaner, rinsing aid, or sanitizing agent containing more than 14% phosphorus prohibited; selling or distributing products containing more than 28% phosphorus prohibited.

Sec. 3901. (1) As used in this part:

(a) "Cleaning agent" means a laundry detergent, dishwashing compound, household cleaner, metal cleaner, degreasing compound, commercial cleaner, industrial cleaner, phosphate compound, or other substance intended to be used for cleaning purposes. Cleaning agent does not include any of the following:

(*i*) A cleaner, rinsing aid, or sanitizing agent intended primarily for use in commercial machine dishwashers with not more than 14% phosphorus.

(*ii*) A cleaner for food processing with not more than 14% phosphorus.

(*iii*) A cleaner for industrial uses with not more than 28% phosphorus.

(b) "Nutrient" means a substance or combination of substances that, when added to the waters of this state in a sufficient quantity, provide nourishment that promotes the growth of aquatic vegetation in the waters to such a density as to interfere with or be detrimental to use of the waters by human beings or by an animal, fish, or plant useful to human beings.

(c) "Water conditioner" means a water softening chemical, antiscale chemical, corrosion inhibitor, or other substance intended to be used to treat water.

(2) Notwithstanding any other provision of this part:

(a) A person shall not sell or distribute for use in this state a cleaner, rinsing aid, or sanitizing agent intended primarily for use in commercial automatic or commercial machine dishwashers that contains phosphorus in excess of 14% by weight expressed as elemental phosphorus.

(b) A person shall not sell or distribute for use in this state a cleaner, rinsing aid, or sanitizing agent intended primarily for use in dairy agricultural and farm operations and in the manufacture, preparation, and processing of foods and food products including those used in dairy, beverage, egg, fish, brewery, poultry, meat, fruit, and vegetable processing that contains phosphorus in excess of 14% by weight expressed as

elemental phosphorus.

(c) A person shall not sell or distribute for use in this state a metal cleaner, metal brightener, metal treatment compound, conversion coating agent, corrosion remover, paint remover, rust inhibitor, etchant, phosphatizer, degreasing compound, industrial cleaner, or commercial cleaner intended primarily for use in industrial and manufacturing processes that contains phosphorus in excess of 28% by weight expressed as elemental phosphorus.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.3902 Phosphorus content; cleaning agent intended for use beginning July 1, 2010.

Sec. 3902. A person shall not sell, offer for sale, or distribute for sale or use in this state any of the following:

(a) Subject to subdivision (b), a cleaning agent that contains phosphorus in any form in excess of 8.7% by weight expressed as elemental phosphorus.

(b) A cleaning agent that is intended for use in household clothes washing machines or, beginning July 1, 2010, in household dishwashers and that contains phosphorus in any form in excess of 0.5% by weight expressed as elemental phosphorus.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2008, Act 426, Imd. Eff. Jan. 6, 2009;—Am. 2008, Act 427, Imd. Eff. Jan. 6, 2009.

Popular name: Act 451

Popular name: NREPA

324.3903 Rules; compliance.

Sec. 3903. The department shall promulgate rules to implement this part. The rules may further restrict the nutrient content and other contents of cleaning agents and water conditioners to prevent unlawful pollution and control nuisance growths of algae, weeds, and slimes that are or may become injurious to other lawful water uses; to prevent cleaning agents and water conditioners, separately or in combination with other substances, from rendering or tending to render any waters of this state harmful or inimical to public health, animal or aquatic life, or beneficial water uses; and to minimize any hazard to the health or safety of users of the cleaning agents or water conditioners. The burden of proof is on a manufacturer of a cleaning agent or water conditioner, before distribution for sale or use in this state, to establish that its contents comply with this part and rules promulgated under this part, and will not or is not likely to adversely affect human health or the environment. A person shall not sell or distribute for use in this state a cleaning agent or water conditioner in violation of a rule promulgated under this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 323.1171 et seq. of the Michigan Administrative Code.

324.3904 Prohibited sales.

Sec. 3904. A person shall not sell detergents or cleaning compounds containing any substance other than phosphorus that may cause unlawful pollution of the waters of the state when discharged into the waters of the state, if the department determines that the other substance will cause unlawful pollution under the circumstances of its expected use and disposal or will pose a hazard to human health and safety. A determination by the department does not limit, restrain, or in any way affect an action as it finds appropriate under part 31. The department may establish by rule the criteria by which it will determine the possible pollutional effect of any substance. This part does not apply to a detergent or cleaning compound contained in fuel or lubricating oil.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.3905 Local regulation prohibited.

Sec. 3905. A local unit of government shall not enact or enforce an existing or future ordinance or rule with respect to the sale of cleaning agents containing phosphorus or any other substance that is or may be regulated under this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.3906 Enforcement of part.

Sec. 3906. The department shall enforce this part and seek court enforcement of its orders pursuant to part 31.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

SEWAGE DISPOSAL AND WATERWORKS SYSTEMS

PART 41
SEWERAGE SYSTEMS

324.4101 Definitions.

Sec. 4101. As used in this part:

(a) "Conventional gravity sewer extension" means the installation of a new gravity sewer and connection to an existing collection system to provide sewer service to new areas previously not served by the public sewer system.

(b) "Expedited review" means an expedited review of an application for a construction permit under section 4112.

(c) "Fund" means the infrastructure construction fund created in section 4113.

(d) "Governmental agencies" means local units of government, metropolitan districts, or other units of government or the officers of the units of government authorized to own, construct, or operate sewerage systems to serve the public.

(e) "Licensed professional engineer" means a professional engineer licensed under article 20 of the occupational code, 1980 PA 299, MCL 339.2001 to 339.2014.

(f) "Plans and specifications" means a true description or representation of the entire sewerage system and parts of a system as the sewerage system exists or is to be constructed, and also a full and fair statement of how the system is to be operated.

(g) "Project" means a proposal to install within 1 general area a new wastewater collection system. Systems proposed for construction on separate land parcels shall be considered separate projects.

(h) "Sewerage system" means a system of pipes and structures including pipes, channels, conduits, manholes, pumping stations, sewage or waste treatment works, diversion and regulatory devices, outfall structures, and appurtenances, collectively or severally, actually used or intended for use by the public for the purpose of collecting, conveying, transporting, treating, or otherwise handling sanitary sewage or other industrial liquid wastes that are capable of adversely affecting the public health.

(i) "Simple pumping station and force main" means the installation of a duplex pumping station and a force main with only 1 high point and of length of no more than 2,000 feet that is to be connected to an existing gravity collection system to provide sewer service to new areas previously not served by the public sewer system.

(j) "Small diameter pressure sewer and grinder pumping station" means a single project that includes the installation of new pressure sewers totaling not more than 5,000 feet and not more than 25 grinder pumping stations with each grinder pumping station serving not more than 5 separate owners and that is to be connected to an existing gravity collection system to provide sewer service to new areas previously not served by the public sewer system.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2006, Act 602, Imd. Eff. Jan. 3, 2007.

Popular name: Act 451

Popular name: NREPA

324.4102 Department of natural resources; powers.

Sec. 4102. The department is given power and control as limited in this part over persons engaged in furnishing sewerage or sewage treatment service, or both, and over sewerage systems.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Environmental Assistance Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled MCL 324.99901 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Surface Water Quality Division to the Director of the

Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 342.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.4103 Sewerage systems; inspection by department.

Sec. 4103. The department may enter at reasonable times the sewerage systems and other property of a person for the purpose of inspecting a sewerage system and carrying out the authority vested in the department by this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4104 Sewerage systems; rules; classification of sewage treatment works; examinations; issuance and revocation of certificates; supervision by certified operator; training program for certified operator; fees.

Sec. 4104. (1) The department may promulgate and enforce rules that the department considers necessary governing and providing a method of conducting and operating all or a part of sewerage systems including sewage treatment works. The department shall classify sewage treatment works with regard to size, type, location, and other physical conditions affecting those works and according to the skill, knowledge, experience, and character that the individual who is in charge of the active operation of the sewage treatment works must possess to successfully operate the works and prevent the discharge of deleterious matter capable of being injurious to the public health or other public interests. The department shall examine or provide for the examination of individuals as to their qualifications to operate sewage treatment works. The department shall promulgate rules regarding the classification of sewage treatment works, the examinations for certification of operators for those works, and the issuance and revocation of certificates, and shall issue and revoke certificates as provided in those rules. Every sewage treatment works subject to this part must be under the supervision of a properly certified operator, except that this section does not require the employment of a certified operator in a waste treatment works that receives only wastes that are not potentially prejudicial to the public health.

(2) As provided in section 3110, the department may conduct a program for training individuals seeking to be certified as operators under subsection (1) and shall administer operator certification programs for individuals seeking to be certified as operators under subsection (1). Until October 1, 2025, the department may charge fees for these programs as provided in section 3110. The department shall transmit fees collected under this section to the state treasurer for deposit into the operator training and certification fund created in section 3134.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2011, Act 148, Imd. Eff. Sept. 21, 2011;—Am. 2017, Act 90, Imd. Eff. July 12, 2017;—Am. 2021, Act 91, Imd. Eff. Oct. 20, 2021.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 299.2901 et seq. and R 299.2903 et seq. of the Michigan Administrative Code.

324.4105 Sewerage systems; plans and specifications; rules; permit for construction; minor modifications; misdemeanor.

Sec. 4105. (1) The mayor of each city, the president of each village, the township supervisor of each township, the responsible executive officer of a governmental agency, and all other persons operating sewerage systems in this state shall file with the department a true copy of the plans and specifications of the entire sewerage system owned or operated by that person, including any filtration or other purification plant or treatment works as may be operated in connection with the sewerage system, and also plans and specifications of all alterations, additions, or improvements to the systems that may be made. The plans and specifications shall, in addition to all other requirements, show all the sources through or from which water is or may be at any time pumped or otherwise permitted to enter into the sewerage system, and the drain, watercourse, river, or lake into which sewage is to be discharged. The plans and specifications shall be certified by the mayor of a city, the president of a village, a responsible member of a partnership, an individual owner, or the proper officer of any other person that operates the sewerage system, as well as by the engineer, if any are employed by any such operator. The department may promulgate and enforce rules regarding the preparation and submission of plans and specifications and for the issuance and period of validity of construction permits for the work.

(2) A person shall not construct a sewerage system or any filtration or other purification plant or treatment

works in connection with a sewerage system except as authorized by a construction permit issued by the department pursuant to part 13. An application for a permit shall be submitted by the mayor of a city, the president of a village, a responsible member of a partnership, an individual owner, or the proper officer of any other person proposing the construction. If eligible, a person may request an expedited review of an application for a construction permit under section 4112. An application for a permit shall include plans and specifications as described in subsection (1). If considered appropriate by the department, the department may issue a permit with conditions to correct minor design problems.

(3) The department may verbally approve minor modifications of a construction permit issued by the department as a result of unforeseen site conditions that become apparent during construction. Minor modifications include, but are not limited to, a minor change of location of the sewer or location of manholes. The person making the request for a modification shall provide to the department all relevant information pursuant to R 299.2931 to R 299.2945 of the Michigan administrative code and the application form provided by the department related to the requested modification. Written approval from the department shall be obtained for all modifications except when the department provides verbal approval for a minor modification as provided for in this subsection. The person receiving a written or verbal approval from the department shall submit revised plans or specifications to the department within 10 days from the date of approval.

(4) If a person seeks confirmation of the department's verbal approval of a minor modification under subsection (3), the person shall notify the department electronically, at an address specified by the department, with a detailed description of the request for the modification. The department shall make reasonable efforts to respond within 2 business days, confirming whether the request has been approved or not approved. If the department has not responded within 2 business days after the department receives the detailed description, the verbal approval shall be considered confirmed.

(5) A municipal officer or an officer or agent of a person who permits or allows construction to proceed on a sewerage works without a valid permit, or in a manner not in accordance with the plans and specifications approved by the department, is guilty of a misdemeanor punishable by a fine of not more than $500.00 or imprisonment for not more than 90 days, or both.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2004, Act 325, Imd. Eff. Sept. 10, 2004;—Am. 2006, Act 602, Imd. Eff. Jan. 3, 2007.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 299.2901 et seq. of the Michigan Administrative Code.

324.4106 Sewage treatment works; reports; false statement; penalty.

Sec. 4106. (1) A person who operates a sewage treatment works shall file with the department reports under oath as required by the department. The reports shall be sworn to by a responsible officer or person acquainted with the facts and employed by the person required to report under this part.

(2) A person making a false statement in a report under subsection (1) is guilty of perjury and subject to the penalty for that offense.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4107 Inspection of plans and specifications; inspection of sewerage systems; recommendations or orders; compliance.

Sec. 4107. (1) The department on receipt of plans and specifications for a sewerage system shall inspect them with reference to their adequacy to protect the public health, and if the public water supply of the city or village is impure and dangerous to individuals or to the public generally, he or she shall inspect the sewerage systems or any parts of the sewerage system and the manner of its operation. If upon inspection the department finds the plans and specifications or the sewerage systems are inadequate or operated in a manner that does not adequately protect the public health, he or she may order the person owning or operating the sewerage system to make alterations in the plans and specifications or in the sewerage systems or the method of operation of the sewerage system as may be required or advisable in his or her opinion, in order that the sewage is not potentially prejudicial to the public health.

(2) The recommendations or orders of the department shall be served in writing upon the owner or operator of the sewerage system and the owner and operator shall comply with the recommendations or orders.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4108 Sewerage system; planning, construction and operation; cooperation; compliance; "private, investor-owned wastewater utility" defined.

Sec. 4108. (1) The department shall exercise due care to see that sewerage systems are properly planned, constructed, and operated to prevent unlawful pollution of the streams, lakes, and other water resources of the state. The department shall cooperate with appropriate federal or state agencies in the determination of grants of assistance for the preparation of plans or for the construction of waterworks systems, sewerage systems, or waste treatment projects, or both.

(2) The activities of a private, investor-owned wastewater utility shall comply with all applicable provisions of this act, local zoning and other ordinances, and the construction and operation requirements of the federal water pollution control act and the national environmental policy act of 1969, 42 USC 4321, 4331 to 4335, and 4341 to 4347.

(3) As used in this section, "private, investor-owned wastewater utility" means a utility that delivers wastewater treatment services through a sewerage system and the physical assets of which are wholly owned by an individual or group of individual shareholders.

History: 1994, Act 451, Eff. Mar. 30, 1995;—2005, Act 191, Imd. Eff. Nov. 7, 2005.

Popular name: Act 451

Popular name: NREPA

324.4109 Engineers and other assistants; employment.

Sec. 4109. The department may employ engineers and other assistants as may be necessary to administer this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4110 Commencement of civil action by attorney general; jurisdiction; additional relief; violation as misdemeanor; penalty; appearance ticket; enforcement; "minor offense" defined.

Sec. 4110. (1) The department may request that the attorney general commence a civil action for appropriate relief, including a permanent or temporary injunction, for a violation of this part or a provision of a permit or order issued under this part or a rule promulgated under this part. An action under this subsection may be brought in the circuit court for the county of Ingham or for the county in which the defendant is located, resides, or is doing business. The court has jurisdiction to restrain the violation and to require compliance.

(2) In addition to any other relief granted under subsection (1), a person who violates this part is subject to the following:

(a) If the person fails to obtain a permit required under this part, the court shall impose a civil fine of not less than $1,500.00 or greater than $2,500.00 for the first violation, not less than $2,500.00 or greater than $10,000.00 for the second violation, and not less than $10,000.00 or greater than $25,000.00 for each subsequent violation.

(b) If the person violates this part or a provision of a permit or order issued under this part or rule promulgated under this part other than by failure to obtain a permit, the court shall impose a civil fine of not less than $500.00 or greater than $2,500.00 for the first violation, not less than $1,000.00 or greater than $5,000.00 for the second violation, and not less than $2,500.00 or greater than $10,000.00 for each subsequent violation. For the purposes of this subdivision, all violations of a specific construction permit are treated as a single violation.

(3) Subject to section 4105(5), a person who violates this part or a written order of the department is guilty of a misdemeanor punishable by imprisonment for not more than 90 days or a fine of not more than $500.00, or both, and payment of the costs of prosecution.

(4) A law enforcement officer may issue and serve an appearance ticket upon a person for a minor offense pursuant to sections 9c to 9g of chapter IV of the code of criminal procedure, 1927 PA 175, MCL 764.9c to 764.9g.

(5) The attorney general shall enforce this part.

(6) As used in this section, "minor offense" means a violation of a permit issued under this part that does not functionally impair the operation or capacity of a sewerage system.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2006, Act 602, Imd. Eff. Jan. 3, 2007.

Popular name: Act 451

Popular name: NREPA

324.4111 Actions brought by department.

Sec. 4111. The department may bring an appropriate action in the name of the people of this state as may be necessary to carry out this part and to enforce any and all laws, rules, and regulations relating to this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4112 Expedited review process for certain projects.

Sec. 4112. (1) Subject to subsection (2), the following projects are eligible for expedited review:

(a) A conventional gravity sewer extension of 10,000 feet or less of sewer line.

(b) A simple pumping station and force main.

(c) A small diameter pressure sewer and grinder pumping station.

(2) An expedited review must not be conducted for a project that is being funded by the state water pollution control revolving fund created in section 16a of the shared credit rating act, 1985 PA 227, MCL 141.1066a.

(3) To obtain an expedited review, a person shall do all of the following before October 1, 2027:

(a) At least 10 business days before submitting an application under subdivision (b), notify the department electronically, in accordance with instructions provided on the department's website, of the person's intent to request expedited review. The department may waive this 10-day notification requirement.

(b) Submit electronically a complete application for a construction permit including a request for expedited review and credit card payment of the appropriate fee under subsection (4).

(c) Provide a written copy of the construction plans and specifications for the project that is prepared, signed, and sealed by a licensed professional engineer to the department postmarked not later than the date that the application is submitted electronically.

(d) For nongovernmental entities, provide certification to the department that all necessary contractual service agreements and financial plans are in place.

(4) Except as provided in subsection (6), the fee for an expedited review is as follows:

(a) For a conventional gravity sewer extension less than 2,000 feet, $1,000.00.

(b) For a conventional gravity sewer extension equal to or greater than 2,000 feet but less than 4,000 feet of sewer line, $1,500.00, and for each incremental increase of up to 2,000 feet of sewer line, an additional $500.00.

(c) For a simple pumping station and force main, $2,000.00.

(d) For a small diameter pressure sewer and grinder pumping station consisting of not more than 2,000 feet of sewer line and not more than 10 grinder pumping stations, $2,000.00.

(e) For small diameter pressure sewer and grinder pumping station projects not covered by subdivision (d) and consisting of not more than 5,000 feet of sewer line and not more than 25 grinder pumping stations, $4,000.00.

(5) Except as provided in subsection (7), if an applicant does not comply with subsection (3), the department shall not conduct an expedited review and any submitted fee shall not be refunded. Within 10 business days after receipt of the application, the department shall notify the applicant of the reasons why the department's review of the application will not be expedited. On receipt of this notification, a person may correct the deficiencies and resubmit an application and request for an expedited review with the appropriate fee specified under subsection (6). The department shall not reject a resubmitted application and request for expedited review solely because of deficiencies that the department failed to fully identify in the original application.

(6) For a second submission of an application that originally failed to meet the requirements specified in subsection (3), the applicant shall instead include a fee equal to 10% of the fee specified in subsection (4). However, if the deficiency included failure to pay the appropriate fee, the second submission must include the balance of the appropriate fee plus either 10% of the appropriate fee or, if the applicant makes additional changes other than those items identified by the department as being deficient, an additional fee equal to the fee specified in subsection (4). For the third and each subsequent submittal of an application that failed to meet the requirements specified in subsection (3), the applicant shall include an additional fee equal to the fee specified in subsection (4).

(7) If an applicant fails to sign the application, submits construction plans and specifications that have not been prepared, signed, and sealed by a licensed professional engineer, or does not submit the required fee, the

department shall notify the applicant of the deficiency within 5 business days after receiving the application. The application must not be processed until the deficient items are addressed. If the applicant does not provide the deficient items within 5 business days after notification by the department, the application must be handled as provided in subsection (5).

(8) The department shall review and make a decision on complete applications submitted with a request for expedited review within 10 business days after receipt by the department of a complete application. However, if the department waives the notification requirement of subsection (3)(a), the department shall review and make a decision on the application within 20 business days after receipt of a complete application.

(9) If the department fails to meet the deadline specified in subsection (8), both of the following apply:

(a) The department shall continue to expedite the application review process for the application.

(b) The fee required under this section for an expedited review must be refunded.

(10) The department shall transmit fees collected under this section to the state treasurer for deposit into the fund.

(11) As used in this section, "complete application" means a department-provided application form that is completed, for which all requested information has been provided, and that can be processed without additional information.

History: Add. 2006, Act 602, Imd. Eff. Jan. 3, 2007;—Am. 2010, Act 302, Imd. Eff. Dec. 16, 2010;—Am. 2015, Act 82, Eff. Oct. 1, 2015;—Am. 2019, Act 79, Imd. Eff. Sept. 30, 2019;—Am. 2023, Act 140, Imd. Eff. Sept. 29, 2023.

Popular name: Act 451

Popular name: NREPA

324.4113 Infrastructure construction fund.

Sec. 4113. (1) The infrastructure construction fund is created within the state treasury.

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

(3) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund. The department shall be the administrator of the fund for auditing purposes.

(4) The department shall expend money from the fund, upon appropriation, only to administer this part and the safe drinking water act, 1976 PA 399, MCL 325.1001 to 325.1023, including all of the following:

(a) Maintenance of program data.

(b) Development of program-related databases and software.

(c) Compliance assistance, education, and training directly related to this part and the safe drinking water act, 1976 PA 399, MCL 325.1001 to 325.1023.

(d) Program administration activities.

History: Add. 2006, Act 602, Imd. Eff. Jan. 3, 2007;—Am. 2010, Act 302, Imd. Eff. Dec. 16, 2010;—Am. 2018, Act 237, Eff. Sept. 25, 2018.

Popular name: Act 451

Popular name: NREPA

PART 43
WATERWORKS SYSTEMS, SEWERS, AND DISPOSAL PLANTS

324.4301 Waterworks systems, sewers, and disposal plants; acquisition, construction, equipping, operation, and maintenance; acquisition of land; powers of local units of government.

Sec. 4301. A local unit of government in this state, either individually or jointly by agreement with another local unit of government, may own, acquire, construct, equip, operate, and maintain, either within or outside of the statutory or corporate limits of the local unit or units of government, intercepting sewers, other sanitary and storm sewers, pumping stations, and a plant or plants for the treatment, processing, purification, and disposal in a sanitary manner approved by the department, of the liquid and solid wastes, refuse, sewage and night soil, storm water, and garbage of the local unit or units of government. A local unit of government, either individually or jointly by agreement with another local unit of government, may own, acquire, construct, equip, operate, and maintain either within or outside of the statutory or corporate limits of the local unit or units of government waterworks systems approved by the department of public health, including such facilities as water mains, treatment works, source facilities, pumping stations, reservoirs, storage tanks, and other appurtenances for the purpose of obtaining, treating, and delivering pure and wholesome water in adequate quantity to the local unit or units of government. They may acquire by gift, grant, purchase, or

condemnation necessary lands either within or outside of the statutory or corporate limits of the local unit or units of government. However, a township shall not condemn land outside its corporate limits. For the purpose of acquiring property for the uses described in this part, the local unit of government has all the rights, powers, and privileges granted to public corporations under Act No. 149 of the Public Acts of 1911, being sections 213.21 to 213.25 of the Michigan Compiled Laws. These powers are in addition to any powers granted to the local unit of government by statute or charter.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Surface Water Quality Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.4302 Waterworks systems, sewers, and disposal plants; mortgage bonds.

Sec. 4302. (1) The waterworks system, intercepting sewers, pumping stations, sewage disposal plant and system, transfer station, and garbage and refuse processing or disposal plant and system, are public utilities within the meaning of any constitutional or statutory provisions for the purpose of acquiring, purchasing, owning, operating, constructing, equipping, and maintaining the waterworks system, intercepting sewers, pumping stations, sewage disposal plant and system, transfer station, and garbage and refuse processing or disposal plant and system. A local unit of government may issue full faith and credit bonds or mortgage bonds for the purposes described in this part beyond the general limits of the bonded indebtedness prescribed by law except as provided in this section. The mortgage bonds as provided in this section shall not impose any general liability upon the local unit of government but shall be secured only on the property and revenues of the utility as provided in this section, including a franchise, stating the terms upon which the purchaser may operate the utility in case of foreclosure. The franchise shall not extend for a longer period than 20 years from the date of the sale on foreclosure. The total amount of mortgage bonds shall not exceed 60% of the original cost of the utility except as provided in this section. Bonds shall not be issued as general obligations of the local unit of government except upon a 3/5 affirmative vote of the qualified electors of the local unit of government and except as provided in this section, not in excess of 3% of the assessed valuation of the real and personal property of the local unit of government as shown by the last preceding tax roll. Bonds shall not be issued as full faith and credit bonds or mortgage bonds of the utility except upon a 3/5 affirmative vote of the legislative body of the local unit of government.

(2) Revenue bonds issued under this section are subject to the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140.

(3) Except for revenue bonds described in subsection (2), all other bonds and notes issued under this section are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2002, Act 327, Imd. Eff. May 23, 2002.

Popular name: Act 451

Popular name: NREPA

324.4303 Waterworks systems, sewers, and disposal plants; supervision and control by local units of government; rules; establishment, certification, and assessment of rates or charges.

Sec. 4303. The legislative body of a local unit of government or the respective legislative bodies of the local units of government who have agreed to jointly own and operate waterworks systems, intercepting sewers, or sewage treatment plants, may create a separate board or may designate certain officials of the local unit or units of government to have the supervision and control of the waterworks systems, intercepting sewers, transfer stations, or sewage and refuse and garbage processing or disposal plants. The legislative body, respective legislative bodies, or the board may make all necessary rules governing the use, operation, and control of the facilities and systems. The legislative body or respective legislative bodies may establish just and equitable rates or charges to be paid to them for the use of the waterworks system or disposal or processing plant and system by each person whose premises are served, and the rates or charges may be certified to the tax assessor and assessed against the premises served and collected or returned in the same manner as other county or municipal taxes are certified, assessed, collected, and returned.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4304 Mortgage bonds; manner of payment; sinking fund.

Sec. 4304. Bonds that are issued and secured by a mortgage on the utility as provided in this part shall not be a general obligation of the local unit of government, but shall be paid only out of revenues received from the service charges as provided in section 4303 or from a sale of the property and franchises under a foreclosure of the mortgage. If a service rate is charged, a sufficient portion shall be set aside as a sinking fund for the payment of the interest on the bonds and the principal of the bonds at maturity.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4305 Sewers and disposal plants; granting franchise to private corporation.

Sec. 4305. Instead of owning and operating a sewer system and sewage disposal plant, transfer station, garbage or refuse collection, processing, and disposal plant or system as provided in section 4301, a local unit of government may grant a franchise for a period not to exceed 30 years to a private corporation organized under, or authorized by, the laws of this state to engage in such business, to build, construct, own, and operate a sewage or garbage and refuse processing or disposal system for the purpose of receiving and treating sewage and night soil, refuse, and garbage from the local unit or units of government. The franchise may authorize the corporation to charge each person owning property, from which the sewage, refuse, or garbage is received, a fee determined to be reasonable by the public service commission of this state, upon proper application made either by the corporation or local unit or units of government, and after holding a public hearing. The franchise may also grant to the corporation the right and privilege to provide collection services and to lay all intercepting and other sewers and connecting pipes in the streets and public alleys of the local unit or units of government as are necessary to receive, transfer, and conduct the sewage, garbage, or refuse to the processing or disposal plant and under reasonable rules, regulations, and supervision as are established by the local unit or units of government. The franchise is void unless approved by 3/5 of the electors of the local unit or units of government voting at a general or special election. This franchise shall not duplicate existing private solid waste management services or facilities that have been developed under part 115.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4306 Contract to receive, treat, transfer, and process sewage, night soil, garbage, and refuse; charges.

Sec. 4306. The local unit or units of government may enter into a contract with a person to receive, treat, transfer, and process in the manner provided in this part, the sewage, night soil, garbage, and refuse of the local unit or units of government. The contract may authorize the person to charge the owners of the premises served a service rate determined by the local unit or units of government to be just and reasonable, or the local unit or units of government may contract to pay a flat rate for the service, paid out of their general fund or funds, or assess the owners of the property served a reasonable charge to be collected as provided in this part and paid into a fund to be used to defray the contract charges.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4307 Sewage system, solid waste facility, or waterworks system; bonds generally.

Sec. 4307. (1) In accordance with and to the extent authorized by law, when the department, the department of public health, or a court of competent jurisdiction in this state has ordered, or when the department has issued a permit for, the installation, construction, alteration, improvement, or operation of a sewage system, solid waste facility, or waterworks system in a local unit of government, and the plans for the facility or system have been prepared and approved by the state department or commission having the authority by law to grant the approval, the legislative body or the respective legislative bodies of the local unit or units of government may issue and sell the necessary bonds for the construction, installation, alteration, operation, or improvement, including the treatment works, and other facilities as may be ordered or set forth in the permit as being necessary to provide for the effective operation of the system. This provision shall be construed to allow a local unit of government the option of selling bonds under a department order or permit, or of taking or permitting the matter to go into court and selling bonds under a court order. The legislative body or the respective legislative bodies shall determine the denomination of the bonds and the date, time, and

manner of payment. The amount of the bonds either issued or outstanding shall not be included in the amount of bonds that the local unit or units of government are authorized to issue under any statutes of this state or charters. Local units of government issuing bonds under this section may raise a sum annually by taxation as the legislative body or respective legislative bodies consider necessary to pay interest on the bonds, and to pay the principal as it falls due. The annual amount may be in excess of the authorized annual tax rate fixed by statute or charter.

(2) Except as otherwise provided in this part, all bonds issued under this section are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. Court ordered bonds do not require approval of the electors and are not subject to section 5(g) of the home rule city act, 1909 PA 279, MCL 117.5, as to publication of notice, petition, and referendum. Bonds other than court ordered bonds issued under this part require approval of the electors at a general or special election only if an appropriate petition is filed as provided by law.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2002, Act 213, Imd. Eff. Apr. 29, 2002.

Popular name: Act 451

Popular name: NREPA

324.4308 Waterworks systems, sewers, or disposal systems; court order; plans and specifications; authorization and issuance of bonds.

Sec. 4308. If an order is made by a court of competent jurisdiction pursuant to this part, the fact that the order was issued shall be recited in the official minutes of the legislative body or the respective legislative bodies. The body or bodies shall require that plans and specifications be prepared for a waterworks, sewage, garbage, or refuse transfer, processing, or disposal system, including the necessary other facilities. After the plans are approved by the legislative body or respective legislative bodies, they shall be submitted to the department of public health or the department for approval. If the plans are approved, the legislative body or respective legislative bodies shall authorize the issuance and sale of the necessary bonds to construct the proposed system or facilities in accordance with the approved plans.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4309 Construction of part.

Sec. 4309. The authority given by this part is in addition to and not in derogation of any power existing in any of the local units of government under any statutory or charter provisions which they may now have or may adopt.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4310 Waterworks systems, sewers, or disposal plants; court proceedings.

Sec. 4310. Proceedings under this part shall be taken only in a court of competent jurisdiction in the county in which the proposed waterworks system, interceptors, sewage, garbage, or refuse transfer, processing, or disposal plants are to be constructed.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4311 Waterworks systems, sewers, or disposal plants; agreements between local units of government and municipalities as to bonds.

Sec. 4311. If considered expedient for the safety and health of the people, local units of government may enter into agreement with each other to raise money and issue bonds to erect and maintain waterworks systems, intercepting sewers, sewage treatment plants, or garbage or refuse transfer, processing, or disposal systems.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4312 Local units of government; contract power; approval.

Sec. 4312. If local units of government desire to act under this part, the relationship established between such local units of government shall be fixed by contract and such contracts may be made by local units of government under this part in a manner and to the extent that natural persons might make contracts for like purposes. Such contracts before becoming operative shall be approved by a vote of the majority of the members elect of each of the respective legislative bodies of the local units of government operating under this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

PART 45
BONDS FOR PREVENTION AND ABATEMENT OF WATER POLLUTION

324.4501 "Municipality" defined.

Sec. 4501. The term "municipality" or "municipalities" as used in this part means and includes a county, city, village, township, school district, metropolitan district, port district, drainage district, authority, or other governmental authority, agency, or department within or of the state with power to acquire, construct, improve, or operate facilities for the prevention or abatement of water pollution, or any combination of such governmental agencies.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4502 Legislative determinations.

Sec. 4502. The legislature hereby determines all of the following:

(a) That it is essential for the public health, safety, and welfare of the state and the residents of the state to undertake a complete program of construction of facilities to abate and prevent pollution of the water in and adjoining the state, the program to be undertaken by the state in cooperation with any municipalities and with such aid from the United States government or its agencies as is available.

(b) That abating and preventing pollution of the water in and adjoining the state is essential to the encouragement of business, industrial, agricultural, and recreational activities within the state.

(c) That the encouragement of business, industrial, agricultural, and recreational activities in the state by abating and preventing pollution of the water in and adjoining the state will benefit the economy of the state by encouraging businesses and industries to locate or expand within the state in order to provide more employment within the state.

(d) That abating and preventing pollution of the water in and adjoining the state is in furtherance of the purpose and the public policy of the state as expressed in sections 51 and 52 of article IV of the state constitution of 1963 and to carry out the remaining unfunded portions of the program for which electors of the state authorized the issuance of general obligation bonds.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4503 Bond issuance; authorization; amount; purpose.

Sec. 4503. The state shall borrow the sum of $335,000,000.00 and issue the general obligation bonds of the state, pledging the faith and credit of the state for the payment of the principal and interest on the bonds, for the purpose of providing money for the planning, acquisition, and construction of facilities for the prevention and abatement of water pollution, consisting of trunk and interceptor sewers, sewage treatment plants and facilities, improvements and additions to existing sewage treatment plants and facilities, and such other structures, devices, or facilities as will prevent or abate water pollution, and for the making of grants, loans, and advances to municipalities, in accordance with conditions, methods, and procedures established by law.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4504 Bonds; issuance in series; resolution of administrative board; sale of bonds.

Sec. 4504. (1) The bonds shall be issued in 1 or more series, each series to be in the principal amount, to be dated, to have the maturities that may be either serial, term, or term and serial, to bear interest at a rate or rates

not to exceed 6% per annum if issued before September 19, 1982 and not to exceed 18% per annum if issued on or after September 19, 1982, to be subject or not subject to prior redemption and, if subject to prior redemption with call premiums, to be payable at a place or places, to have or not have the provisions for registration as to principal only or as to both principal and interest, and to be in the form and to be executed in the manner as determined by resolution to be adopted by the administrative board. The administrative board may in the resolution provide for the investment and reinvestment of bond sales proceeds and any other details for the bonds and the security of the bonds considered necessary and advisable. The bonds or any series of the bonds shall be sold for not less than the par value of the bonds and may be sold, as authorized by the state administrative board, either at a public sale or at a publicly negotiated sale.

(2) Bonds issued under this part are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(3) The issuance of bonds under this part is subject to the agency financing reporting act.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2002, Act 248, Imd. Eff. Apr. 30, 2002.

Popular name: Act 451

Popular name: NREPA

324.4505 Revenues; disposition.

Sec. 4505. The proceeds of sale of the bonds or any series of the bonds and any premium and accrued interest received on the delivery of the bonds shall be deposited in the treasury in a separate account and shall be disbursed from the separate account only for the purposes for which the bonds have been authorized and for the expense of issuing the bonds. Proceeds of sale of the bonds or any series of the bonds shall be expended for the purposes set forth in this part in the manner provided by law.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4506 Bonds; negotiability; tax exempt.

Sec. 4506. Bonds issued under this part are fully negotiable under the uniform commercial code, Act No. 174 of the Public Acts of 1962, being sections 440.1101 to 440.11102 of the Michigan Compiled Laws, and the bonds and the interest on the bonds are exempt from all taxation by the state or any of its political subdivisions.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4507 Legal investments.

Sec. 4507. Bonds issued under former Act No. 76 of the Public Acts of 1968 or this part are securities in which all banks, bankers, savings banks, trust companies, savings and loan associations, investment companies, and other persons carrying on a banking business; all insurance companies, insurance associations, and other persons carrying on an insurance business; and all administrators, executors, guardians, trustees, and other fiduciaries may properly and legally invest any funds, including capital, belonging to them or within their control.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4508 Bonds; question; submission to electors; ballot; form.

Sec. 4508. The question of borrowing the sum of $335,000,000.00 and issuing bonds of the state for the purpose set forth in this part shall be submitted to a vote of the electors of the state qualified to vote on the question in accordance with section 15 of article IX of the state constitution of 1963 , at the general November election to be held on November 5, 1968. The question submitted shall be substantially as follows:

"Shall the state of Michigan borrow the sum of $335,000,000.00 and issue general obligation bonds of the state therefor pledging the full faith and credit of the state for the payment of principal and interest thereon for the purpose of planning, acquiring and constructing facilities for the prevention and abatement of water pollution and for the making of grants, loans and advances to municipalities, political subdivisions and agencies of the state for such purposes, the method of repayment of said bonds to be from the general fund of the state?

Yes [ ]

No [ ]".

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4509 Submission to electors.

Sec. 4509. The secretary of state shall take such steps and perform all acts as are necessary to properly submit the question to the electors of the state qualified to vote on the question at the general November election to be held on November 5, 1968.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4510 Bonds; appropriation to make prompt payment.

Sec. 4510. After the issuance of the bonds authorized by former Act No. 76 of the Public Acts of 1968 or this part, or any series of the bonds, the legislature shall each year make appropriations fully sufficient to pay promptly when due the principal of and interest on all outstanding bonds authorized by former Act No. 76 of the Public Acts of 1968 or this part and all costs incidental to the payment of that principal and interest.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4511 Approval of electors.

Sec. 4511. Bonds shall not be issued under this part unless the question set forth in section 4508 is approved by a majority vote of the qualified electors voting on the question at the general November election to be held on November 5, 1968.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

PART 47
SEWAGE DISPOSAL AND WATER SUPPLY DISTRICTS

324.4701 Definitions.

Sec. 4701. As used in this part:

(a) "Due notice" means notice published at least twice, with an interval of at least 7 days between the 2 publication dates, in a newspaper or other publication of general circulation within the appropriate area or, if a publication of general circulation is not available, by posting at a reasonable number of conspicuous places within the appropriate area. Posting shall include, if possible, posting at public places where it may be customary to post notices concerning county or municipal affairs. At any hearing held pursuant to the notice and at the time and place designated in the notice, adjournment may be made without renewing the notice for an adjournment date.

(b) "Municipality" includes a metropolitan district, a water or sewer authority created by law, or a county, township, charter township, incorporated city, or incorporated village. An incorporated village, for the purposes of this part, is a governmental unit separate and distinct from the township or townships in which it is located.

(c) "Sewage disposal systems" includes all interceptor sewers, storm sewers, sanitary sewers, combined sanitary and storm sewers, sewage treatment plants, and all other plants, works, instrumentalities, and properties used or useful in connection with the collection, treatment, and disposal of sewage and industrial wastes.

(d) "United States or agencies of the United States" includes the United States of America or any bureau, department, agency, or instrumentality of the United States or otherwise created by the congress of the United States.

(e) "Water supply and sewage disposal district" means a governmental subdivision of this state and a public body corporate and politic organized in accordance with this part for the purpose, with the powers, and subject to the restrictions in this part.

(f) "Water supply system" includes all plants, work, instrumentalities, and properties used or useful in connection with obtaining a water supply, the treatment of water, and the distribution of water.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4702 Department of natural resources; powers and duties.

Sec. 4702. The department under this part has all of the following powers and duties:

(a) To foster and encourage the organization of sewage disposal and water supply districts, to act as the administrative agency in the proceedings incident to the formation of districts, and to offer and lend appropriate assistance to the directors of districts organized as provided in this part in the carrying out of any of their powers, functions, and programs.

(b) To cooperate, negotiate, and enter into contracts with the other governments, governmental units and agencies in matters concerning water supply systems and sewage disposal systems; to take steps and perform acts and execute documents as may be necessary to take advantage of any act enacted by the congress of the United States that may make available funds for any of the purposes enumerated in this part or be otherwise of assistance in carrying out the purposes of this part; to disburse money that may be appropriated by the legislature for the use and benefit of the districts created under this part or municipalities or local units of government of this state in accordance with the formula prescribed in this part or in the acts of appropriation; and to disburse money that may be received by this state from the United States government for the purposes provided for in this part in accordance with the formula set forth by applicable acts of congress.

(c) To act as the fiscal agent for this state for the purpose of making available to local units of government and the districts as may be organized under this part money or instruments of indebtedness that may be approved by the legislature or the people of this state for the construction and operation of sewage disposal systems by local units of government or districts.

(d) To coordinate its duties and functions with similar or related duties and functions that are performed by other state agencies or governmental units to coordinate and cooperate efforts to accomplish the purposes of this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4703 Sewage disposal and water supply districts; joint municipal action to form district; filing, contents, and consolidation of petition.

Sec. 4703. (1) Two or more municipalities, by resolution of their legislative bodies, may file a petition with the department requesting that a sewage disposal district or a water supply district or a combination of both be organized to function in the area described in the petition. The petition shall set forth all of the following:

(a) The proposed name of the district.

(b) That there is need in the interests of public health and welfare for the district to function in the area described in the petition.

(c) A description of the area proposed to be organized as a district. The description is not required to be given by metes and bounds or by legal subdivision, but is sufficient if the description is generally accurate and designates the local units of governments comprised within the proposed district. The territory shall include only area within the boundaries of the petitioning municipality.

(d) A request that a referendum be held within the defined territory on the question of creation of the district in the territory, and that the agency create the requested district.

(2) When more than 1 petition is filed covering a portion of the same territory, the agency may consolidate all or any of the petitions.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4704 Sewage disposal and water supply districts; petition; hearing; notice; adjournment; determination as to territory affected.

Sec. 4704. Within 30 days after a petition is filed with the department, or later if authorized by the department, but not to exceed 90 days, the department shall cause due notice to be given of a hearing upon the question of the desirability and necessity in the interests of public health and welfare of the creation of the district, upon the question of appropriate boundaries to be assigned to the district, upon the propriety of the petition and of the proceedings taken under this part, and upon all other questions relative to this matter. All interested parties have the right to attend the hearings and be heard. Due notice of the time and place of

holding the hearing shall be given to all of the executive officials of the municipalities included within the involved territory. If it appears upon the hearing that it is desirable to include within the proposed district territory outside of the area within which due notice has been given, or if it is made to appear that more data or information is needed, the hearing shall be publicly adjourned and due notice of further hearing shall be given throughout the entire area considered for inclusion in the district and a further hearing held. The department shall cooperate to the fullest extent possible with the local units of government included within the territorial limits of the proposed district in the making of the necessary investigations and engineering and financial studies that may be required for the proper decisions to be made by the department upon the conclusion of the hearing. After the hearing, if the department determines upon the facts presented and upon other relevant facts and information as may be available to it that there is need in the interests of public health and welfare for a sewage disposal or water supply district, or both, to be created and to function in the territory considered at the hearing, it shall make and record this determination and shall define the boundaries of the districts by the territorial limits of municipalities included within the district or by metes and bounds. In making the determination and in defining the boundaries, the department may give due weight and consideration to the physical and topographical conditions of the area considered, availability or nonavailability of water resources, engineering and economic feasibility of the construction and management of the works required, and all other relevant and pertinent facts that may be brought to its attention or of which it may have knowledge. Such additional territory shall not be included without the approval by resolution of the legislative body of any municipality affected, including the original petitioners.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4705 Sewage disposal and water supply districts; hearing; determination of no necessity; record; determination of necessity; referendum; rules; creation of authority; application; petitions to include additional territory; legal status of district; certificate.

Sec. 4705. (1) If the department determines after the hearing that there is no need for a district to be formed in the territory considered at the hearing and that the operation of the district within the defined boundaries is not practicable and feasible from the standpoint of engineering, administration, and financing, the department shall make and record the determination and shall deny any petition filed with it.

(2) If the department has made and recorded a determination that in the interests of public health and welfare there is a need for the formation, organization, and functioning of a district in a particular territory and has defined the boundaries of the district, it shall consider the question of whether the operation of that district within the boundaries with the powers conferred upon districts in this part is desired by a majority of the electors within the boundaries of the district. To assist the department in the determination of this question, it is the duty of the department, within a reasonable time of entry of the finding that there is need for the organization of the proposed district and the determination of the boundaries of the district, to order a referendum within the proposed district upon the proposition of the creation of the district and to order the municipalities affected to cause due notice of the referendum to be given. The department shall direct the officials in charge of the holding of elections in the local units of government included within the district to call a special election or to place the referendum on the ballot at the next general election to be held in all of the territory comprising the district. The question shall be submitted by ballots prepared by the department that shall succinctly describe the district proposed to be formed, the area in which it shall function, and in appropriate language require those voting on the proposition to vote for or against the creation of the district, in accordance with the requirements of law for the holding of referendums on state questions. Municipalities affected are responsible for the costs of the preparation of the ballots. Only electors who have property assessed for taxes within the boundaries of the district are eligible to vote in the referendum. Upon the completion of the referendum, the department shall publish the result of the referendum.

(3) The department shall pay all expenses for the issuance of the notice and the conduct of the hearings described in this section and shall supervise the conduct of the hearings. The referendum shall be held by the regular established election officials and any costs shall be borne by the affected municipalities. The department shall promulgate rules governing the conduct of the hearings.

(4) If the results of the referendum described in subsection (3) call for the formation of the proposed district, the department shall call a conference of all the officials of all of the municipalities within the boundaries of the proposed district and the department shall make every effort to encourage the municipalities to incorporate an authority for the purpose of constructing and operating a sewage disposal system or water supply system under the terms and authority vested in the municipalities pursuant to law. If after the

expiration of 180 days from the holding of the conference or within an additional period as the department may consider necessary, the municipalities have not created an authority as provided in this part, the department shall make, file, and publish as provided in this part a determination creating the district as contained in the application and as approved by the referendum.

(5) Upon the making and filing of the determination as described in subsection (4), due notice shall be served and published and the department shall appoint 5 directors who, for the purpose of this part, are electors within the territory comprising the district and who shall comprise a temporary governing body of the district. The members of the temporary governing body shall hold office until the officers of the first permanent governing body have been elected and qualified.

(6) The district shall be a governmental subdivision of this state and a public body corporate when the appointed directors present to the secretary of state an application signed by them that sets forth all of the following:

(a) That a petition for the creation of the district was filed with the department pursuant to this part, that the proceedings specified in this part were taken, that the application is being filed in order to complete the organization of the district as a governmental subdivision and a public body corporate under this part, and that the applicants are the temporary directors of the district.

(b) The name and official residence of each of the directors together with a certification of their appointment.

(c) The name which is proposed for the district.

(d) The location of the present office that has been selected for the district by the directors.

(7) The application shall be subscribed and sworn to by at least a majority of the directors before an officer authorized by the laws of the state to administer oaths. The officer shall certify upon the application that he or she personally knows the directors and that each has subscribed thereto in the officer's presence. The application shall be accompanied by a certified statement made by the department that a petition was filed, notice issued, and hearing held as required in this part; that the department determined that there is need in the interests of the public health and welfare for a district to function in the proposed territory; that the boundaries are defined; that notice was given and referendum held in the question of creation of the district; that the result of the referendum showed a majority of the votes cast in the referendum to be in favor of the creation of such a district; and that the department did determine that the operation of the proposed district is administratively practicable and feasible. In addition, the statement shall set forth the boundaries of the district.

(8) The secretary of state shall examine the application and statement and, if he or she finds that the name proposed for the district is not identical with any similar district of this state or so nearly identical as to lead to confusion or uncertainty, the secretary of state shall receive and file the application and statement and shall record them in an appropriate book of record in the office of the secretary of state. When the application and statement have been made, filed, and recorded as provided in this section, the district shall constitute a governmental subdivision of this state and a public body corporate. The secretary of state shall make and issue to the directors a certificate under the seal of the state of the due organization of the district and shall record such certificate with the application and statement.

(9) Petitions for including additional territory within a district may be filed with the department and the proceedings provided for in this part or petitions to organize a district shall be observed in the case of petitions for inclusion. The department shall prescribe the form for the petitions, which shall be as nearly as possible to the form prescribed in this part for petitions to organize a district. The petition shall be filed with the department and upon its receipt it shall be referred to the governing body of the district to be affected by the petition and if, after due consideration, the governing body determines against the inclusion of the additional territory, the petition shall be denied.

(10) In any suit, action, or proceeding involving the validity or enforcement of or relating to any contract, proceeding, or action of the district, the district shall be considered to be legally established in accordance with this part upon proof of the issuance of the certificate by the secretary of state. The certificate of the secretary of state shall be admissible in evidence in any suit, action, or proceeding described in this subsection and shall be proof of the filing and contents of the certificate.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4706 Permanent governing body; nomination, election, and terms of directors; certification of election; vacancy; conducting business at public meeting; notice of

meeting; quorum; concurrence of majority for determination; expenses.

Sec. 4706. (1) The first permanent governing body of the district after the district has been organized and has received the secretary of state certificate described in section 4705 shall consist of 5 directors. The directors shall be nominated and elected at the next general state election in the same manner and pursuant to the election laws applicable to members of the house of representatives.

(2) Except for the first directors, the directors shall hold office for a term of 6 years. Among the first directors to be elected, the 2 receiving the highest number of votes shall hold office for the full term of 6 years and the 3 receiving the next highest number of votes shall hold office for 4 years. The secretary of state shall be responsible for the certification of the election of the directors. A vacancy shall be filled by appointment made by the remaining directors for the unexpired term.

(3) The business which the directors may perform shall be conducted at a public meeting of the directors held in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976. A majority of the directors constitutes a quorum for the transaction of business and the concurrence of a majority of the total number of directors in a matter shall be required for the matter's determination. A director shall not receive compensation for services, but shall be reimbursed for expenses necessarily incurred in the discharge of his or her duties.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4707 Employment of executive secretary, technical experts, officers, agents, and employees; qualifications, duties, and compensation; delegation of powers and duties; furnishing copies of documents and other information; availability of writings to public; execution of surety bonds; records; annual audit; designation of representatives to advise and consult on questions of program and policy.

Sec. 4707. (1) The directors may employ an executive secretary, technical experts, and other officers, agents, and employees, permanent or temporary, as required, and shall determine their qualifications, duties, and compensation. The directors may delegate to the chairperson, to 1 or more directors, or to 1 or more agents or employees, powers and duties as they consider proper.

(2) The directors shall furnish to the department upon request copies of all rules, orders, contracts, forms, minutes, proceedings, and other documents that they adopt or employ and other information concerning their activities as required by the department in the performance of the department's duties under this part. A writing prepared, owned, used, in the possession of, or retained by the directors in the performance of an official function shall be made available to the public in compliance with the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

(3) The directors shall provide for the execution of surety bonds for employees and officers entrusted with funds or property; shall provide for the keeping of a full and accurate record of their proceedings and of rules and orders promulgated or adopted; and shall provide for an annual audit of the accounts of receipts and disbursements. The directors shall request that the legislative body and executive officers of a municipality located within the territory comprised within the district designate a representative to advise and consult with the directors of the district on questions of program and policy that may affect the property, water supply, or sewage disposal problems, or other interests of the municipality.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4708 Sewage disposal and water supply districts; powers.

Sec. 4708. A district organized under this part constitutes a governmental subdivision of this state and a body corporate, exercising public powers, with power to sue and to be sued in any court of this state. A district shall possess all the powers necessary to organize itself and also shall possess powers incident to the powers enumerated in this part. The district is authorized and empowered to do all of the following:

(a) Pursuant to the terms of any contract entered into under section 4709 of this part, to construct and operate sewage disposal systems and water supply systems within the area comprising its territorial limits and to acquire, extend, and improve the systems.

(b) To make and cause to be made surveys, studies, and investigations of water resources of the area within its territorial limits for the purpose of determining the feasibility and practicability of developing new sources

of water supply to municipalities, industrial and commercial establishments, and agricultural and residential lands and areas so that water is available to agricultural and residential lands in a quantity and quality necessary for the protection of the public health and the promotion of the general welfare within the areas.

(c) To make and cause to be made surveys, studies, and investigations for the purpose of ascertaining the requirements of municipalities, industrial and commercial establishments, individual and collective groups, or occupants of lands for sewage disposal systems so that sewers and sewage disposal facilities are available to the entities described in this subdivision that are situated within the territorial limits of the district and that may need or require the facilities for the protection of public health and the promotion of the general welfare.

(d) To cooperate with and enter into agreements with any person as may be necessary for the full performance of its functions and duties and to acquire by purchase, exchange, lease, gift, grant, bequest, devise, or otherwise, any property, real or personal, or rights or interests in property, either within or outside of its territorial limits; to maintain, administer, and improve any acquired properties; to receive income from same and to expend the income in implementing this part and its purposes; and to sell, lease, or otherwise dispose of any of its property or interests in property to implement this part and its purposes. The district is invested with the power of eminent domain in acquiring private property for public use. For the purposes of exercising the power, the district may proceed under Act No. 149 of the Public Acts of 1911, being sections 213.21 to 213.25 of the Michigan Compiled Laws, or any other statute that grants to any municipality or public body the authority to acquire private property for public use.

(e) To accept and receive money as may be appropriated to the district by the legislature of this state.

(f) To accept and receive any funds or money which may be appropriated by any act of congress either directly from any federal governmental agency responsible for the disbursement and allocation of the funds or through the department and for that purpose the districts are authorized to execute contracts, documents, or agreements as may be required by the congressional act as a prerequisite to the securing of the funds.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4709 Sewage disposal and water supply districts; contracts with municipalities; construction, improvement, enlargement, extension, operation, and financing; pledge of payment; resolution; approval by electors; issuance of bonds.

Sec. 4709. (1) The district may enter into contracts with any municipality located within its territorial limits providing for the acquisition, construction, improvement, enlargement, extension, operation, and financing of a sewage disposal system or water supply system. A contract shall provide for the allocation and payment of the share of the total cost to be borne by the municipality in annual installments for a period not exceeding 40 years. Each contracting municipality may pledge its full faith and credit for the payment of the obligation in the manner and times specified in the contract. The district shall make a reasonable charge for its services that it renders to the users in order to cover the retirement of outstanding indebtedness, costs of operation, maintenance, and replacement of its plants and reserves for capital improvements. If there is excess money in the treasury of the district after all of the contingencies have been met, the excess shall be rebated to the contracting municipalities in proportion to the total amount that the municipality paid for services it has received from the district. No limitation in any statute or charter shall prevent the levy and collection by each of the contracting municipalities of the full amount of taxes necessary for the payment of the contractual obligation. These funds may be raised by each contracting municipality by the use of 1 or more of the following methods:

(a) The levy of special assessments on property benefited by the sewage disposal system or water supply system. The procedures relative to the levying and collection of the special assessments shall conform as near as may be to applicable charter or statutory provisions.

(b) The levy and collection of rates or charges to users and beneficiaries of the service or services furnished by the sewage disposal system or water supply system.

(c) From money received, or to be received, derived from the imposition of taxes by this state, unless the money for this purpose is expressly prohibited by the state constitution of 1963.

(d) From any other fund or funds that may be validly used for the purpose. The contract may provide for any and all matters relating to the acquisition, construction, operation, and financing of the sewage disposal system or water supply system as are considered necessary, including authorization to the district to issue bonds secured by the full faith and credit pledges of the contracting municipalities, as authorized in this part. The contract may provide for appropriate remedies in case of default, including, but not limited to, the right of the municipalities to authorize the county treasurer or other official charged with the disbursement of funds

derived from the state sales tax levy under the general sales tax act, 1933 PA 167, MCL 205.51 to 205.78, to withhold sufficient funds to make up any default or deficiency in funds.

(2) A municipality desiring to enter into a contract with the district under this section shall authorize, by resolution of its governing body, the execution of the contract. The resolution shall be published in 1 or more newspapers of general circulation within the municipality, and the contract may be executed without a vote of the electors upon the expiration of 30 days after the date of the publication unless, within the 30-day period, a petition signed by not less than 10% of the registered electors residing within the limits of the municipality is filed with the clerk of the municipality requesting a referendum upon the execution of the contract. If this occurs, the contract shall not be executed until approval by the vote of a majority of the electors of the municipality qualified to vote and voting at a general or special election to be held not more than 90 days after the filing of the petition. A special election called for this purpose shall not be included in any statutory or charter limitation as to the number of special elections to be called within any period of time. Signatures on any petition shall be verified by some person under oath, as the actual signatures of the persons whose names are signed on the petition, and the clerk of the municipality has the same power to reject signatures as city clerks under section 25 of the home rule city act, 1909 PA 279, MCL 117.25. The number of registered electors in a municipality is determined by the registration books as of the date of the filing of the petition.

(3) To obtain funds to acquire, construct, improve, enlarge, or extend the sewage disposal system or water supply system authorized by this part, the district, after the execution of the contract or contracts authorized by this part, upon ordinance or resolution adopted by the district, may issue its negotiable bonds secured by the full faith and credit pledges made by each contracting municipality pursuant to authorization contained in this part and the contracts entered into pursuant to this part. Except as otherwise provided in this part, bonds are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. The ordinance or resolution authorizing the issuance of the bonds shall include the terms of the contracts.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2002, Act 214, Imd. Eff. Apr. 29, 2002.

Popular name: Act 451

Popular name: NREPA

324.4710 Sewage disposal and water supply districts; contract sewage treatment; income; application.

Sec. 4710. The district may enter into a contract for the furnishing of sewage treatment services by any sewage treatment plant owned or operated by the district as a part of its sewage disposal system or the furnishing of water service from any water facilities owned or operated by the district. This contract shall provide for reasonable charges or rates for the service furnished. Any income derived from a contract described in this section shall be applied by the district to the costs of operation and maintenance of its sewage disposal system or its water supply system, and any balances remaining after payment of its cost shall be applied in reduction of its outstanding bonded indebtedness incurred for the acquisition or improvement of its sewage disposal system or water supply system. A contract shall not exceed a period of 40 years.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4711 Detachment of territory from participating municipality; contractual obligations; bonds; redemption.

Sec. 4711. If territory that is part of a district created under this part is detached from a municipality and transferred to a municipality that is not part of the district, the territory shall remain a part of the municipality from which detached only for the purpose of carrying out any contractual obligations or for the purpose of levying a tax to retire any bonded indebtedness incurred by such district for which the territory is liable until the contractual obligations are fulfilled or the bonds are redeemed or sufficient funds are available in the district's debt retirement fund for this purpose. A territory described in this section is a part of the municipality to which transferred for all other purposes and subsequent to the redemption of the bonds or the time when sufficient funds are available to redeem the bonds, the territory is no longer a part of the district.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4712 Existing systems; self-liquidating revenue bonds.

Sec. 4712. If the governing body of a district formed under this part acquires, extends, improves, or

operates a sewage disposal system or water supply system or provides for the sale and purchase of sewage disposal service or water supply service from an existing system or systems and executes contracts that may be necessary, the authority may, pursuant to any contract entered into under section 4709, issue self-liquidating revenue bonds in accordance with the revenue bond act of 1933, Act No. 94 of the Public Acts of 1933, being sections 141.101 to 141.140 of the Michigan Compiled Laws, or any other act providing for the issuance of revenue bonds. However, these bonds are payable solely from the revenues of the sewage disposal system or the water supply system. The charges specified in any contract are subject to increase by the district at any time if necessary to provide funds to meet its obligations and any contract authorized by this part is for a period of not more than 40 years. The legislative body of any municipality that enters into a contract with the district may raise by taxes or pay from its general funds any money required to be paid under the terms of the contract to obtain maps, plans, designs, specifications, and cost estimates of the proposed sewage disposal system or water supply system.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

PART 49
CONSTRUCTION OF COLLECTING SEWERS

324.4901 Definitions.

Sec. 4901. As used in this part:

(a) "Collecting sewers" means lateral, branch, submain, and trunk sewers consisting of pipes or conduits including pumps, lift stations, force mains, and other appurtenances necessary for a system to prevent or eliminate discharges of raw or inadequately treated sewage of human origin into any waters of the state. Collecting sewers do not include pipes or conduits that carry storm water, surface water, and street wash, or that convey sewage from a building to a common public sewer except that part lying within a public right-of-way; and sewers eligible for grants under Act No. 329 of the Public Acts of 1966, being sections 323.111 to 323.128 of the Michigan Compiled Laws.

(b) "Construction" means the engineering, architectural, legal, fiscal, and economic investigations and studies, surveys, designs, plans, working drawings, specifications, procedures, and other similar actions necessary to the construction of collecting sewers; the installation, erection, and building of collecting sewers; and the inspection and supervision of the construction of such sewers. Construction does not include acquisition of lands and rights-of-way.

(c) "Local agencies" means local units of government or other public bodies created by or pursuant to state law and having jurisdiction over collecting sewers.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Environmental Assistance Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.4902 State sewer construction fund; grants; funding.

Sec. 4902. Grants to local agencies shall be funded from the state sewer construction fund for collecting sewer projects in the descending order of their priority as established by the department under sections 4909 to 4912.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4903 State sewer construction fund; establishment; eligibility.

Sec. 4903. A fund to be known as the state sewer construction fund is established to be used for state grants to local agencies for their construction of collecting sewers. Grants shall be made only for collecting sewers on which contracts for construction were awarded prior to the exhaustion of the fund.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4904 State sewer construction fund; disposition.

Sec. 4904. The proceeds of the sale of $50,000,000.00 of the bonds authorized by former Act No. 76 of the Public Acts of 1968 or part 45, or any series of the bonds, and any premiums and accrued interest received on the delivery of the bonds, shall be deposited with the state treasurer in the state sewer construction fund. Disbursements from the fund shall be made only for specific eligible collecting sewer projects approved, as provided in section 4912, by the appropriations committees and by the legislature by concurrent resolution adopted by a roll call vote of a majority of the members elected to and serving in each house. A concurrent resolution shall include all or part of the projects on the priority list of eligible projects reported to the legislature by the department as provided in section 4912, but in case of a part only it shall be the entire part containing all projects on the list having priorities higher than those of projects not included in the resolution and shall not include projects lower in the order of priority. The income from temporary investments of the proceeds shall be deposited in the general fund.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1995, Act 61, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.4905 Grants; application; amount; limitations.

Sec. 4905. (1) A local agency may apply to the department for a grant under this part.

(2) A grant shall be made in an amount equal to 1/2 that portion of the cost of construction of collecting sewers, computed upon the cost of the current year's project only, in excess of 10% of the state equalized value of all taxable property within the political boundaries of the unit of government served by the collecting sewers certified under subsection (2) of section 4906 or $1,000,000.00, whichever is less.

(3) Grants are subject to the following limitations:

(a) A grant shall not be made for collecting sewers required under the subdivision control act of 1967, Act No. 288 of the Public Acts of 1967, being sections 560.101 to 560.293 of the Michigan Compiled Laws.

(b) A grant shall not be made for collecting sewers for which a federal grant has been made if the amount of the federal grant equals or exceeds the amount of the state grant that the collecting sewers would have received if there had been no federal grant. If the amount of the federal grant made for the collecting sewers is less than the amount of the state grant that the collecting sewers would have received if there had not been a federal grant, the amount of the state grant made for the collecting sewers shall not exceed the difference between the state grant that the collecting sewers would have received if there had not been a federal grant, and the federal grant.

(c) A grant shall not be made for collecting sewers, the construction of which would result in the discharge of untreated or inadequately treated sewage to the waters of the state.

(d) A grant shall not be made unless the local agency has received approval by the department of an official pollution control plan as required by sections 7 and 8 of Act No. 329 of the Public Acts of 1966, being sections 323.117 and 323.118 of the Michigan Compiled Laws, and the collecting sewers are in conformity with the official plan.

(e) A grant shall not be made for collecting sewers which the department determines would not meet an existing or imminent need or would constitute a noneconomic or speculative project.

(f) A local agency shall not be allotted more than 2% of the fund.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4906 State sewer construction fund; disbursements.

Sec. 4906. (1) Disbursements from the state sewer construction fund shall be made by the director of the department of management and budget and the state treasurer in accordance with the accounting laws of the state only for the following purposes for which the bonds have been authorized:

(a) Expense of issuing the bonds.

(b) Grants to local agencies as provided in section 4905(2) and (3).

(2) Before any disbursement from the fund, as provided in subsection (3), is made to a local agency for a grant for the construction of collecting sewers, the department shall certify to the director of the department of management and budget and the state treasurer the amount of the grant which the agency is eligible to receive under this part. The certificate shall include or have attached to it a certificate by the department, or by the department of public health when so requested by the department, of the necessity and sufficiency of the collecting sewers.

(3) A disbursement from the fund to a local agency shall be made for projects on the priority list established under sections 4904 and 4912 upon certification to the director of the department of management and budget and the state treasurer by the department that the disbursement is due. A local agency may request and receive disbursement of the state grant in not more than 5 installments:

(a) An installment of 50% of the reasonable cost for preparing completed final construction plans and specifications, but not to exceed the amount of the grant, for the collecting sewers which have been certified as eligible for a state grant, on issuance of a construction permit by the department of public health for the collecting sewers for which the construction plans and specifications have been prepared and on receipt of evidence satisfactory to the department of the local agency's ability and intent to finance the local share of the project cost. A disbursement shall not be made under this subsection to a local agency which has received federal or other state grants for the preparation of final plans and specifications.

(b) An installment when not less than 25% of the cost of construction of the collecting sewers is completed.

(c) An installment when not less than 50% of the cost of construction of the collecting sewers is completed.

(d) An installment when not less than 75% of the cost of construction of the collecting sewers is completed.

(e) A final installment of the unpaid balance of the grant based upon the actual cost of the collecting sewers when construction is completed.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4907 Rules.

Sec. 4907. The department may promulgate rules to implement this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4908 State agencies; officers and employees; use; purpose; grant recipients; records.

Sec. 4908. (1) The department, with consent of the head of any other agency of this state, shall use the officers and employees of such agency as may be found necessary to assist in carrying out the purposes of this part.

(2) A recipient of a grant under this part shall keep records as the department prescribes, including records that fully disclose the amount and disposition by the recipient of the proceeds of the grant, the total cost of construction of the collecting sewers in connection with the grant given or used, and the amount of that portion of the cost of construction of the collecting sewers supplied by other sources, and other records as will facilitate an effective audit. The department, the auditor general, and the state treasurer or any of their duly authorized representatives shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the recipient that are pertinent to grants received under this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4909 Priority establishment and project certification procedures; compliance prerequisite to grant.

Sec. 4909. Notwithstanding any other provision of this part or of any rule of the department, compliance with sections 4909 to 4912 is a prerequisite to the making of a grant under this part. Sections 4909 to 4912 provide procedures for establishing the priority of eligible projects and for certifying projects for grants for construction of collecting sewers.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4910 Collecting sewer projects; pollution control needs; assignment of points.

Sec. 4910. (1) Points assigned to a collecting sewer project as a complete measure of pollution control needs shall not exceed 15.

(2) Two points shall be assigned for each of the following interests subject to pollution-caused injuries,

which injuries will be corrected or substantially lessened by the proposed project:

(a) Public health, safety, or welfare, but not including bathing.

(b) Public water supply for domestic use.

(c) Water supply for commercial or industrial use.

(d) Irrigation or livestock water supply for agricultural use.

(e) Organized public recreational use including bathing.

(f) Aesthetic value or utility of riparian lands.

(g) Water supply for wild animals, birds, and fish and adverse effects on aquatic life or plants.

(h) Usefulness of fish or game for human consumption.

(3) Collecting sewers required to be constructed in compliance with a judgment rendered by a court of competent jurisdiction, a stipulation or an order of the department, or an agreement with the department of public health shall be assigned from 1 to 4 points in accordance with the following schedule, if the stipulation, order, or agreement specifically recites the existence of unlawful pollution and was in effect not less than 30 days before the deadline for filing applications and if the pollution abatement date is such that compliance would make it necessary to start construction during the year ending:

(a) June 30 of the fiscal year for which the application is filed, 4 points.

(b) June 30 of the first succeeding fiscal year, 3 points.

(c) June 30 of the second succeeding fiscal year, 2 points.

(d) June 30 of the third succeeding fiscal year, 1 point.

(4) An applicant in default of a performance date specified by an order, stipulation, or agreement may be assigned points under the preceding schedule only at the discretion of the department.

(5) A collecting sewer project for which construction contracts were awarded before the deadline date for filing applications shall be assigned 4 points. The combined total points assigned pursuant to subsections (3) to (5) shall not exceed 4 points.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4911 Total priority points; computation; tied projects; assignment of priority.

Sec. 4911. (1) Total priority points for a collecting sewer project shall be the sum of the points assigned for water pollution control needs.

(2) If 2 or more projects receive the same priority point totals, the department shall assign priorities to the tied projects after considering factors such as waters affected, extent of public interests involved, relative magnitude of pollution injury, and other factors as the department considers appropriate.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.4912 Fiscal year; filing application for grant; assignment of point total; certification of projects; condition of certification; time extensions; validity of application; report to legislature; approval or rejection of projects.

Sec. 4912. (1) For the purposes of sections 4909 to 4912, the fiscal year is July 1 to June 30.

(2) Applications for collecting sewer construction grants and official pollution control plans required by sections 7 and 8 of Act No. 329 of the Public Acts of 1966, being sections 323.117 and 323.118 of the Michigan Compiled Laws, shall be filed with the department not later than September 15 preceding the period or fiscal year for which the application is filed. Applications postmarked not later than midnight of September 15 meet this requirement.

(3) A point total shall be assigned by the department to each application that has been timely filed and conforms to the requirements of this part no later than the following January 1.

(4) Projects entitled to construction grants shall be certified to the director of the department of management and budget and the state treasurer from the eligibility list established by the department and as approved by the legislature. Certification shall be made following approval by the legislature.

(5) Certification of a project for a grant is subject to the condition that construction contracts for the project be awarded not later than March 1 of the fiscal year for which application for a state grant has been filed. Failure to comply with this condition of certification is cause for the department to take any action necessary to withdraw any grant offer that may have been obligated to such project. However, on a showing satisfactory to the department that the project will proceed within an extended period, the department may allow 30-day

extensions totaling not more than 90 days.

(6) Except as otherwise provided in this part, an application for a collecting sewer construction grant filed with the department is valid only for the fiscal year for which the application is filed.

(7) The department shall report to the legislature by January 15 of each year a list of collecting sewer projects eligible for grants, the points and priorities assigned to them pursuant to this part, a list of projects that are recommended to be funded, and a list of projects which failed to comply with the conditions of certifications set forth in subsection (5) and on which the department has taken action to withdraw offers of state grants. If legislative approval or rejection of eligible projects is not given each year within 45 days after receipt of the department's list of eligible projects, the department list shall be considered approved.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

PART 50
WATER ASSET MANAGEMENT COUNCIL

324.5001 Definitions.

Sec. 5001. As used in this section:

(a) "Asset management" means an ongoing process of maintaining, upgrading, and operating physical assets cost-effectively, based on a continuous physical inventory and condition assessment and investment to achieve performance goals.

(b) "Asset management plan" means a set of procedures to manage assets through their life cycles, based on principles of life cycle costing.

(c) "Asset owner" means a person or agency that owns or operates an asset that meets either of the following requirements:

(*i*) Serves 1,000 or more individuals and is required by a national pollutant discharge elimination system permit to have an asset management plan.

(*ii*) Serves 1,000 or more individuals and is required by the safe drinking water act, 1976 PA 399, MCL 324.1001 to 324.1003, to have an asset management plan.

(d) "Department" means the department of environmental quality.

(e) "Drinking water assets" means a system, owned by an asset owner, of pipes and structures through which drinking water is obtained and distributed, including, but not limited to, wells and well structures, wellhead protection areas, groundwater protection areas, intakes and cribs, pumping stations, treatment plants, storage tanks, pipelines, and appurtenances, or a combination of these pipes and structures that are used or intended for use for the purpose of furnishing drinking water for drinking or household purposes.

(f) "Michigan infrastructure council" means the Michigan infrastructure council created in the Michigan infrastructure council act.

(g) "Performance goals" means standards of system performance that reflect asset management principles for asset preservation and sustainability, operations, capacity consistent with local needs, and identified levels of service.

(h) "Region" means the geographic jurisdiction of any of the following:

(*i*) A regional planning commission created pursuant to 1945 PA 281, MCL 125.11 to 125.25.

(*ii*) A regional economic development commission created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

(*iii*) A metropolitan area council formed pursuant to the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

(*iv*) A metropolitan planning organization established pursuant to federal law.

(*v*) An agency directed and funded by section 822f of article VIII of 2016 PA 268 to engage in joint decision-making practices related but not limited to community development, economic development, talent, and infrastructure opportunities.

(i) "Stormwater assets" means green or gray features, owned by an asset owner, that are located within the geographic limits of an asset service area and are designed or actively managed by an asset owner for collecting, storing, treating, conveying, or attenuating stormwater, such as catch basins, curbs, gutters, ditches and channels solely conveying stormwater, pipes, conduits, swales, bioswales, storm drains, gulches, gullies, flumes, culverts, bridges, siphons, retention, detention, or infiltration areas, floodwalls, levees, pumping stations, and other similar facilities.

(j) "Transportation asset management council" means the transportation asset management council created in section 9a of 1951 PA 51, MCL 247.659a.

(k) "Wastewater assets" means a system, owned by an asset owner, of pipes and structures, including pipes, channels, conduits, manholes, pumping stations, wastewater or wastewater treatment fixed assets, diversion and regulatory devices, outfall structures, and appurtenances, used to collect, convey, transport, treat, or otherwise handle wastewater.

History: Add. 2018, Act 324, Imd. Eff. July 2, 2018.

324.5002 Water asset management council; membership; term; removal; advisory committees.

Sec. 5002. (1) The water asset management council is created within the Michigan infrastructure council.

(2) Subject to subsection (3), the water asset management council consists of the following members:

(a) Nine voting members appointed by the Michigan infrastructure council as follows:

(*i*) One member from the department.

(*ii*) One member from the Michigan Municipal League.

(*iii*) One member from the Michigan Townships Association.

(*iv*) One member from the Michigan Association of Counties.

(*v*) One member from the Michigan Association of Drain Commissioners.

(*vi*) One member representing a regional drinking water, wastewater, or stormwater authority.

(*vii*) One member representing a water infrastructure association.

(*viii*) One member with drinking water, wastewater, or stormwater asset management experience.

(*ix*) One member representing a region.

(b) One ex officio, nonvoting member who has responsibilities related to the department of technology, management, and budget's role as the central data storage agency under section 5008, appointed by the director of the department of technology, management, and budget.

(3) The Michigan Municipal League, Michigan Townships Association, Michigan Association of Counties, and Michigan Association of Drain Commissioners shall each submit a list of 2 nominees to the Michigan infrastructure council from which the respective appointments under subsection (2) shall be made. Names shall be submitted within 60 days after the effective date of the amendatory act that added this section. The Michigan infrastructure council shall make the appointments within 30 days after the receipt of the lists.

(4) Voting members of the water asset management council serve for terms of 3 years. However, of the initial appointments to the water asset management council, 3 shall serve for 1 year, 3 shall serve for 2 years, and 3 shall serve for 3 years. A vacancy on the water asset management council shall be filled in the same manner as the original appointment.

(5) A member of the water asset management council may be removed for incompetence, dereliction of duty, malfeasance during his or her tenure in office, or any other cause considered appropriate by the Michigan infrastructure council.

(6) At the first meeting of the water asset management council, the water asset management council shall select a chairperson from among its members.

(7) The water asset management council may appoint advisory committees whose members shall serve as needed to provide research on issues and projects as determined by the water asset management council. An advisory committee member who is not a member of the water asset management council does not have voting rights on the advisory committee. A recommendation from the advisory committee appointed under this subsection is advisory only and is not binding.

(8) The department shall provide qualified administrative staff and qualified technical assistance to the water asset management council.

History: Add. 2018, Act 324, Imd. Eff. July 2, 2018.

324.5003 Duties.

Sec. 5003. The water asset management council shall do all of the following:

(a) Advise the Michigan infrastructure council on a statewide water asset management strategy and the processes and tools needed to implement a strategy for all asset owners.

(b) Promote and oversee the implementation of the recommendations from the regional infrastructure asset management pilot program created under Executive Directive 2017-1 at a state level related to drinking water, wastewater, and stormwater infrastructure.

(c) By October 1, 2019, develop a template or templates that contain requirements for information to be included in an asset management plan submitted under section 5004. The template or templates shall allow for local asset management plan components, including, but not limited to, all of the following, but shall not require components beyond those required in an asset management plan associated with a permit:

(*i*) An asset inventory. This inventory may include the location, material, size, and condition of the assets

in a format that allows for digital mapping. All quality control standards and protocols shall, at a minimum, be consistent with existing federal requirements and regulations and existing government accounting standards.

(*ii*) A level of service analysis. This analysis may include desired levels of service and performance goals of the assets to help the system achieve reliability, responsiveness, safety, capacity, environmental impacts, cost and affordability, and compliance with law. Levels of service may vary among assets under the asset owner's jurisdiction.

(*iii*) A risk of failure analysis. This analysis may identify the probability and criticality of failure of the most critical assets and any contingency plans.

(*iv*) Anticipated revenues and expenses. This component may include a description of all revenue sources and anticipated receipts for the period of the asset management plan, and expected infrastructure repair and replacement expenditures, including planned improvements or capital reconstruction.

(*v*) A performance outcomes analysis. This analysis may determine how the investment strategy achieves the desired levels of service and performance goals. The asset management plan may include steps necessary to ensure asset conditions meet or achieve stated goals, including a description and explanation for any gap between achievable condition and performance through the investment strategy and desired goals.

(*vi*) A description of any plans of the asset owner to coordinate with other entities, such as neighboring jurisdictions and utilities, to minimize duplication of effort with regard to infrastructure preservation and maintenance.

(*vii*) Proof of acceptance, certification, or adoption by the jurisdiction's governing body.

History: Add. 2018, Act 324, Imd. Eff. July 2, 2018.

324.5004 Asset management plans.

Sec. 5004. (1) By October 1, 2019, the water asset management council shall establish a schedule for submission of asset management plans that ensures that 1/3 of asset owners submit an asset management plan each year. The asset management plans are subject to all of the following:

(a) The asset management plans shall cover and be valid for a minimum of 3 years and shall be consistent with the template provided by the water asset management council.

(b) The asset management plans shall be reviewed by the water asset management council within 6 months of receipt. The water asset management council shall compare submitted asset management plans to the minimum components required by this act and the template provided by the water asset management council and shall determine if the asset management plans are in compliance with those standards. If the water asset management council determines that an asset management plan does not meet established standards, the water asset management council shall seek concurrence from the department. If the department concurs, the water asset management council shall notify the entity submitting the asset management plan of the deficiency in meeting the standards and shall require the entity to revise the asset management plan to meet the standards and resubmit the plan within 6 months of receiving the notice.

(c) An asset owner that is required under this part to have an approved asset management plan must implement the approved asset management plan by October 1, 2024.

(2) An asset owner may seek and use federal grants or loans to achieve the goals and manage the asset inventory described in its asset management plan.

History: Add. 2018, Act 324, Imd. Eff. July 2, 2018.

324.5005 Annual report.

Sec. 5005. The water asset management council shall annually submit to the Michigan infrastructure council a report on asset condition and investment that includes a summary analysis of the asset management plans received from drinking water, wastewater, and stormwater entities. The report shall also include recommendations on drinking water, wastewater, and stormwater condition goals and analysis of how the utilities are meeting those goals. The water infrastructure asset management analyses contained in the report shall be consistent with the Michigan infrastructure council's asset management process and shall be reported consistent with categories established by the Michigan infrastructure council.

History: Add. 2018, Act 324, Imd. Eff. July 2, 2018.

324.5006 State funding; capital improvement program; report.

Sec. 5006. (1) State funding may be provided to asset owners to implement this part as determined by the water asset management council. Funding necessary for the department to support the activities described in this section shall be provided by an annual appropriation.

(2) Each asset owner shall annually report to the water asset management council, consistent with current accounting procedures, how its capital improvement program for assets included in any asset management

plans required under section 5004 are meeting its investment goals in a form established by the water asset management council.

(3) The department and each asset owner shall keep accurate and uniform records on all work performed and funds expended for the purposes of this section, according to the procedures developed by the Michigan infrastructure council.

(4) The water asset management council shall annually prepare a report on the activities conducted during the preceding year and the expenditure of funds related to the processes and activities identified by the water asset management council. The report shall also include an overview of the activities identified for the succeeding year. The water asset management council shall submit this report to the Michigan infrastructure council and the legislature by May 2 of each year.

History: Add. 2018, Act 324, Imd. Eff. July 2, 2018.

324.5007 Training needs; multi-asset management system.

Sec. 5007. (1) The water asset management council shall identify training needs to develop proficiency in using a multi-asset management system for asset owners, and training to identify asset system conditions based on a statewide asset condition measure.

(2) The water asset management council shall coordinate and collaborate with the transportation asset management council on planning, reporting, and training. The water asset management council shall collaborate with the transportation asset management council created in section 9a of 1951 PA 51, MCL 247.659a, on potential coordination in the submission of asset management plans.

History: Add. 2018, Act 324, Imd. Eff. July 2, 2018.

324.5008 Central data storing agency.

Sec. 5008. The department of technology, management, and budget shall serve as the central data storage agency for purposes of collecting, storing, and maintaining data under this part.

History: Add. 2018, Act 324, Imd. Eff. July 2, 2018.

PART 51
WASTEWATER DISPOSAL

324.5101 “Land disposal wastewater management program” defined.

Sec. 5101. As used in this part, "land disposal wastewater management program" means the program developed in the United States army corps of engineers southeastern Michigan survey scope wastewater management study, as authorized by section 102 of title I of the federal water pollution control act, chapter 758, 86 Stat. 817, 33 U.S.C. 1252, and the resolution of the United States house of representatives public works committee and the United States senate public works committee or any other study by the corps of engineers proposing disposal of municipal wastewater on land.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Surface Water Quality Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Waste Management Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5102 Submission of views as to environmental consequences, cost effectiveness, and social acceptability of program.

Sec. 5102. Upon receipt of a proposal to implement a land disposal wastewater management program as defined in this part by a federal, state, or local unit of government, the department shall submit to the governor, the legislature, and local units of government its views as to the environmental consequences, cost effectiveness, and social acceptability of the program. The department of agriculture shall present its views to the governor, the legislature, and local units of government regarding the impact of the program on agriculture.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Waste Management Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5103 Implementation of program; approval or disapproval.

Sec. 5103. Upon receipt of the views of the department and the department of agriculture, the local units of government shall either approve or disapprove by resolution, and the legislature shall either approve or disapprove by concurrent resolution, the implementation of the program.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

PART 52
STRATEGIC WATER QUALITY INITIATIVES

324.5201 Definitions.

Sec. 5201. As used in this part:

(a) "Asset management program" means the program that identifies the desired level of service at the lowest life cycle cost for rehabilitating, repairing, or replacing the assets associated with a municipality's wastewater or storm water system.

(b) "Authority" means the Michigan municipal bond authority created in section 4 of the shared credit rating act, 1985 PA 227, MCL 141.1054.

(c) "Department" means the department of environmental quality.

(d) "Fund" means the strategic water quality initiatives fund created in section 5204.

(e) "Grant" means a grant from the grant program.

(f) "Grant program" means the strategic water quality initiatives grant program established under this part.

(g) "Loan" means a loan from the loan program.

(h) "Loan program" means the strategic water quality initiatives loan program established under section 5202.

(i) "Municipality" means that term as it is defined in section 5301.

(j) "On-site septic system" means a natural system or mechanical device used to store, treat, and dispose of sewage from 1 or more dwelling units that utilize a subsurface trench or bed that allows the effluent to be absorbed and treated by the surrounding soil, including a septic tank and tile field system.

(k) "State water pollution control revolving fund" means the state water pollution control revolving fund established under section 16a of the shared credit rating act, 1985 PA 227, MCL 141.1066a.

(*l*) "Wetland mitigation bank" means a site where wetlands are restored, created, or preserved for the purpose of doing both of the following:

(*i*) To provide compensatory mitigation in accordance with the provisions of part 303, in advance of authorized, unavoidable impacts to wetlands.

(*ii*) To provide storm water control, nonpoint source pollution control, or pollution treatment that improves the quality of the waters of the state.

History: Add. 2002, Act 397, Eff. Nov. 5, 2002;—Am. 2005, Act 257, Imd. Eff. Dec. 1, 2005;—Am. 2012, Act 511, Eff. Jan. 2, 2013.

Compiler's note: Enacting section 2 of Act 397 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

324.5202 Strategic water quality initiatives loan program; establishment; purpose; asset management program; content; criteria; interest rate.

Sec. 5202. (1) The authority in consultation with the department shall establish a strategic water quality initiatives loan program. This loan program shall provide low interest loans to municipalities to provide assistance for 1 or more of the following:

(a) Improvements to reduce or eliminate the amount of groundwater or storm water entering a sanitary sewer lead or a combined sewer lead.

(b) Upgrades or replacements of failing on-site septic systems that are adversely affecting public health or the environment, or both.

(c) Project costs of the municipality related to testing, demonstration, and construction activities as defined in section 5301(d) for innovative wastewater and storm water technologies approved by the department.

(d) Assistance for construction activities as defined in section 5301(d) designed to protect water quality, including improvements that are water or energy efficient, where feasible, when identified through an asset management program or a project identified in an approved storm water management plan.

(2) The department shall develop criteria specifying the content of an asset management program.

(3) In implementing the loan program, the department shall annually establish the interest rate that will be charged for loans.

History: Add. 2002, Act 397, Eff. Nov. 5, 2002;—Am. 2012, Act 511, Eff. Jan. 2, 2013.

Compiler's note: Enacting section 2 of Act 397 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

324.5203 Loan application by municipality; process; agreement; disposition of money received as repayment.

Sec. 5203. (1) A municipality that wishes to apply for a loan shall submit a loan application to the department as follows:

(a) In compliance with the application requirements provided in part 53, for activities described in section 5202(1)(a) or (b).

(b) On a form approved by the department, for activities described in section 5202(1)(c) or (d).

(2) The department shall process the loan applications submitted under this part.

(3) Prior to releasing a loan, the authority in consultation with the department shall enter into a loan agreement with the loan recipient.

(4) All money that is received for the repayment of a loan shall be forwarded to the state treasurer for deposit into the fund.

History: Add. 2002, Act 397, Eff. Nov. 5, 2002;—Am. 2012, Act 511, Eff. Jan. 2, 2013.

Compiler's note: Enacting section 2 of Act 397 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

324.5204 Strategic water quality initiatives fund; creation; disposition of money or assets; investment; funds remaining at close of fiscal year; expenditures; fund as security.

Sec. 5204. (1) The strategic water quality initiatives fund is created within the state treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. The authority shall act as fiscal agent for the fund in accordance with the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076.

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

(4) The authority in consultation with the department shall expend money from the fund, upon appropriation, only for the following:

(a) Loans under section 5202.

(b) Grants under sections 5204a, 5204d, and 5204e.

(c) Response activities to address nonpoint source water pollution under section 5204b.

(d) Grants and loans for brownfield sites under section 5204c.

(e) Grants and loans for wetland mitigation banks under section 5204f.

(f) The costs of the authority and the department in administering the fund.

(5) The fund may be pledged as security for bonds to be issued by the authority for the purpose of funding loans if authorized by the state administrative board.

History: Add. 2002, Act 397, Eff. Nov. 5, 2002;—Am. 2005, Act 253, Imd. Eff. Dec. 1, 2005;—Am. 2010, Act 232, Imd. Eff. Dec. 14, 2010;—Am. 2012, Act 511, Eff. Jan. 2, 2013.

Compiler's note: Enacting section 2 of Act 397 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

324.5204a Strategic water quality initiatives grant program.

Sec. 5204a. (1) The authority, in conjunction with the department, shall establish a strategic water quality initiatives grant program that provides grants totaling not more than $80,000,000.00 to eligible municipalities. The grant program shall provide assistance to municipalities to complete the loan application requirements of section 5308 or to complete the loan application requirements for other sources of financing for sewage treatment works projects, storm water treatment projects, or nonpoint source projects.

(2) The grant program is subject to all of the following:

(a) The grant program shall provide grants to cover not more than 90% of the costs incurred by a municipality to complete an application for loan assistance from the state water pollution control revolving fund or the fund or to complete an application for loan assistance from another source of financing for a sewage treatment works project, a storm water treatment project, or a nonpoint source project.

(b) The 10% local match is not eligible for loan assistance from the state water pollution control revolving fund or the fund or other source of financing for the project.

(c) Grant funds shall not be used for general local government administrative activities or activities performed by municipal employees.

(d) A municipality shall not receive more than $1,000,000.00 in total grant assistance under this section.

(e) Grants under this section shall be available for projects seeking or intending to seek loan assistance after September 30, 2006.

(3) The department shall establish an application and review process for considering grant applications under this section. The application shall contain the information required by the department and the authority. Within 60 days after receipt of an application, the department shall publish notice of the application on the department's calendar. Within 60 days after receipt of an administratively complete grant application, the department shall, in writing, notify the applicant whether the application is approved or rejected. If the department approves a grant under this section, the department and the authority shall enter into a grant agreement with the recipient prior to transferring funds. The grant agreement shall contain terms established by the department and the authority and a requirement that the grant recipient repay the grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8% per year, to the authority for deposit into the fund if any of the following occur:

(a) The applicant fails to submit an administratively complete loan application for assistance from the state water pollution control revolving fund or the fund or other source of financing for the project within 3 years of the grant award.

(b) The project has been identified as being in the fundable range or is approved for funding from another source and the applicant declines the loan assistance for 2 consecutive fiscal years unless the applicant proceeds with funding from another source.

(c) The applicant is unable to, or decides not to, proceed with constructing the project.

(4) For each year in which the department receives grant applications under this section, the department shall report by July 1 of each year to the standing committees of the senate and the house of representatives with primary jurisdiction over issues pertaining to natural resources and the environment and to the senate and

house of representatives appropriations committees on the utilization of funds under this part that were received from the Great Lakes water quality bond fund created in section 19706. The report shall include, at a minimum, all of the following:

(a) The number of grant applications received under this section.

(b) The name of each municipality applying for a grant.

(c) The individual and annual cumulative amount of grant funds awarded, including an identification of whether each award was for the purpose of applying for assistance from the state water pollution control revolving fund or the fund.

(d) A summary of loan assistance, by year, tendered from the state water pollution control revolving fund and the fund.

(5) The senate and house appropriations committees shall annually review whether there is sufficient money in the fund to implement this section and section 5202.

History: Add. 2005, Act 254, Imd. Eff. Dec. 1, 2005;—Am. 2010, Act 231, Imd. Eff. Dec. 14, 2010.

Popular name: Act 451

Popular name: NREPA

324.5204b Nonpoint source water pollution; expenditures; limitation; requirements; selection of projects; expenditures subject to generally accepted accounting principles; annual report; use of fund; "facility", "release", and "response activity" defined.

Sec. 5204b. (1) Subject to section 5204c, the department may expend, upon appropriation, not more than $140,000,000.00 of the money from the fund for response activities to address nonpoint source water pollution at facilities as follows:

(a) For the state fiscal year ending September 30, 2011, not more than $50,000,000.00 may be authorized for expenditure under this section.

(b) For the state fiscal year ending September 30, 2012, not more than $50,000,000.00 may be authorized for expenditure under this section.

(c) Beginning October 1, 2012, any money not previously authorized for expenditure under this section may be expended under this section only if the department documents that it has achieved the following performance objectives:

(*i*) Increasing the level of investment in sewage collection and treatment systems.

(*ii*) Providing incentives for actions that not only improve water quality but result in pollution prevention.

(*iii*) Optimizing the cost benefit ratio of alternative designs of sewage collection and treatment systems.

(*iv*) Demonstrating progress toward maximizing risk reduction and economic development objectives identified for projects funded under this section.

(2) The department shall expend money under this section in compliance with all of the following:

(a) The expenditure is used to improve the quality of the waters of the state.

(b) The expenditure is used only for facilities in which the department does not know the identity of the person or persons who are liable under part 201 for the release resulting in the water pollution or the person or persons who are liable do not have sufficient resources to fund the required response activities.

(c) The facilities include property that is located within the identified planning area boundaries of a publicly owned sanitary sewer system eligible for funding under the state water pollution control revolving fund established in section 16a of the shared credit rating act, 1985 PA 227, MCL 141.1066a.

(d) The expenditure is used for response activities necessary to address existing or imminent unacceptable risks arising from conditions that contribute to nonpoint source water pollution, including expenses for project management activities within the department.

(3) In using funds to address nonpoint source water pollution projects under this section, the department shall select projects that, to the extent practicable, provide maximum benefit to the state in protecting public health and the environment and contributing to economic development.

(4) Money expended to support project management within the department to manage response activities at the facility shall be expended pursuant to generally accepted accounting principles.

(5) The department shall annually submit a report to the standing committees of the senate and house of representatives with jurisdiction over issues primarily pertaining to natural resources and the environment and to the senate and house of representatives appropriations subcommittees on natural resources and the environment that describes the projects funded under this section and includes an evaluation of how the expenditures, to the extent practicable, provide maximum benefit to the state in protecting public health and the environment and contributing to economic development. For each project funded under this section, the report shall include all of the following:

(a) How the project met the criteria described in this section.

(b) The extent to which the project improved water quality or prevented a risk to water quality as measured by the number of individuals who benefit from the project.

(c) The extent to which the project preserved infrastructure investments that protect public health or prevented risks to water quality as measured by the risk posed or the public health protected.

(d) The extent to which the project enhanced economic development as measured by such factors including, but not limited to, all of the following:

(*i*) A net increase to the value of the properties in the vicinity of the project.

(*ii*) The creation of jobs.

(*iii*) The extent to which the project contributed to leveraging private investment in the vicinity of the project.

(e) If the project included funding for project management within the department, a breakdown of the amount of money used to support the project management as justified using generally accepted accounting principles.

(6) The legislature finds that use of the fund for response activities to address nonpoint source water pollution at facilities is appropriate and necessary at this time. It is the intent of this legislature that money from the fund shall not be utilized for response activities to address nonpoint source water pollution at facilities when the $150,000,000.00 has been expended under this section and section 5204c.

(7) As used in this section, "facility", "release", and "response activity" mean those terms as they are defined in part 201.

History: Add. 2010, Act 232, Imd. Eff. Dec. 14, 2010.

Popular name: Act 451

Popular name: NREPA

324.5204c Nonpoint source water pollution; brownfield redevelopment grants and loans to municipalities and brownfield redevelopment authorities; development of materials; applications.

Sec. 5204c. (1) The department may expend $10,000,000.00 of money from the fund to provide brownfield redevelopment grants and loans to municipalities and brownfield redevelopment authorities created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, for response activities to address nonpoint source water pollution at facilities. Of the money expended under this section, $5,000,000.00 shall be used for grants and $5,000,000.00 shall be used for loans. However, on September 30, 2014, if any money described in this section has not been appropriated for the purposes of this section, that money may be used for the purposes of section 5204b.

(2) The department shall develop grant and loan application materials to implement this section and shall accept applications at any time throughout the year.

History: Add. 2010, Act 232, Imd. Eff. Dec. 14, 2010.

Popular name: Act 451

Popular name: NREPA

324.5204d Grant program within strategic water quality initiatives fund; establishment; purpose.

Sec. 5204d. The state may establish a grant program within the strategic water quality initiatives fund for the purpose of funding specific wastewater treatment facility infrastructure improvement projects designed to prevent chronic discharges and projected to have significant regional benefits to Great Lakes water quality and recreational opportunities.

History: Add. 2010, Act 232, Imd. Eff. Dec. 14, 2010;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5204e Grant program; purpose; conditions; application and review process; contents; approval; agreement; terms; report.

Sec. 5204e. (1) In addition to other requirements of this part, the grant program shall provide grants to municipalities for sewage collection and treatment systems or stormwater or nonpoint source pollution control as provided for in this section.

(2) The grant program is subject to all of the following:

(a) The grant program shall provide grants to a municipality in accordance with the following:

(*i*) Subject to subparagraph (*iii*), for total grants of up to $1,000,000.00, not more than 90% of the costs incurred by the municipality.

(*ii*) Subject to subparagraph (*iii*), for total grants of more than $1,000,000.00, not more than 90% of the costs incurred by the municipality for up to $1,000,000.00 of the grant amount and not more than 75% of the remaining costs incurred by the municipality for the balance of the grant amount.

(*iii*) If any of the following conditions are met, a grant may be issued to cover 100% of the costs incurred by the municipality:

(A) The municipality is a disadvantaged community as defined in section 5301.

(B) The municipality is in receivership.

(C) The municipality is operating under an emergency manager or an emergency financial manager appointed under state law.

(D) The municipality is operating under a consent agreement as provided under the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575.

(b) A grant may be used for 1 or more of the following purposes:

(*i*) Development of an asset management program for a sewage collection and treatment system or a stormwater system. For sewage collection and treatment systems, the program shall include the development of a funding structure and implementation schedule that provides sufficient resources to implement the program. The municipality shall coordinate, as feasible, with other infrastructure activities in the same geographic area. In addition, a disadvantaged community may expend not more than $500,000.00 in grant funds to implement projects identified in the asset management program.

(*ii*) Development of management plans for the treatment of stormwater.

(*iii*) Planning and design of a sewage treatment works project or stormwater treatment project as defined in section 5301(n) or (o) or planning and design of construction activities designed to reduce nonpoint source pollution.

(*iv*) Project costs of a municipality related to the testing and demonstration of innovative wastewater and stormwater technologies approved by the department.

(*v*) For projects to address a substantial public health risk from treatment system failure, up to 50% of the project costs related to the planning, design, and construction of a sewage collection and treatment system. To be eligible for a grant under this subparagraph, a municipality shall apply on or after June 1, 2016, meet criteria developed by the department, and provide a demonstration of financial need, including an economic feasibility study with which the department of treasury concurs. Construction funding under this subparagraph shall not exceed $10,000,000.00 and shall be allocated from wetland mitigation bank funding authorized in section 5204f(1).

(c) The local match is not eligible for loan assistance from the state water pollution control revolving fund or the fund.

(d) Grant funds shall not be used for general local government administrative activities or activities performed by municipal employees that are unrelated to the project.

(e) A municipality shall not receive more than $2,000,000.00 in grant assistance for purposes described in subsection (2)(b)(*i*) to (*iv*) and not receive more than $2,000,000.00 in grant assistance for the purposes described in subsection (2)(b)(*v*).

(3) The department shall establish an application and review process for considering grant applications under this section. The application shall contain the information required by the department and the authority. Within 60 days after receipt of an application, the department shall publish notice of the application on the department's calendar. Within 120 days after receipt of an administratively complete grant application, the department shall, in writing, notify the applicant whether the application is approved or rejected. If the department approves a grant under this section, the department and the authority shall enter into a grant agreement with the recipient prior to transferring funds. The grant agreement shall contain terms established by the department and the authority, including both of the following:

(a) A requirement that a grant recipient proceed with a project for which grant funding is provided within 3 years after the department approves the grant. For asset management programs related to sewage collection and treatment systems, this includes significant progress, as determined by the department, toward achieving the funding structure necessary to implement the program.

(b) A requirement that the grant recipient repay the grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8% per year, to the authority for deposit into the fund if the applicant is unable to, or decides not to, proceed with a construction project or begin implementation of an asset management program for which grant funding is provided.

(4) For each year in which the department receives grant applications under this section, the department shall report by October 1 of that year to the standing committees of the senate and the house of representatives

with primary jurisdiction over issues pertaining to natural resources and the environment and to the senate and house of representatives appropriations committees on the utilization of funds under this part that were received from the Great Lakes water quality bond fund created in section 19706. The report shall include, at a minimum, all of the following:

(a) The number of grant applications received under this section.

(b) The name of each municipality applying for a grant.

(c) The type of project being funded for each grant awarded.

(d) The number of users potentially affected by each grant awarded.

(e) The amount of the local match for each grant awarded.

(f) The individual and annual cumulative amount of grant funds awarded, including an identification of whether each award was for the purpose of applying for assistance from the state water pollution control revolving fund or the fund.

History: Add. 2012, Act 511, Eff. Jan. 2, 2013;—Am. 2016, Act 164, Imd. Eff. June 9, 2016;—Am. 2017, Act 147, Imd. Eff. Nov. 2, 2017.

Popular name: Act 451

Popular name: NREPA

324.5204f Wetland mitigation bank funding program.

Sec. 5204f. (1) The department, in conjunction with the authority, shall establish a wetland mitigation bank funding program that provides grants and loans totaling not more than $10,000,000.00 to eligible municipalities. Of the money expended under this subsection, up to $500,000.00 may be used for grants. Funding may be used for the purpose of this subsection as long as funds remain available.

(2) Grants awarded under the wetland mitigation bank funding program shall provide assistance to municipalities to complete loan application requirements for funding from the wetland mitigation bank funding program or to complete loan application requirements for other sources of financing. Grants for wetland mitigation banks are subject to the following:

(a) Grants shall not cover more than 90% of the costs incurred by a municipality to complete an application for loan assistance.

(b) Grant funding may be used for the following purposes:

(*i*) Developing an approvable wetland mitigation banking proposal.

(*ii*) Notifying affected local units of government and adjacent property owners of the proposed wetland mitigation bank, and working to resolve objections to the project.

(*iii*) Planning and designing the wetland mitigation bank.

(*iv*) Completing the wetland mitigation bank funding program loan application or loan application requirements for other sources of financing.

(c) The 10% local match is not eligible for loan assistance from the wetland mitigation funding bank program.

(d) Grant funds shall not be used for general local government administrative activities or activities performed by municipal employees that are unrelated to development of the wetland mitigation bank loan application.

(e) Applications for grants from the wetland mitigation funding bank program shall be made on a form provided by the department and shall contain the information required by the department and the authority. Grant applications may be made at any time.

(f) The department shall establish a review process for considering grant applications under this subsection. The department shall notify the applicant in writing whether the application is approved or rejected. If the department approves a grant under this section, the department and the authority shall enter into a grant agreement with the recipient prior to transferring funds.

(g) The grant agreement shall contain terms established by the department and the authority and a requirement that the grant recipient repay the grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8% per year, to the authority for deposit into the fund if any of the following occur:

(*i*) The applicant fails to submit an administratively complete loan application for assistance from the wetland mitigation bank funding program or other source of financing for the project within 1 year of the date on which the grant expires.

(*ii*) The applicant declines the loan assistance for 2 consecutive years unless the applicant proceeds with funding from another source.

(*iii*) The applicant is unable to enter into a signed wetland mitigation banking agreement with the department within 2 years of the date on which the grant expires.

(*iv*) The applicant is unable to or decides not to proceed with constructing the project.

(3) Loans under the wetland mitigation bank funding program shall provide assistance to municipalities to establish a wetland mitigation bank. Loans shall be subject to the following:

(a) Loans under the wetland mitigation bank funding program shall be for 1 or more of the following:

(*i*) Complete and execute the wetland mitigation banking agreement with the department.

(*ii*) Complete engineering and design for the wetland mitigation bank.

(*iii*) Purchase land for the wetland mitigation bank.

(*iv*) Construct the wetland mitigation bank.

(*v*) Conduct monitoring and maintenance necessary to ensure that the performance standards are or will be met.

(*vi*) In addition, the department may approve the use of loan funds for other activities needed to establish a wetland mitigation bank upon a demonstrated need by the municipality.

(b) Applications for loans from the wetland mitigation bank funding program shall be made on a form provided by the department and shall contain the information required by the department and the authority. Loan applications may be made at any time.

(4) The department shall establish a review process for considering loan applications under this subsection. The department shall notify the applicant in writing whether the loan is approved or rejected. Prior to releasing a loan, the authority in consultation with the department shall enter into a loan agreement with the loan recipient.

(5) For each year in which the department receives grant or loan applications under this section, the department shall report by October 1 to the standing committees of the senate and the house of representatives with primary jurisdiction over issues pertaining to natural resources and the environment and to the senate and house appropriations committees on the utilization of funds under this part that were received from the Great Lakes water quality bond fund created in section 19706. The report shall include, at a minimum, all of the following:

(a) The number of grant and loan applications received under this section.

(b) The name of each municipality applying for a grant or loan, or both.

(c) The amount of local match for each grant awarded.

(d) The individual and annual cumulative amount of grant and loan funds awarded, including an identification of the purpose of each grant and loan awarded.

History: Add. 2012, Act 559, Imd. Eff. Jan. 2, 2013.

324.5205 Rules.

Sec. 5205. The department may promulgate rules to implement this part.

History: Add. 2002, Act 397, Eff. Nov. 5, 2002.

Compiler's note: Enacting section 2 of Act 397 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

324.5206 Legislative findings.

Sec. 5206. The legislature finds and declares that the environmental, natural resources, and water quality protection programs implemented under this part are a public purpose and of paramount public concern in the interest of the health, safety, and general welfare of the citizens of this state.

History: Add. 2002, Act 397, Eff. Nov. 5, 2002.

Compiler's note: Enacting section 2 of Act 397 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

PART 53
CLEAN WATER ASSISTANCE

324.5301 Definitions.

Sec. 5301. As used in this part:

(a) "Assistance" means 1 or more of the following activities to the extent authorized by the federal water pollution control act:

(*i*) Provision of loans to municipalities for construction of sewage treatment works projects, stormwater management projects, or nonpoint source projects.

(*ii*) Project refinancing assistance.

(*iii*) The guarantee or purchase of insurance for local obligations, if the guarantee or purchase action would improve credit market access or reduce interest rates.

(*iv*) Use of the proceeds of the fund as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by this state, if the proceeds of the sale of the bonds will be deposited into the fund.

(*v*) Provision of loan guarantees for similar revolving funds established by municipalities.

(*vi*) The use of deposited funds to earn interest on fund accounts.

(*vii*) Provision for reasonable costs of administering and conducting activities under title VI of the federal water pollution control act, 33 USC 1381 to 1389.

(b) "Authority" means the Michigan municipal bond authority created in the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076.

(c) "Capitalization grant" means the federal grant made to this state by the United States Environmental Protection Agency for the purpose of establishing a state water pollution control revolving fund, as provided in title VI of the federal water pollution control act, 33 USC 1381 to 1389.

(d) "Construction activities" means an action undertaken to plan, design, or build sewage treatment works projects, stormwater management projects, or nonpoint source projects. Construction activities include, but are not limited to, all of the following:

(*i*) Project planning services.

(*ii*) Engineering services.

(*iii*) Legal services.

(*iv*) Financial services.

(*v*) Design of plans and specifications.

(*vi*) Acquisition of land or structural components, or both.

(*vii*) Building, erection, alteration, remodeling, or extension of any of the following:

(A) A sewage treatment works.

(B) Projects designed to control nonpoint source pollution, consistent with section 319 of the federal water pollution control act, 33 USC 1329.

(C) A stormwater management project.

(*viii*) Reasonable expenses of supervision of the project activities described in subparagraphs (*i*) to (*vii*).

(e) "Federal water pollution control act" means 33 USC 1251 to 1389.

(f) "Fund" means the state water pollution control revolving fund established under section 16a of the shared credit rating act, 1985 PA 227, MCL 141.1066a.

(g) "Fundable range" means those projects, taken in descending order on the priority lists, for which sufficient funds are estimated by the department to exist to provide assistance at the beginning of each annual funding cycle.

(h) "Municipality" means a city, village, county, township, authority, or other public body, including either of the following:

(*i*) An intermunicipal agency of 2 or more municipalities, authorized or created under state law.

(*ii*) An Indian tribe that has jurisdiction over construction and operation of sewage treatment works or other projects qualifying under section 319 of the federal water pollution control act, 33 USC 1329.

(i) "Nonpoint source project" means construction activities designed to reduce nonpoint source pollution consistent with the state nonpoint source management plan under section 319 of the federal water pollution control act, 33 USC 1329.

(j) "Priority list" means the annual ranked listing of projects developed by the department in section 5303.

(k) "Project" means a sewage treatment works project, stormwater management project, or nonpoint source project, or a combination of these and may include utilization of more efficient energy and resources as

described in any of the following:

(*i*) The cost-effective governmental energy use act, 2012 PA 625, MCL 18.1711 to 18.1725.

(*ii*) Section 11c of 1851 PA 156, MCL 46.11c.

(*iii*) Section 75b of 1846 RS 16, MCL 41.75b.

(*iv*) Section 5f of the home rule city act, 1909 PA 279, MCL 117.5f.

(*v*) Section 24b of the home rule village act, 1909 PA 278, MCL 78.24b.

(*vi*) Section 36 of the general law village act, 1895 PA 3, MCL 68.36.

(*l*) "Project refinancing assistance" means buying or refinancing the debt obligations of municipalities within this state if construction activities commenced after March 7, 1985 and the debt obligation was incurred after March 7, 1985.

(m) "Sewage treatment works project" means construction activities on any device or system for the treatment, storage, collection, conveyance, recycling, or reclamation of the sewage of a municipality, including combined sewer overflow correction and major rehabilitation of sewers.

(n) "Stormwater management project" means construction activities of a municipality on any device or system for the treatment, storage, recycling, or reclamation of storm water that is conveyed by a storm sewer that is separate from a sanitary sewer.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2002, Act 397, Eff. Nov. 5, 2002;—Am. 2005, Act 255, Imd. Eff. Dec. 1, 2005;—Am. 2012, Act 560, Imd. Eff. Jan. 2, 2013;—Am. 2021, Act 45, Imd. Eff. July 1, 2021;—Am. Act 132, Imd. Eff. June 30, 2022.

Compiler's note: Enacting section 2 of Act 397 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

324.5302 Construction of part; broad interpretation of powers; prohibited grants or loans; liability for costs.

Sec. 5302. (1) This part must be construed liberally to effectuate the legislative intent. All powers granted under this part must be broadly interpreted to effectuate the intent and purposes of this part and must not be interpreted as a limitation of powers.

(2) Except as may be authorized by the federal water pollution control act, the fund must not provide grant assistance to a municipality or provide loans for the local share of projects constructed with grants provided under title II of the federal water pollution control act, 33 USC 1281, 1282 to 1293, and 1294 to 1302f.

(3) This state is not liable to a municipality, or any other person performing services for the municipality, for costs incurred in developing or submitting an application for assistance under this part.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. Act 132, Imd. Eff. June 30, 2022.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Environmental Assistance Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5303 Cooperative regional or intermunicipal projects; planning document; public participation activities; notice; public comment; development of priority list; submission of priority list to legislature; effective date of priority list; other actions not limited.

Sec. 5303. (1) During the development of a planning document, a municipality shall consider and utilize, where possible, cooperative regional or intermunicipal projects in satisfying sewerage needs.

(2) A municipality may submit a planning document for use by the department in developing a priority list. A municipality may submit as part of the planning document for a project either of the following:

(a) Any preexisting documents or plans that were prepared for another project for other purposes.

(b) Any preexisting documents that were developed under another local, state, or federal program, as applicable.

(3) A planning document must include documentation that demonstrates all of the following:

(a) The project is needed to enable maintenance of, or to progress toward, compliance with the federal

water pollution control act, part 31, or part 41, and to meet the minimum requirements of the national environmental policy act of 1969, Public Law 91-190, 42 USC 4321, 4331 to 4335, and 4341 to 4347.

(b) An analysis of alternatives that meet the requirements of part 31 or 41, including the cost of each alternative and a resolution adopted by the municipality to implement a selected alternative.

(c) A description of project costs and how the project will be paid for including, but not limited to, an explanation of how the debt will be repaid.

(d) A list of the environmental and public health implications and mitigation plans.

(e) The need for the project.

(f) That feasible alternatives to the project were evaluated, considering volume reduction opportunities and the demographic, topographic, hydrologic, and institutional characteristics of the area.

(g) That the project is implementable from a legal, institutional, financial, and management standpoint.

(h) Any other information required by the department.

(4) A planning document must describe the public participation activities conducted during planning and must include all of the following:

(a) Significant issues raised by the public and any changes to the project that were made as a result of the public participation process.

(b) A demonstration that there were adequate opportunities for making public consultation, participation, and input in the decision-making process during alternatives selection.

(c) A demonstration that before the adoption of the planning document, the municipality held a public meeting on the proposed project not less than 15 days after advertising the public meeting in local media of general circulation including, but not limited to, the municipality's website, and at a time and place conducive to maximizing public input.

(d) A demonstration that, concurrent with advertisement of the public meeting, a notice of the public meeting was sent to all affected local, state, and federal agencies and to any public or private parties that expressed an interest in the proposed project.

(e) A summary of the public meeting including a list of all attendees, and any specific concerns that were raised.

(5) After notice and an opportunity for public comment, the department shall annually develop separate priority lists for sewage treatment works projects and stormwater management projects, nonpoint source projects, and projects funded under the strategic water quality initiatives fund created in section 5204. Projects not funded during the time that a priority list developed under this section is in effect must be automatically prioritized on the next annual list using the same criteria, unless the municipality submits an amendment to its planning document that introduces new information to be used as the basis for prioritization. The priority lists must be based on the planning documents and the scoring criteria developed under section 5303a.

(6) If a municipality is an overburdened community or a significantly overburdened community, the department shall automatically award the municipality at least 20% of the total allowable points.

(7) The priority list must be submitted annually to the chair of the senate and house of representatives standing committees that primarily consider legislation pertaining to the protection of natural resources and the environment.

(8) For purposes of providing assistance, the priority list takes effect on the first day of each fiscal year.

(9) This section does not limit other actions undertaken to enforce part 31, part 41, the federal water pollution control act, or any other act.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2001, Act 221, Imd. Eff. Jan. 2, 2002;—Am. 2002, Act 398, Eff. Nov. 5, 2002;—Am. 2012, Act 560, Imd. Eff. Jan. 2, 2013;—Am. Act 132, Imd. Eff. June 30, 2022.

Compiler's note: Enacting section 2 of Act 398 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

324.5303a Scoring criteria for the prioritization of projects; departmental duties.

Sec. 5303a. (1) The department shall develop scoring criteria that assign points to and prioritize projects under section 5303 and definitions of overburdened community and significantly overburdened community.

In developing scoring criteria and the definitions under this subsection, the department shall do all of the following:

(a) Consult with members of statewide local government associations and drinking water, wastewater, stormwater, and environmental organizations regarding the content of the scoring criteria and definitions.

(b) Publish, hold at least 1 public hearing, and allow for public comment.

(c) Review the scoring criteria and definitions not more than once every 3 years, unless otherwise directed by the United States Environmental Protection Agency.

(d) Publish, hold at least 1 public hearing, and allow for public comment on any changes made after a review under subdivision (c).

(2) The scoring criteria developed under subsection (1) must address the following:

(a) Wastewater regulatory compliance.

(b) Public health.

(c) Achieving water quality standards.

(d) Improving infrastructure.

(e) Impacts on overburdened communities and significantly overburdened communities.

(3) The definitions of overburdened community and significantly overburdened community developed under subsection (1) must address the following:

(a) Income and unemployment data.

(b) Population trends.

(c) Housing costs and values.

(d) Annual user costs, allocation of costs across customer classes, and historical and projected trends in user costs.

(e) Existing public health, environmental, and affordability impacts.

(f) Other data considered relevant by the department.

History: Add. 2022, Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5304 Assistance; requirements.

Sec. 5304. Subject to sections 5309 and 5310, assistance provided to municipalities to construct sewage treatment works projects, stormwater projects, and nonpoint source projects shall be in accordance with all of the following:

(a) Assistance for approved sewage treatment works projects and stormwater treatment projects shall be provided for projects in the fundable range of the priority list developed pursuant to 5303, and to other projects that may become fundable pursuant to section 5310.

(b) Assistance for approved qualified nonpoint source projects shall be provided for projects in the fundable range of the priority list developed pursuant to section 5303. The director shall annually allocate at least 2% of the available funds to the extent needed to provide assistance to projects on the nonpoint source priority list. If these funds are not awarded, the allocation shall revert to provide assistance to projects on the sewage treatment works priority list.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2002, Act 397, Eff. Nov. 5, 2002.

Compiler's note: Enacting section 2 of Act 397 of 2002 provides:

"Enacting section 2. This amendatory act does not take effect unless the question provided for in the Great Lakes water quality bond authorization act is approved by a majority of the registered electors voting on the question at the November 2002 general election."

Act 396 of 2002, the Great Lakes water quality bond authorization act, which was approved by the Governor on May 29, 2002, and filed with the Secretary of State on May 30, 2002, provided that bonds "shall not be issued under this act unless the question set forth in section 5 [MCL 324.95205] is approved by a majority vote of the registered electors voting on the question." In accordance with Const 1963, art 9, sec 15, the question of borrowing a sum of not to exceed $1,000,000,000.00 and the issuance of general obligation bonds of the state for the purposes set forth in the act was submitted to, and approved by, the qualified electors of the state as Proposal 02-2 at the November 5, 2002, general election.

Popular name: Act 451

Popular name: NREPA

324.5305 Descriptions and timetables for actions.

Sec. 5305. The department shall provide written descriptions and timetables for actions required under this part, including the intended use plan developed under section 5306, and may provide to municipalities that request assistance in writing other information that the department considers appropriate.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5306 Intended use plan; preparation and submission; purpose; public participation; contents of plan; notice of approval; notification of municipality; information to be provided; schedule.

Sec. 5306. (1) The department shall prepare and submit an intended use plan annually to identify proposed annual intended uses of the fund, and to facilitate the negotiation process that the department may conduct with the United States Environmental Protection Agency for the capitalization grant agreement and schedule of payments to be made to this state under the federal water pollution control act.

(2) The department must allow for a public participation process that requires not less than 1 public hearing for the intended use plan by publishing a draft of the intended use plan on the department's website at least 14 days before a final intended use plan is submitted under subsection (1). The intended use plan must describe and identify all of the following:

(a) Additional subsidization that will be allocated to projects.

(b) The projects that will receive additional subsidization identified under subdivision (a).

(c) The reasons why a project will receive additional subsidization.

(3) Upon notice from the United States Environmental Protection Agency that the intended use plan is approved, the department shall notify each municipality of its inclusion on the intended use plan and shall provide copies of the sewage treatment works projects and stormwater management projects priority list, the nonpoint source project priority list, and the intended use plan to any person that requests that information. Following notification under this subsection, the department shall establish, with the concurrence of the municipality, a schedule for planning document approval, submittal of a completed application for assistance, and approval of plans and specifications.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5307 Project planning documents; review; approval or disapproval; extension of review period; notice of deficiencies; review of subsequent submittals.

Sec. 5307. (1) The department shall review, generally in priority order, any planning documents for projects in the fundable range and either approve or disapprove a planning document within 120 days after notifying the municipality of its inclusion in the intended use plan submitted under section 5306. Upon determination by the department that a project is complex and warrants additional review, the department shall notify the municipality and may extend the review period described in this subsection for not more than 60 days.

(2) If a planning document is disapproved, the department shall notify the municipality of any deficiencies that need to be corrected. The municipality shall correct any deficiencies and submit an amended planning document to the department within 45 days after receiving notice under this subsection.

(3) The department shall review subsequent submittals and either approve or disapprove an amended planning document within 90 days after the amended planning document is submitted.

(4) If an amended planning document is not approved, the department shall notify the municipality of the deficiencies.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5307a Environmental review of planning documents; necessity of environmental assessment; issuance of findings; environmental impact statement; compliance with national environmental policy act; reevaluation; action limitation.

Sec. 5307a. (1) The department shall conduct an environmental review of the planning document for each project in the fundable range of the priority list to determine whether any significant impacts are anticipated and whether any changes can be made in the project to eliminate significant adverse impacts. As part of the environmental review, the department may require a municipality to submit additional information or meet additional public participation and coordination requirements to justify the environmental determination.

(2) Based on the environmental review completed under subsection (1), the department may determine that an environmental assessment is necessary and the department may describe any of the following in its determination:

(a) The purpose and need for the project.

(b) The project costs.

(c) The alternatives considered and the reasons for their acceptance or rejection.

(d) The existing environment.

(e) Any potential adverse impacts and mitigative measures.

(f) How mitigative measures will be incorporated into the project, as well as any proposed conditions of financial assistance and the means for monitoring compliance with the conditions.

(3) Based on an environmental assessment completed under subsection (2), the department may issue a finding of no significant impact. The finding of no significant impact must document that the potential environmental impacts will not be significant or that the environmental impacts may be mitigated without extraordinary measures.

(4) Based on an environmental assessment completed under subsection (2), the department may require a municipality to complete an environmental impact statement if the department determines any of the following:

(a) The project will have significant adverse impacts on any of the following:

(*i*) Wetlands.

(*ii*) Flood plains.

(*iii*) Threatened or endangered species or habitats.

(*iv*) Cultural resources, including any of the following:

(A) Park lands.

(B) Preserves.

(C) Other public lands.

(D) Areas of recognized scenic, recreational, agricultural, archeological, or historical value.

(b) The project will cause significant displacement of population.

(c) The project will directly or indirectly, such as through induced development, have a significant adverse effect upon any of the following:

(*i*) Local ambient air quality.

(*ii*) Public health.

(*iii*) Local noise levels.

(*iv*) Surface water and groundwater quantity or quality.

(*v*) Shellfish.

(*vi*) Fish.

(*vii*) Wildlife.

(*viii*) Wildlife natural habitats.

(d) The project will generate significant public controversy.

(5) Based on the environmental impact statement, the department shall issue a record of decision summarizing the findings of the environmental impact statement that identifies the conditions under which the project can proceed and maintain compliance with the national environmental policy act of 1969, Public Law 91-190, 42 USC 4321, 4331 to 4335, and 4341 to 4347.

(6) If 5 or more years have elapsed since a determination of compliance with the national environmental policy act of 1969, Public Law 91-190, 42 USC 4321, 4331 to 4335, and 4341 to 4347, or if significant changes in the project have occurred, the department shall reevaluate the project for compliance with the national environmental policy act of 1969, Public Law 91-190, 42 USC 4321, 4331 to 4335, and 4341 to 4347, and the department may do any of the following:

(a) Reaffirm the original finding of no significant impact or the record of decision through the issuance of a public notice or statement of finding.

(b) Issue an amendment to a finding of no significant impact or revoke a finding of no significant impact and issue a public notice that the preparation of an environmental impact statement is required.

(c) Issue a supplement to a record of decision or revoke a record of decision and issue a public notice that financial assistance will not be provided.

(7) Action regarding approval of a planning document or provision of financial assistance must not be taken during a 30-day public comment period after the issuance of a finding of no significant impact or record of decision.

History: Add. 2022, Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5308 Application for assistance; requirements; revenue source; acceptance; notice of additional information required; approval or disapproval of application.

Sec. 5308. (1) To apply for assistance from the fund, a municipality shall submit the following, if applicable, as determined by the department:

(a) If assistance is in the form of a loan, financial documentation that a dedicated source of revenue is established, consistent with municipal bond obligations existing at the time assistance is requested, and pledged to both of the following purposes:

(*i*) If assistance is in the form of a loan, the timely repayment of the loan.

(*ii*) Adequate revenues from a user-based source to fund the operation and maintenance of the project.

(b) A planning document approved under section 5307.

(c) A certification by an authorized representative of a municipality affirming that the municipality has the legal, managerial, institutional, and financial capability to build, operate, and maintain the project.

(d) A letter of credit, insurance, or other credit enhancement to support the credit position of the municipality, as required by the department.

(e) A set of plans and specifications suitable for bidding.

(f) A certification from an authorized representative of the municipality that the applicant has, or will have before the start of construction, all applicable state and federal permits required for construction of the project.

(g) A certified resolution from the municipality designating an authorized representative for the project.

(h) A certification from an authorized representative of the municipality that an undisclosed fact or event, or pending litigation, will not materially or adversely affect the project, the prospects for the project's completion, or the municipality's ability to make timely loan repayments, if applicable.

(i) All executed intermunicipal service agreements, if applicable.

(j) An agreement that the municipality will operate the project in compliance with applicable state and federal laws.

(k) An agreement that the municipality will not sell, lease, abandon, or otherwise dispose of the project without an effective assignment of obligations and the written approval of the department and the authority.

(*l*) An agreement that all municipal project accounts will be maintained in accordance with generally accepted government accounting standards as defined and required under the federal water pollution control act.

(m) An agreement that the municipality will provide written authorizations to the department for the purpose of examining the physical plant and for examining, reviewing, or auditing the operational or financial records of the project, and that the municipality will require similar authorizations from all contractors, consultants, or agents with which it negotiates an agreement.

(n) An agreement that all municipal contracts with contractors will provide that the contractor and any subcontractor may be subject to a financial audit and that contractors and subcontractors shall comply with generally accepted governmental accounting standards.

(o) An agreement that all pertinent records must be retained and available to the department for a minimum of 3 years after initiation of the operation and that if litigation, a claim, an appeal, or an audit is begun before the end of the 3-year period, records must be retained and available until the 3 years have passed or until the action is completed and resolved, whichever is longer. As used in this subdivision, "initiation of the operation" means the date certain set by the municipality and accepted by the department, on which use of the project begins for the purposes for which it was constructed.

(p) If the project is segmented as provided in section 5309, a schedule for completion of the project and adequate assurance that the project will be completed with or without assistance from the fund or that the segmented project will be operational without completion of the entire project.

(q) An agreement that the project will proceed in a timely fashion if the application for assistance is approved.

(r) An application fee, if required by the department.

(2) The requirement under subsection (1)(a) for a dedicated source of revenue may include a revenue source pledged to repay the debt to the fund from sources including, but not limited to, 1 or more of the following:

(a) Ad valorem taxes.

(b) Special assessments.

(c) User-based revenue collections.

(d) General funds of the municipality.

(e) Benefit charges.

(f) Tap-in fees, or other 1-time assessments.

(3) The department shall accept applications for assistance from municipalities in the fundable range of the priority list that have approved planning documents. The department shall determine whether an application

for assistance is administratively complete and notify the applicant within 30 days after receipt of the application specifying any additional information necessary to complete the application.

(4) The department shall approve or disapprove an application within 30 days of the determination that the application is complete.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5309 Segmentation of a project.

Sec. 5309. When the department prepares the priority list under section 5303, to ensure that a disproportionate share of available funds for a given fiscal year is not committed to a single project, the department may segment a project if the cost of the proposed project is more than 30% of the amount available in the fund.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5310 Project subject to bypass; notice to municipality; extension of schedule; effect of bypass.

Sec. 5310. (1) The department may bypass a project that fails to meet the schedule established under section 5306, or that does not have an approved planning document and application 90 days before the last day of the fiscal year, whichever comes first. The department must provide a municipality with written notice of the department's intent to bypass not less than 30 days before a project is bypassed under this section.

(2) If demand exceeds funding availability, a municipality may submit a written request to the department to extend the schedule established under section 5306 for not more than 60 days. A municipality must include in its written request the reason or reasons for its noncompliance with the schedule. A municipality may submit 1 additional written request to the department to extend the schedule established under section 5306 for not more than 30 days.

(3) A project bypassed under this section must not be considered for an order of approval until all other projects in the fundable range have been funded or rejected. This section does not prohibit the inclusion of the project in the priority list of the next annual funding cycle or the resubmission of an application for assistance in the next annual funding cycle.

(4) A bypass action under this section does not modify any compliance dates established in a permit, order, or other document issued by the department or entered as part of an action brought by this state or a federal agency.

(5) After a project is bypassed under this section, the department may award assistance to projects outside the fundable range. The department shall make assistance available to projects outside the fundable range in priority order contingent on the municipality's satisfaction of all applicable requirements for assistance under section 5308 within the time period established by the department, but not to exceed 60 days from the date of notice of bypass. The department shall notify a municipality with a project outside the fundable range of bypass action, of the amount of the bypassed funds available for obligation, and of the deadline for submitting a complete, approvable application.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5311 Order of approval; certification of eligibility; establishment of interest rates.

Sec. 5311. (1) The department shall review a complete application for assistance for a project in the fundable range. If the department approves the application for assistance, the department shall issue, subject to section 5310, an order of approval to establish the specific terms of the assistance. The order of approval must include, but is not limited to, all of the following:

(a) The term of the assistance.

(b) The maximum principal amount of the assistance.

(c) The maximum rate of interest or method of calculation of the rate of interest that will be used, or the premium charged.

(2) The order of approval must incorporate all requirements, provisions, or information included in the application and other documents submitted to the department during the application process.

(3) After issuance of the order, the department shall certify to the authority that the municipality is eligible to receive assistance.

(4) The department shall annually establish the interest rates to be assessed for projects receiving assistance under this part. In establishing interest rates under this section, the department may provide for a different level of subsidy. The interest rates must be in effect for loans made during the next state fiscal year.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5312 Termination of assistance; determination; causes; notice; repayment of outstanding loan balance; requirements under state or federal law.

Sec. 5312. (1) The department may make a determination that assistance should be terminated and may issue an order recommending that the authority take appropriate action to terminate assistance.

(2) Cause for making a determination under subsection (1) includes, but is not limited to, 1 or more of the following:

(a) Substantial failure to comply with the terms and conditions of the agreement providing assistance.

(b) A legal finding or determination that the assistance was obtained by fraud.

(c) Practices in the administration of the project that are illegal or that may impair the successful completion or organization of the project.

(d) Misappropriation of assistance for uses other than those set forth in the agreement providing assistance.

(3) The department shall give written notice to the municipality by certified letter of the intent to issue an order recommending that assistance be terminated. This notification must be issued not less than 30 days before the department forwards the order recommending that the authority take appropriate action to terminate assistance.

(4) The termination of assistance by the authority shall not excuse or otherwise affect the municipality's requirement for repayment of the outstanding loan balance to the fund.

(5) Termination of assistance under this section does not relieve the municipality of any requirements that may exist under state or federal law to construct the project.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5313 Petition; orders; repayment of outstanding loan balance; requirements under state or federal law.

Sec. 5313. (1) A municipality may petition the department to make a determination and issue an order under section 5312(1) for cause.

(2) The department may issue an order to terminate the project for cause that is effective on the date the project ceases activities.

(3) Subject to the termination of assistance by the authority and payment of any appropriate termination settlement costs, the department shall issue an order to the authority recommending appropriate action.

(4) The termination of assistance by the authority shall not excuse or otherwise affect the municipality's requirement for repayment of the outstanding loan balance to the fund.

(5) Termination of the loan under this section does not relieve the municipality of any requirements that may exist under state or federal law to construct the project.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5313b Project responsibilities of municipality; departmental guidance.

Sec. 5313b. (1) A municipality is responsible for obtaining any federal, state, or local permits necessary for the project and shall perform any surveys or studies that are required under the permits.

(2) A municipality shall incorporate all appropriate provisions, conditions, and mitigative measures included in the studies, surveys, permits, and licenses into the construction documents. The construction documents are subject to review by the department for conformity with environmental determinations and coordination requirements.

(3) All applicable and appropriate conditions and mitigative measures must be enforced by the municipality or its designated representative and apply to all construction and post-construction activities,

including disposal of all liquid or solid spoils, waste material, and residuals from construction.

(4) A municipality may seek guidance from the department regarding the requirements under this part or the rules promulgated under this part.

History: Add. 2022, Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5313c State revolving administration fund.

Sec. 5313c. (1) The state revolving administration fund is created within the state treasury. The state treasurer may receive money or other assets for any source for deposit into the state revolving administration fund. The state treasurer shall direct the investment of the state revolving administration fund and credit to the fund interest and earnings from fund investments. Money in the state revolving administration fund at the end of the fiscal year remains in the fund and does not lapse to the general fund. The department is the administrator of the state revolving administration fund for auditing purposes.

(2) Not more than 0.25% of the interest charged on a loan issued under this part or part 54 may be deposited into the state revolving administration fund.

(3) The department shall expend money from the fund only for the reasonable costs of administering and conducting activities under this part and part 54.

History: Add. 2022, Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5314 Costs of administering and implementing part; payment.

Sec. 5314. The costs of administering and implementing this part by the department, the designated agents of the department, and the authority may be paid from funds annually appropriated by the legislature from 1 or more of the following sources:

(a) An amount taken from the federal capitalization grant, subject to the limitations prescribed in the federal water pollution control act.

(b) Loan fees, not to exceed the ratio that the annual appropriation for administration of this part bears to the total value of loans awarded for the fiscal year in which the appropriation was made, as estimated in the intended use plan.

(c) Interest or earnings realized on loan repayments to the fund, unless the earnings are pledged to secure or repay any indebtedness of the authority.

(d) Proceeds of bonds or notes issued pursuant to the fund and sold by the authority.

(e) Any other money appropriated by the legislature.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5315 Repealed. 2012, Act 560, Imd. Eff. Jan. 2, 2013.

Compiler's note: The repealed section pertained to duration of current priority list.

Popular name: Act 451

Popular name: NREPA

324.5316 Powers of department.

Sec. 5316. The department has the powers necessary or convenient to carry out and effectuate the purpose, objectives, and provisions of this part, and the powers delegated by other laws or executive orders, including, but not limited to, the power to:

(a) Make, execute, and deliver contracts, conveyances, and other instruments necessary or convenient to the exercise of his or her powers.

(b) Solicit and accept gifts, grants, loans, allocations, appropriations, and other aid, including capitalization grant awards, from any person or the federal, state, or a local government or any agency of the federal, state, or local government, to enter into agreements with any person or the federal, state, or a local government, or to participate in any other way in any federal, state, or local government program consistent with this part and the purposes of this part.

(c) Negotiate and enter into agreements and amendments to agreements with the federal government to implement establishment and operation of the fund, including capitalization grant agreements and schedules of payments.

(d) Engage personnel as is necessary and engage the services of private consultants, managers, counsel, auditors, engineers, and scientists for rendering professional management and technical assistance and advice.

(e) Charge, impose, and collect fees and charges in connection with any transaction authorized under this part and provide for reasonable penalties for delinquent payment of fees or charges.

(f) Review and approve all necessary documents in a municipality's application for assistance and issue an order authorizing assistance to the authority.

(g) Promulgate rules necessary to carry out the purposes of this part and to exercise the powers expressly granted in this part.

(h) Administer, manage, and do all other things necessary or convenient to achieve the objectives and purposes of the fund, the authority, this part, or other state and federal laws that relate to the purposes and responsibilities of the fund.

(i) Make application requesting a capitalization grant and prepare, submit, and certify any required or appropriate information with that application.

(j) Establish priority lists and fundable ranges for projects and the criteria and methods used to determine the distribution of the funds available to the fund among the various types of assistance to be offered and to select projects to be funded.

(k) Prepare and submit an annual report required by the federal water pollution control act.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5317 Repealed. 2022, Act 132, Imd. Eff. June 30, 2022

Compiler's note: The repealed section pertained to the creation of the state water pollution control revolving fund advisory committee.

Popular name: Act 451

Popular name: NREPA

PART 54
(Safe Drinking Water Assistance)

324.5401 Definitions; A to C.

Sec. 5401. As used in this part:

(a) "Act 399" means the safe drinking water act, 1976 PA 399, MCL 325.1001 to 325.1023.

(b) "Annual user costs" means an annual charge levied by a water supplier on users of the waterworks system to pay for each user's share of the cost for operation, maintenance, and replacement of the waterworks system. These costs may also include a charge to pay for the debt obligation.

(c) "Assistance" means 1 or more of the following activities to the extent authorized by the federal safe drinking water act:

(*i*) Provision of loans for the planning, design, and construction or alteration of waterworks systems.

(*ii*) Project refinancing assistance.

(*iii*) The guarantee or purchase of insurance for local obligations, if the guarantee or purchase action would improve credit market access or reduce interest rates.

(*iv*) Use of the proceeds of the fund as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by this state, if the proceeds of the sale of the bonds will be deposited into the fund.

(*v*) Provision of loan guarantees for sub-state revolving funds established by water suppliers that are municipalities.

(*vi*) The use of deposited funds to earn interest on fund accounts.

(*vii*) Provision for reasonable costs of administering and conducting activities under this part.

(*viii*) Provision of technical assistance under this part.

(*ix*) Provision of loan forgiveness for certain planning costs incurred by overburdened communities.

(d) "Authority" means the Michigan municipal bond authority created in the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1077.

(e) "Capitalization grant" means the federal grant made to this state by the United States Environmental Protection Agency, as provided in the federal safe drinking water act.

(f) "Community water supply" means a public water supply that provides year-round service to not less than 15 living units or that regularly provides year-round service to not less than 25 residents.

(g) "Construction activities" means any actions undertaken in the planning, designing, or building of a

waterworks system. Construction activities include, but are not limited to, all of the following:

(*i*) Engineering services.

(*ii*) Legal services.

(*iii*) Financial services.

(*iv*) Preparation of plans and specifications.

(*v*) Acquisition of land or structural components, or both, if the acquisition is integral to a project authorized by this part and the purchase is from a willing seller at fair market value.

(*vi*) Building, erection, alteration, remodeling, or extension of waterworks systems, providing the extension is not primarily for the anticipation of future population growth.

(*vii*) Reasonable expenses of supervision of the project activities described in subparagraphs (*i*) to (*vi*).

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5402 Definitions; D to N.

Sec. 5402. As used in this part:

(a) "Department" means the department of environment, Great Lakes, and energy or its authorized agent or representative.

(b) "Director" means the director of the department or his or her designated representative.

(c) "Federal safe drinking water act" means the safe drinking water act, 42 USC 300f to 300j-25, and the rules promulgated under that act.

(d) "Fund" means the state drinking water revolving fund established under section 16b of the shared credit rating act, 1985 PA 227, MCL 141.1066b.

(e) "Fundable range" means those projects, taken in descending order on the priority list, for which the department estimates sufficient funds exist to provide assistance during each annual funding cycle.

(f) "Municipality" means a city, village, county, township, authority, public school district, or other public body with taxing authority, including an intermunicipal agency of 2 or more municipalities, authorized or created under state law.

(g) "Noncommunity water supply" means a public water supply that is not a community water supply, but that has not less than 15 service connections or that serves not less than 25 individuals on an average daily basis for not less than 60 days per year.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. 2012, Act 561, Imd. Eff. Jan. 2, 2013;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5403 Definitions; P to W.

Sec. 5403. As used in this part:

(a) "Priority list" means the annual ranked listing of projects developed by the department in section 5406.

(b) "Project" means a project related to the planning, design, and construction or alteration of a waterworks system and may include utilization of more efficient energy and resources as described in any of the following:

(*i*) The cost-effective governmental energy use act, 2012 PA 625, MCL 18.1711 to 18.1725.

(*ii*) Section 11c of 1851 PA 156, MCL 46.11c.

(*iii*) Section 75b of 1846 RS 16, MCL 41.75b.

(*iv*) Section 5f of the home rule city act, 1909 PA 279, MCL 117.5f.

(*v*) Section 24b of the home rule village act, 1909 PA 278, MCL 78.24b.

(*vi*) Section 36 of the general law village act, 1895 PA 3, MCL 68.36.

(c) "Project refinancing assistance" means buying or refinancing the debt obligations of water suppliers if construction activities commenced, and the debt obligation was incurred, after June 17, 1997.

(d) "Public water supply" means a waterworks system that provides water for drinking or household purposes to persons other than the water supplier, except for those waterworks systems that supply water to only 1 house, apartment, or other domicile occupied or intended to be occupied on a day-to-day basis by an individual, family group, or equivalent.

(e) "State drinking water standards" means rules promulgated under section 5 of Act 399, MCL 325.1005, that establish water quality standards necessary to protect public health or that establish treatment techniques to meet these water quality standards.

(f) "Water supplier" or "supplier" means a municipality or its designated representative accepted by the

director, a legal business entity, or any other person that owns a public water supply. However, water supplier does not include a water hauler.

(g) "Waterworks system" or "system" means a system of pipes and structures through which water is obtained or distributed and includes any of the following that are actually used or intended to be used for the purpose of furnishing water for drinking or household purposes:

(*i*) Wells and well structures.

(*ii*) Intakes and cribs.

(*iii*) Pumping stations.

(*iv*) Treatment plants.

(*v*) Storage tanks.

(*vi*) Pipelines, service lines, and appurtenances.

(*vii*) A combination of any of the items specified in subparagraphs (*i*) to (*vi*).

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. 2021, Act 45, Imd. Eff. July 1, 2021;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5404 Water suppliers; qualifications for assistance.

Sec. 5404. (1) Water suppliers that own the following types of public water supplies qualify to receive assistance under this part:

(a) A community water supply.

(b) A noncommunity water supply that operates as a nonprofit entity.

(2) Water suppliers identified in subsection (1) that serve 10,000 people or less may qualify for assistance from funds prescribed in section 1452(a)(2) of the federal safe drinking water act, 42 USC 300j-12.

(3) On completion and submittal of approved planning documents by an overburdened community to the department, if the overburdened community incurred planning costs related to the proposed project, the overburdened community must be directly reimbursed by the department to the extent funds are available. Technical assistance funds identified in section 1452(g)(2)(D) or section 1452(d)(1) of the federal safe drinking water act, 42 USC 300j-12, must be used to the extent available, to forgive repayment of the planning loan.

(4) Only water suppliers that have no outstanding prior year fees as prescribed in Act 399 may receive assistance under this part.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5405 Water suppliers; application for assistance; planning document requirements.

Sec. 5405. (1) A water supplier that is interested in applying for assistance under this part shall prepare and submit to the department a planning document as provided in this section. The department shall use the planning documents submitted under this section to develop a priority list for assistance as provided under this part. A water supplier may submit as part of the planning document for a project either of the following:

(a) Any preexisting documents or plans that were prepared for other projects or purposes.

(b) Any preexisting documents that were developed under another local, state, or federal program, as applicable.

(2) During the development of a planning document, a water supplier that is a municipality shall consider and utilize, where practicable, cooperative regional or intermunicipal projects, and a water supplier that is not a municipality shall consider and utilize, where practicable, connection to, or ownership by, a water supplier that is a municipality.

(3) A planning document must include documentation that demonstrates all of the following:

(a) The project is needed to ensure maintenance of or progress toward compliance with the minimum requirements of the national environmental policy act of 1969, Public Law 91-190, 42 USC 4321, 4331 to 4335, and 4341 to 4347.

(b) An analysis of alternatives including the cost of each alternative.

(c) A description of project costs and how the project will be paid for including, but not limited to, an explanation of how the debt will be repaid.

(d) A list of the environmental and public health implications and mitigation plans.

(e) Consideration of opportunities to utilize more efficient energy and resources as described in any of the following:

(*i*) The cost-effective governmental energy use act, 2012 PA 625, MCL 18.1711 to 18.1725.

(*ii*) Section 11c of 1851 PA 156, MCL 46.11c.

(*iii*) Section 75b of 1846 RS 16, MCL 41.75b.

(*iv*) Section 5f of the home rule city act, 1909 PA 279, MCL 117.5f.

(*v*) Section 24b of the home rule village act, 1909 PA 278, MCL 78.24b.

(*vi*) Section 36 of the general law village act, 1895 PA 3, MCL 68.36.

(4) A planning document must describe the public participation activities conducted during planning and must include all of the following:

(a) Significant issues raised by the public and any changes to the project that were made as a result of the public participation process.

(b) A demonstration that there were adequate opportunities for public consultation, participation, and input in the decision-making process during alternative selection.

(c) A demonstration that before the adoption of the planning document, the water supplier held a public meeting on the proposed project not less than 10 days after advertising the public meeting in local media of general circulation including, but not limited to, the water supplier's website, and at a time and place conducive to maximizing public input.

(d) A demonstration that, concurrent with advertisement of the public meeting, a notice of public meeting was sent to all affected local, state, and federal agencies and to any public or private parties that expressed an interest in the proposed project.

(e) A summary of the public meeting, including a list of all attendees and any specific concerns that were raised.

(5) A planning document must include either of the following, as appropriate:

(a) For a water supplier that is a municipality, a resolution adopted by the governing board of the municipality approving the planning document.

(b) For a water supplier that is not a municipality, a statement of intent to implement the planning document.

(6) A planning document must not have as a primary purpose the construction of or expansion of a waterworks system to accommodate future development or fire protection.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. 2021, Act 45, Imd. Eff. July 1, 2021;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5406 Priority list of projects eligible for assistance; effective first day of fiscal year.

Sec. 5406. (1) The department shall annually develop a priority list of projects eligible for assistance under this part. The priority list must be based on planning documents and the scoring criteria developed under section 5406a.

(2) For purposes of providing assistance, the priority list takes effect on the first day of each fiscal year.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. 2012, Act 561, Imd. Eff. Jan. 2, 2013;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5406a Scoring criteria for the prioritization of projects; departmental duties.

Sec. 5406a. (1) The department shall develop scoring criteria that assign points to and prioritize projects under section 5406 and definitions of overburdened community and significantly overburdened community. In developing scoring criteria and the definitions under this subsection, the department shall do all of the following:

(a) Consult with members of statewide local government associations and drinking water, wastewater, stormwater, and environmental organizations regarding the content of the scoring criteria and definitions.

(b) Publish, hold at least 1 public hearing, and allow for public comment.

(c) Review the scoring criteria and the definitions not more than once every 3 years, unless otherwise directed by the United States Environmental Protection Agency.

(d) Publish, hold at least 1 public hearing, and allow for public comment on any changes made after a review under subdivision (c).

(2) The scoring criteria developed under subsection (1) must address the following:

(a) Drinking water regulatory compliance.

(b) Public health.

(c) Drinking water quality.

(d) Improving infrastructure.

(e) Impacts on overburdened communities and significantly overburdened communities.

(3) The definitions of overburdened community and significantly overburdened community developed under subsection (1) must address the following:

(a) Income and unemployment data.

(b) Population trends.

(c) Housing costs and values.

(d) Annual user costs, allocation of costs across customer classes, and historical and projected trends in user costs.

(e) Existing public health, environmental, and affordability impacts.

(f) Other data considered relevant by the department.

History: Add. 2022, Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5407 Identification of projects in fundable range.

Sec. 5407. The department shall annually identify those projects in the fundable range of the priority list. Following the identification of projects in the fundable range, the department shall review, generally in priority order, the planning documents for these projects and, following completion of the environmental review process described in section 5408, either approve or disapprove the planning documents.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5407a Segmentation of a project.

Sec. 5407a. When the department prepares the priority list under section 5406, to ensure that a disproportionate share of available funds for a given fiscal year is not committed to a single project, the department may segment the project if the cost of the proposed project is more than 30% of the amount available in the fund.

History: Add. 2022, Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5408 Planning documents; environmental review; categorical exclusion; criteria; environmental assessment; finding of no significant impact; environmental impact statement; record of decision; project reevaluation for compliance with national environmental policy act requirements; action prohibited during public comment period.

Sec. 5408. (1) The department shall conduct an environmental review of the planning documents of each project in the fundable range of the priority list to determine whether any significant impacts are anticipated and whether any changes can be made in the project to eliminate significant adverse impacts. As part of this review, the department may require the water supplier to submit additional information or meet additional public participation and coordination requirements to justify the environmental determination.

(2) Based on the environmental review under subsection (1), the department may issue a categorical exclusion for categories of actions that do not individually, cumulatively over time, or in conjunction with other federal, state, local, or private actions have a significant adverse effect on the quality of the human environment or public health. Additional environmental information documentation, environmental assessments, and environmental impact statements will not be required for excluded actions.

(3) Following receipt of the planning document, the director shall determine if the proposed project qualifies for a categorical exclusion and document the decision.

(4) The director may revoke a categorical exclusion and require a complete environmental review if, after the determination, the director finds any of the following:

(a) The proposed project no longer qualifies for a categorical exclusion due to changes in the proposed plan.

(b) New evidence exists documenting a serious health or environmental issue.

(c) Federal, state, local, or tribal laws will be violated by the proposed project.

(5) The proposed project must not qualify for a categorical exclusion if the director determines any of the

following criteria are applicable:

(a) The proposed project will result in an increase in residuals and sludge generated by drinking water processes, either volume or type, that would negatively impact the performance of the waterworks system or the disposal methods, or would threaten an aquifer recharge zone.

(b) The proposed project will provide service to a population greater than 30% of the existing population.

(c) The proposed project is known, or expected, to directly or indirectly affect cultural areas, fauna or flora habitats, endangered or threatened species, or environmentally important natural resource areas.

(d) The proposed project directly or indirectly involves the extension of transmission systems to new service areas.

(e) The proposed project is shown not to be the cost-effective alternative.

(f) The proposed project will cause significant public controversy.

(6) If, based on the environmental review under subsection (1), the department determines that an environmental assessment is necessary, the department may describe the following:

(a) The purpose and need for the project.

(b) The project, including its costs.

(c) The alternatives considered and the reasons for their acceptance or rejection.

(d) The existing environment.

(e) Any potential adverse impacts and mitigative measures.

(f) How mitigative measures will be incorporated into the project, as well as any proposed conditions of financial assistance and the means for monitoring compliance with the conditions.

(7) The department may issue a finding of no significant impact, based on an environmental assessment that documents that potential environmental impacts will not be significant or that they may be mitigated without extraordinary measures.

(8) An environmental impact statement may be required when the department determines any of the following:

(a) The project will have a significant impact on the pattern and type of land use or the growth and distribution of the population.

(b) The effects of the project's construction or operation will conflict with local or state laws or policies.

(c) The project will have significant adverse impacts on any of the following:

(*i*) Wetlands.

(*ii*) Flood plains.

(*iii*) Threatened or endangered species or habitats.

(*iv*) Cultural resources, including any of the following:

(A) Park lands.

(B) Preserves.

(C) Other public lands.

(D) Areas of recognized scenic, recreational, agricultural, archeological, or historical value.

(d) The project will cause significant displacement of population.

(e) The project will directly or indirectly, such as through induced development, have a significant adverse effect on any of the following:

(*i*) Local ambient air quality.

(*ii*) Public health.

(*iii*) Local noise levels.

(*iv*) Surface water and groundwater quantity or quality.

(*v*) Shellfish.

(*vi*) Fish.

(*vii*) Wildlife.

(*viii*) Wildlife natural habitats.

(f) The project will generate significant public controversy.

(9) Based on the environmental impact statement, a record of decision summarizing the findings of the environmental impact statement must be issued identifying those conditions under which the project can proceed and maintain compliance with the national environmental policy act of 1969, Public Law 91-190, 42 USC 4321, 4331 to 4335, and 4341 to 4347.

(10) If 5 or more years have elapsed since a determination of compliance with the national environmental policy act of 1969, Public Law 91-190, 42 USC 4321, 4331 to 4335, and 4341 to 4347, or if significant changes in the project have taken place, the department shall reevaluate the project for compliance with the national environmental policy act of 1969, Public Law 91-190, 42 USC 4321, 4331 to 4335, and 4341 to 4347, requirements. The department may do any of the following:

(a) Reaffirm the original finding of no significant impact or the record of decision through the issuance of a public notice or statement of finding.

(b) Issue an amendment to a finding of no significant impact or revoke a finding of no significant impact and issue a public notice that the preparation of an environmental impact statement is required.

(c) Issue a supplement to a record of decision or revoke a record of decision and issue a public notice that financial assistance will not be provided.

(11) Action regarding approval of a planning document or provision of financial assistance must not be taken during a 30-day public comment period after the issuance of a finding of no significant impact or record of decision.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5409 Application for fund assistance; contents; availability of revenue sources; acceptance of applications by department; liability for incurred costs.

Sec. 5409. (1) A water supplier whose planning document is approved or under review by the department under section 5407 may apply for assistance from the fund by submitting an application to the department. A completed application must include all of the following, if applicable, as determined by the department:

(a) If assistance is in the form of a loan, financial documentation that a dedicated source of revenue is established, consistent with obligations of debt instruments existing at the time assistance is requested, and pledged to both of the following purposes:

(*i*) The timely repayment of principal and interest.

(*ii*) Adequate revenues to fund the operation and maintenance of the project.

(b) Evidence of an approved planning document.

(c) A certified resolution from a water supplier that is a municipality, or a letter of appointment from a water supplier that is not a municipality, designating an authorized representative for the project.

(d) A certification by an authorized representative of the water supplier affirming that the water supplier has the legal, institutional, technical, financial, and managerial capability to build, operate, and maintain the project.

(e) A letter of credit, insurance, or other credit enhancement to support the credit position of the water supplier, as required by the department.

(f) A set of plans and specifications developed in accordance with Act 399 that is suitable for bidding.

(g) A certification from an authorized representative of the water supplier that it has, or will have before the start of construction, all applicable state and federal permits required for construction of the project.

(h) A certification from an authorized representative of the water supplier that an undisclosed fact or event, or pending litigation, will not materially or adversely affect the project, the prospects for its completion, or the water supplier's ability to make timely loan repayments, if applicable.

(i) If applicable, all executed service contracts or agreements.

(j) An agreement that the water supplier will operate the waterworks system in compliance with applicable state and federal laws.

(k) An agreement that the water supplier will not sell, lease, abandon, or otherwise dispose of the waterworks system without an effective assignment of obligations and prior written approval of the department and the authority.

(*l*) An agreement that:

(*i*) For water suppliers that are municipalities, all accounts must be maintained in accordance with generally accepted accounting practices, generally accepted government auditing standards, and 31 USC 7501 to 7507, as required by the federal safe drinking water act.

(*ii*) For water suppliers that are not municipalities, all accounts must be maintained in accordance with generally accepted accounting practices and generally accepted auditing standards.

(m) An agreement that all water supplier contracts with contractors will require them to maintain project accounts in accordance with the requirements of this subsection and provide notice that any subcontractor may be subject to a financial audit as part of an overall project audit.

(n) An agreement that the water supplier will provide written authorizations to the department for the purpose of examining the physical plant and for examining, reviewing, or auditing the operational or financial records of the project, and that the water supplier will require similar authorizations from all contractors, consultants, or agents with which it negotiates an agreement.

(o) An agreement that all pertinent records must be retained and available to the department for a minimum

of 3 years after initiation of the operation and that if litigation or a claim, appeal, or audit is begun before the end of the 3-year period, records must be retained and available until the 3 years have passed or until the action is completed and resolved, whichever is longer. As used in this subdivision, "initiation of the operation" means the date certain set by the water supplier and accepted by the department, on which use of the project begins for the purposes for which it was constructed.

(p) An agreement that the project will proceed in a timely fashion if the application for assistance is approved.

(q) An application fee, if required by the department.

(2) A demonstration that a dedicated source of revenue will be available for operating and maintaining the waterworks system and repaying the incurred debt.

(3) The department shall accept applications for assistance from water suppliers in the fundable range of the priority list and determine whether an application for assistance is complete.

(4) This state is not liable to a water supplier, or any other person performing services for the water supplier, for costs incurred in developing or submitting an application for assistance under this part.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5410 Water suppliers; responsibility to obtain permits or clearances; incorporation of provisions, conditions, and mitigative measures; review of documents by department; enforcement.

Sec. 5410. (1) A water supplier who receives assistance under this part is responsible for obtaining any federal, state, or local permits or clearances required for the project and shall perform any surveys or studies that are required in conjunction with the permits or clearances.

(2) A water supplier who receives assistance under this part shall incorporate all appropriate provisions, conditions, and mitigative measures included in the applicable studies, surveys, permits, clearances, and licenses into the construction documents. These documents are subject to review by the department for conformity with environmental determinations and coordination requirements.

(3) All applicable and appropriate conditions and mitigative measures shall be enforced by the water supplier or its designated representative and shall apply to all construction and post-construction activities, including disposal of all liquid or solid spoils, waste material, and residuals from construction.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997.

Popular name: Act 451

Popular name: NREPA

324.5411 Application for assistance; review by department; order of approval; incorporation of other documents; use of project assistance as matching requirements; eligibility certification.

Sec. 5411. (1) The department shall review a complete application for assistance for a proposed project submitted under section 5409. If the department approves the application for assistance, the department shall issue an order of approval to establish the specific terms of the assistance. The order of approval shall include, but need not be limited to, all of the following:

(a) The term of the assistance.

(b) The maximum principal amount of the assistance.

(c) The maximum rate of interest or method of calculation of the rate of interest that will be used, or the premium charged.

(2) The order of approval under subsection (1) shall incorporate all requirements, provisions, or information included in the application and other documents submitted to the department during the application process.

(3) The department shall not prohibit a water supplier from using assistance for a project to meet match requirements for federal loans or grants for that project.

(4) After issuance of the order of approval under subsection (1), the department shall certify to the authority that the water supplier is eligible to receive assistance.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. 2012, Act 561, Imd. Eff. Jan. 2, 2013.

Popular name: Act 451

Popular name: NREPA

324.5412 Bypassed projects.

Sec. 5412. (1) The department may bypass projects that fail to meet the schedule negotiated and agreed upon between the water supplier and the department, or that do not have approved planning documents and specifications and an approvable application 90 days before the last day of the state fiscal year, whichever comes first.

(2) A water supplier may submit a written request to the department to extend a project schedule for not more than 60 days. The request must provide the reason for the noncompliance with the schedule. A water supplier may file 1 additional 30-day extension request to its schedule.

(3) A project bypassed under this section must not be considered for an order of approval until all other projects have either been funded or rejected. This section does not prohibit the inclusion of the project in the priority list of the next annual funding cycle or the resubmission of an application for assistance in the next annual funding cycle.

(4) The department shall provide affected water suppliers with a written notice of intent to bypass not less than 30 days before the bypass action.

(5) For projects bypassed under this section, the department shall transmit to the water supplier an official notice of bypass for the fundable project.

(6) A bypass action under this section does not modify any compliance dates established under a permit, order, or other document issued by the department or entered as part of an action brought by this state or a federal agency.

(7) After a project is bypassed, the department may award assistance to projects outside the fundable range. Assistance must be made available to projects outside the fundable range in priority order contingent upon the water supplier's satisfaction of all applicable requirements for assistance within the time period established by the department, but not to exceed 60 days from the date of notification. The department shall notify water suppliers with projects outside the fundable range of bypass action, of the amount of bypassed funds available for obligation, and of the deadline for submittal of a complete, approvable application.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5413 Determination to terminate assistance; issuance of order by department; cause; written notice to water supplier; repayment of outstanding loan balance not affected; other state and federal requirements not relieved; responsibility for settlement costs.

Sec. 5413. (1) The department may make a determination that assistance should be terminated and may issue an order recommending that the authority take appropriate action to terminate assistance.

(2) Cause for making a determination under subsection (1) includes, but is not limited to, 1 or more of the following:

(a) Substantial failure to comply with the terms and conditions of the agreement providing assistance.

(b) A legal finding or determination that the assistance was obtained by fraud.

(c) Practices in the administration of the project that are illegal or that may impair the successful completion or organization of the project.

(d) Misappropriation of assistance for uses other than those set forth in the agreement providing assistance.

(e) Failure to accept an offer of assistance from the fund within a period of 30 days after receipt of a proposed loan agreement from the authority.

(3) The department shall give written notice to the water supplier by certified letter of the intent to issue an order of termination. This notification shall be issued not less than 30 days before the department forwards the order recommending that the authority take appropriate action to terminate assistance.

(4) The termination of assistance by the authority shall not excuse or otherwise affect the water supplier's requirement for repayment of the outstanding loan balance to the fund. The water supplier shall repay the outstanding loan proceeds according to a schedule established by the authority.

(5) Termination of assistance under this section does not relieve the water supplier of any requirements that may exist under state or federal law to construct the project.

(6) Any settlement costs incurred in the termination of project assistance are the responsibility of the water supplier.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997.

Popular name: Act 451

Popular name: NREPA

324.5414 Determination to terminate assistance; petition by water supplier; issuance of order by department; cause; repayment of outstanding loan balance not affected; other state or federal laws not relieved; responsibility for settlement costs.

Sec. 5414. (1) A water supplier may petition the department to make a determination that assistance to that water supplier should be terminated.

(2) Upon receipt of a petition under subsection (1), the department may issue an order recommending the authority to take appropriate action to terminate the assistance for a project for cause. The order is effective on the date the project ceases activities.

(3) Subject to the termination of assistance by the authority and payment of any appropriate termination settlement costs, the department shall issue an order of termination to the authority recommending appropriate action.

(4) The termination of assistance by the authority does not excuse or otherwise affect the water supplier's requirement for repayment of the outstanding loan balance to the fund. The water supplier shall repay the outstanding loan proceeds according to a schedule established by the authority.

(5) Termination of assistance under this section does not relieve the water supplier of any requirements that may exist under state or federal law to construct the project.

(6) Any settlement costs incurred in the termination of project assistance are the responsibility of the water supplier.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997.

Popular name: Act 451

Popular name: NREPA

324.5415 Annual establishment of interest rates.

Sec. 5415. The department shall annually establish the interest rates to be assessed for projects receiving assistance under this part. In establishing interest rates under this section, the department may provide for a different level of subsidy for projects. The interest rates must be in effect for loans made during the next state fiscal year. The interest rates must be in effect for loans made during the next state fiscal year.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5415a Project responsibilities of water supplier; departmental guidance.

Sec. 5415a. (1) A water supplier is responsible for obtaining any federal, state, or local permits necessary for the project and shall perform any surveys or studies that are required under the permits.

(2) A water supplier shall incorporate all appropriate provisions, conditions, and mitigative measures included in the studies, surveys, permits, and licenses into the construction documents. The construction documents are subject to review by the department for conformity with environmental determinations and coordination requirements.

(3) All applicable and appropriate conditions and mitigative measures must be enforced by the municipality or its designated representative and apply to all construction and post-construction activities, including disposal of all liquid or solid spoils, waste material, and residuals from construction.

(4) A water supplier may seek guidance from the department regarding the requirements under this part or the rules promulgated under this part.

History: Add. 2022, Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5416 Administration and implementation costs; payment sources.

Sec. 5416. The costs of administering and implementing this part by the department, the designated agents of the department, and the authority may be paid from funds annually appropriated by the legislature from 1 or more of the following sources:

(a) An amount allowed under the federal safe drinking water act.

(b) A local match provided by the water supplier receiving assistance not to exceed the department's administrative costs associated with providing the assistance.

(c) Interest or earnings realized on loan repayments to the fund, unless the earnings are pledged to secure or repay any indebtedness of the authority.

(d) Proceeds of bonds or notes issued pursuant to the fund and sold by the authority.

(e) Collection of fees and charges by the department in connection with a transaction authorized under this part.

(f) Any other money appropriated by the legislature.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5417 Powers of department.

Sec. 5417. In implementing this part, the department may do 1 or more of the following:

(a) Make, execute, and deliver contracts, conveyances, and other instruments necessary or convenient for the implementation of this part.

(b) Solicit and accept gifts, grants, loans, allocations, appropriations, and other aid, including capitalization grant awards, from any person or the federal, state, or a local government or any agency of the federal, state, or local government, enter into agreements with any person or the federal, state, or a local government, or participate in any other way in any federal, state, or local government program consistent with this part and the purposes of this part.

(c) Expend federal and state money allocated under the federal safe drinking water act for any of the following purposes, in accordance with that act:

(*i*) Fund activities authorized under section 1452(g)(2) of the federal safe drinking water act, 42 USC 300j-12, which may include fund administration and the provision of set-asides annually identified as part of an intended use plan.

(*ii*) Fund implementation of a technical assistance program created in Act 399 and used by the state to provide technical assistance to public water systems serving not more than 10,000 persons.

(*iii*) Fund activities authorized under section 1452(k) of the federal safe drinking water act, 42 USC 300j-12, which may include the lending of money for certain source water protection efforts, assisting in the implementation of capacity development strategies, conducting source water assessments, and implementing wellhead protection programs.

(d) Negotiate and enter into agreements and amendments to agreements with the federal government to implement establishment and operation of the fund, including capitalization grant agreements and schedules of payments.

(e) Employ personnel as is necessary, and contract for the services of private consultants, managers, counsel, auditors, engineers, and scientists for rendering professional management and technical assistance and advice.

(f) Charge, impose, and collect fees and charges in connection with any transaction authorized under this part and provide for reasonable penalties for delinquent payment of fees or charges.

(g) Review and approve all necessary documents in a water supplier's application for assistance and issue an order authorizing assistance to the authority.

(h) Promulgate rules necessary to carry out the purposes of this part and to exercise the powers expressly granted in this part.

(i) Administer, manage, and do all other things necessary or convenient to achieve the objectives and purposes of the fund, the authority, this part, or other state and federal laws that relate to the purposes and responsibilities of the fund.

(j) Apply for a capitalization grant and prepare, submit, and certify any required or appropriate information with that application.

(k) Establish priority lists and fundable ranges for projects and the scoring criteria and methods used to determine the distribution of the funds available to the fund among the various types of assistance to be offered and select projects to be funded.

(*l*) Prepare and submit an annual intended use plan and an annual report as required under the federal safe drinking water act. The department shall annually invite stakeholders including, but not limited to, representatives of water utilities, local units of government, agricultural interests, industry, public health organizations, medical organizations, environmental organizations, consumer organizations, and drinking water consumers who are not affiliated with any of the other represented interests, to 1 or more public meetings to provide recommendations for the development of the annual intended use plan as it relates to the set-asides allowed under the federal safe drinking water act. The intended use plan must describe and identify all of the following:

(*i*) Additional subsidization that will be allocated to projects.

(*ii*) The projects that will receive additional subsidization identified under subparagraph (*i*).

(*iii*) The reasons why a project will receive additional subsidization.

(m) Perform other functions necessary or convenient for the implementation of this part.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997;—Am. Act 132, Imd. Eff. June 30, 2022.

Popular name: Act 451

Popular name: NREPA

324.5418 Appeal; judicial review.

Sec. 5418. Determinations made by the department may be appealed in writing to the director. Determinations made by the director are final. Judicial review may be sought under section 631 of the revised judicature act of 1961, 1961 PA 236, MCL 600.631.

History: Add. 1997, Act 26, Imd. Eff. June 17, 1997.

Popular name: Act 451

Popular name: NREPA

324.5419 Repealed. 2002, Act 451, Eff. Sept. 30, 2003.

Compiler's note: The repealed section pertained to implementation of arsenic testing program.

Popular name: Act 451

Popular name: NREPA

AIR RESOURCES PROTECTION

PART 55
AIR POLLUTION CONTROL

324.5501 Definitions.

Sec. 5501. As used in this part:

(a) "Air contaminant" means a dust, fume, gas, mist, odor, smoke, vapor, or any combination thereof.

(b) "Air pollution" means the presence in the outdoor atmosphere of air contaminants in quantities, of characteristics, under conditions and circumstances, and of a duration that are or can become injurious to human health or welfare, to animal life, to plant life, or to property, or that interfere with the enjoyment of life and property in this state. Air pollution does not mean any health or safety hazard that is an aspect of employer-employee relationships. With respect to any mode of transportation, nothing in this part or in the rules promulgated under this part shall be inconsistent with the federal regulations, emission limits, standards, or requirements on various modes of transportation. Air pollution does not mean those usual and ordinary odors associated with a farm operation if the person engaged in the farm operation is following generally accepted agricultural and management practices.

(c) "Air pollution control equipment" means any method, process, or equipment that removes, reduces, or renders less noxious air contaminants discharged into the atmosphere.

(d) "Category A facility" means a fee-subject facility that is an electric provider and is any of the following:

(*i*) A major stationary source as defined in 42 USC 7602.

(*ii*) An affected source as defined pursuant to 42 USC 7651a.

(*iii*) A major stationary source as defined in 42 USC 7491.

(e) "Category B facility" means a fee-subject facility that is not an electric provider and is any of the following:

(*i*) A major stationary source as defined in 42 USC 7602.

(*ii*) An affected source as defined pursuant to 42 USC 7651a.

(*iii*) A major stationary source as defined in 42 USC 7491.

(f) "Category C facility" means a fee-subject facility that is not a category A or category B facility and that is a major source as defined in 42 USC 7412.

(g) "Category D facility" means a fee-subject facility that is not a category A, category B, or category C facility and that is subject to requirements of 42 USC 7411.

However, a source is not a category D facility if any of the following apply:

(*i*) All equipment at the source meets a permit to install exemption in R 336.1280 to R 336.1291 of the Michigan Administrative Code and does not have an active permit to install.

(*ii*) The source is stripper well property as defined in 26 USC 613A(c)(6)(E).

(h) "Category E facility" means a fee-subject facility that is not a category A, category B, category C, or category D facility and that has an active title V opt-out permit.

(*i*) "Category F facility" means a fee-subject facility that is not a category A, category B, category C, category D, or category E facility.

(j) "Clean air act" means chapter 360, 69 Stat 322, 42 USC 7401 to 7671q, and regulations promulgated under the clean air act.

(k) "Electric provider" means that term as defined in section 5 of the clean and renewable energy and energy waste reduction act, 2008 PA 295, MCL 460.1005.

(*l*) "Emission" means the emission of an air contaminant.

(m) "Farm operation" means that term as defined in section 2 of the Michigan right to farm act, 1981 PA 93, MCL 286.472.

(n) "Fee-subject air pollutant" means particulates, expressed as PM-10 pursuant to R 336.1116(k) of the Michigan Administrative Code, sulfur dioxide, volatile organic compounds, nitrogen oxides, ozone, lead, and any pollutant regulated under 42 USC 7411 or 7412 or title III of the clean air act, chapter 360, 77 Stat 400, 42 USC 7601 to 7628.

(o) "Fee-subject emissions" means emissions of fee-subject air pollutants.

(p) "Fee-subject facility" means the following sources:

(*i*) Any major source as defined in 40 CFR 70.2.

(*ii*) Any source, including an area source, subject to a standard, limitation, or other requirement under 42 USC 7411, when the standard, limitation, or other requirement becomes applicable to that source.

(*iii*) Any source, including an area source, subject to a standard, limitation, or other requirement under 42 USC 7412, when the standard, limitation, or other requirement becomes applicable to that source. However, a source is not a fee-subject facility solely because it is subject to a regulation, limitation, or requirement under 42 USC 7412(r).

(*iv*) Any affected source under title IV.

(*v*) Any other source in a source category designated by the administrator of the United States Environmental Protection Agency as required to obtain an operating permit under title V, when the standard, limitation, or other requirement becomes applicable to that source.

(*vi*) Any source with an active title V opt-out permit.

(q) "Fund" means the emissions control fund created in section 5521.

(r) "General permit" means a permit to install, permit to operate authorized pursuant to rules promulgated under section 5505(6), or an operating permit under section 5506, for a category of similar sources, processes, or process equipment. General provisions for issuance of general permits shall be provided for by rule.

(s) "Generally accepted agricultural and management practices" means that term as defined in section 2 of the Michigan right to farm act, 1981 PA 93, MCL 286.472.

(t) "Major emitting facility" means a stationary source that emits 100 tons or more per year of any of the following:

(*i*) Particulates.

(*ii*) Sulfur dioxides.

(*iii*) Volatile organic compounds.

(*iv*) Oxides of nitrogen.

(u) "Process", unless the context requires a different meaning, means an action, operation, or a series of actions or operations at a source that emits or has the potential to emit an air contaminant.

(v) "Process equipment" means all equipment, devices, and auxiliary components, including air pollution control equipment, stacks, and other emission points, used in a process.

(w) "Responsible official" means, for the purposes of signing and certifying as to the truth, accuracy, and completeness of permit applications, monitoring reports, and compliance certifications, any of the following:

(*i*) For a corporation: a president, secretary, treasurer, or vice-president in charge of a principal business function, or any other person who performs similar policy or decision making functions for the corporation, or an authorized representative of that person if the representative is responsible for the overall operation of 1 or more manufacturing, production, or operating facilities applying for or subject to a permit under this part and either the facilities employ more than 250 persons or have annual sales or expenditures exceeding $25,000,000.00, or if the delegation of authority to the representative is approved in advance by the department.

(*ii*) For a partnership or sole proprietorship: a general partner or the proprietor.

(*iii*) For a county or municipality or a state, federal, or other public agency: a principal executive officer or ranking elected official. For this purpose, a principal executive officer of a federal agency includes the chief executive officer having responsibility for the overall operations of a principal geographic unit of the agency.

(*iv*) For sources affected by the acid rain program under title IV: the designated representative insofar as actions, standards, requirements, or prohibitions under that title are concerned.

(x) "Schedule of compliance" means, for a source not in compliance with all applicable requirements of this part, rules promulgated under this part, and the clean air act at the time of issuance of an operating permit, a schedule of remedial measures including an enforceable sequence of actions or operations leading to compliance with an applicable requirement and a schedule for submission of certified progress reports at least every 6 months. Schedule of compliance means, for a source in compliance with all applicable requirements of this part, rules promulgated under this part, and the clean air act at the time of issuance of an operating permit, a statement that the source will continue to comply with these requirements. With respect to any applicable requirement of this part, rules promulgated under this part, and the clean air act effective after the date of issuance of an operating permit, the schedule of compliance shall contain a statement that the source will meet the requirements on a timely basis, unless the underlying applicable requirement requires a more detailed schedule.

(y) "Source" means a stationary source as defined in 42 USC 7602, and has the same meaning as stationary source when used in comparable or applicable circumstances under the clean air act. A source includes all the processes and process equipment under common control that are located within a contiguous area, or a smaller group of processes and process equipment as requested by the owner or operator of the source, if in accordance with the clean air act.

(z) "Title IV" means title IV of the clean air act, pertaining to acid deposition control, 42 USC 7651 to 7651o.

(aa) "Title V" means title V of the clean air act, 42 USC 7661 to 7661f.

(bb) "Title V opt-out permit" means a permit to install that includes all of the following:

(*i*) Specified emission limits below thresholds for title V applicability.

(*ii*) Operational restriction.

(*iii*) Monitoring or record-keeping requirements to make subparagraphs (*i*) and (*ii*) practically enforceable through a permit.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1998, Act 245, Imd. Eff. July 8, 1998;—Am. 2019, Act 119, Imd. Eff. Nov. 15, 2019.

Compiler's note: In this section, the reference to "(*i*) "Category F facility" evidently should read "(i) "Category F facility"."

Popular name: Act 451

Popular name: NREPA

324.5502 Issuance of permit to install or operating permit to municipal solid waste incinerator; applicability of subsection (1); municipal solid waste incinerator existing prior to June 15, 1993.

Sec. 5502. (1) Except as provided in subsection (2), the department shall not issue a permit to install or an operating permit to a municipal solid waste incinerator unless the municipal solid waste incinerator is located at least 1,000 feet from all of the following:

(a) A residential dwelling.

(b) A public or private elementary or secondary school.

(c) A preschool facility for infants or children.

(d) A hospital.

(e) A nursing home.

(2) Subsection (1) does not apply to a municipal solid waste incinerator that existed prior to June 15, 1993, or to the modification; alteration; expansion, including, but not limited to, the addition of 1 or more combustion units and any accompanying features or fixtures; or retrofit of such a municipal solid waste incinerator after June 15, 1993, regardless of whether the activity requires a permit.

(3) For the purposes of this section, a municipal solid waste incinerator existed prior to June 15, 1993 if either of the following applies:

(a) It was issued a permit to operate or a permit to install for installation, construction, modification, alteration, or retrofit prior to June 15, 1993, unless it was denied a permit to operate prior to June 15, 1993.

(b) It is located at a geographical site at which 1 or more incinerator units incinerated waste during the 6 months prior to June 15, 1993.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1995, Act 227, Imd. Eff. Dec. 14, 1995;—Am. 1998, Act 6, Imd. Eff. Feb. 6, 1998.

Popular name: Act 451

Popular name: NREPA

324.5503 Powers of department.

Sec. 5503. The department may do 1 or more of the following:

(a) Promulgate rules to establish standards for ambient air quality and for emissions.

(b) Issue permits for the construction and operation of sources, processes, and process equipment, subject to enforceable emission limitations and standards and other conditions reasonably necessary to assure compliance with all applicable requirements of this part, rules promulgated under this part, and the clean air act.

(c) In accordance with this part and rules promulgated under this part, deny, terminate, modify, or revoke and reissue permits for cause. If an application for a permit is denied or is determined to be incomplete by the department, the department shall state in writing with particularity the reason for denial or the determination of incompleteness, and, if applicable, the provision of this part or a rule promulgated under this part that controls the decision.

(d) Compel the attendance of witnesses at proceedings of the department upon reasonable notice.

(e) Make findings of fact and determinations.

(f) Make, modify, or cancel orders that require, in accordance with this part, the control of air pollution.

(g) Enforce permits, air quality fee requirements, and the requirements to obtain a permit.

(h) Institute in a court of competent jurisdiction proceedings to compel compliance with this part, rules promulgated under this part, or any determination or order issued under this part.

(i) Enter and inspect any property as authorized under section 5526.

(j) Receive and initiate complaints of air pollution in alleged violation of this part, rules promulgated under this part, or any determination, permit, or order issued under this part and take action with respect to the complaint as provided in this part.

(k) Require reports on sources and the quality and nature of emissions, including, but not limited to, information necessary to maintain an emissions inventory.

(*l*) Prepare and develop a general comprehensive plan for the control or abatement of existing air pollution and for the control or prevention of any new air pollution.

(m) Encourage voluntary cooperation by all persons in controlling air pollution and air contamination.

(n) Encourage the formulation and execution of plans by cooperative groups or associations of municipalities, counties or districts, or other governmental units, industries, and others who severally or jointly are or may be the source of air pollution, for the control of pollution.

(o) Cooperate with the appropriate agencies of the United States or other states or any interstate or international agencies with respect to the control of air pollution and air contamination or for the formulation for the submission to the legislature of interstate air pollution control compacts or agreements.

(p) Conduct or cause to be conducted studies and research with respect to air pollution control, abatement, or prevention.

(q) Conduct and supervise programs of air pollution control education including the preparation and distribution of information relating to air pollution control.

(r) Determine by means of field studies and sampling the degree of air pollution in the state.

(s) Provide advisory technical consultation services to local communities.

(t) Serve as the agency of the state for the receipt of money from the federal government or other public or private agencies and the expenditure of that money after it is appropriated for the purpose of air pollution control studies or research or enforcement of this part.

(u) Do such other things as the department considers necessary, proper, or desirable to enforce this part, a rule promulgated under this part, or any determination, permit, or order issued under this part, or the clean air act.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Air Quality Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16 , compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 336.1101 et seq.; R 336.1122; and R 336.1201 et seq. of the Michigan Administrative Code.

324.5504 Medical waste incineration facility; operating permit required; form and contents of application; compliance; validity and renewal of permit; review of operating permits; retrofitting facility; interim operating permit; rules; receipt of pathological or medical wastes generated off-site; records; definitions.

Sec. 5504. (1) Beginning on June 6, 1991 or on the effective date of the rules promulgated under subsection (5), whichever is later, a facility that incinerates medical waste shall not be operated unless the facility has been issued an operating permit by the department.

(2) An application for an operating permit under subsection (1) shall be submitted in the form and contain the information required by the department. The department shall issue an operating permit only if the facility is in compliance with this part and the rules promulgated under this part.

(3) A permit issued under this section shall be valid for 5 years. Upon expiration, a permit may be renewed.

(4) Within 2 years after the effective date of the rules promulgated under subsection (5), the department shall review all operating permits issued under this part for facilities that incinerate medical waste that were issued permits prior to the promulgation of the rules under subsection (5). If, upon review, the department determines that the facility does not meet the requirements of the rules promulgated under subsection (5) and cannot be retrofitted to comply with these rules, the department shall issue an interim operating permit that is valid for 2 years only. If the facility only needs retrofitting in order to comply with the rules, the facility shall be granted an interim permit that is valid for 1 year only. However, in either case the facility shall comply with this part and all other rules promulgated under this part for the interim period. An interim operating permit shall provide that if the facility is within 50 miles of another facility that is in compliance with the rules promulgated under subsection (5), the facility operating under the interim operating permit may receive only medical waste that is generated on the site of that facility, at a facility owned and operated by the person who owns and operates that facility, or at the private practice office of a physician who has privileges to practice at that facility, if the facility is a hospital. The department shall renew an operating permit for a facility only if the facility is in compliance with this part and the rules promulgated under this part.

(5) The department shall promulgate rules to do both of the following:

(a) Regulate facilities that incinerate medical waste. These rules shall cover at least all of the following areas:

(*i*) Incinerator design and operation.

(*ii*) Ash handling and quality.

(*iii*) Stack design.

(*iv*) Requirements for receiving medical waste from generators outside the facility.

(*v*) Air pollution control requirements.

(*vi*) Performance monitoring and testing.

(*vii*) Record keeping and reporting requirements.

(*viii*) Inspection and maintenance.

(b) Regulate the operation of facilities that incinerate only pathological waste and limited other permitted solid waste.

(6) A permit issued under this section may allow a facility to receive pathological or medical wastes that were generated off the site of the facility. However, the owner or operator of the facility shall keep monthly records of the source of the wastes and the approximate volume of the wastes received by the facility.

(7) As used in this section:

(a) "Medical waste" means that term as it is defined in part 138 of the public health code, Act No. 368 of the Public Acts of 1978, being sections 333.13801 to 333.13831 of the Michigan Compiled Laws.

(b) "Pathological waste" means that term as it is defined in part 138 of the public health code.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 336.1901 et seq. of the Michigan Administrative Code.

324.5505 Installation, construction, reconstruction, relocation, alteration, or modification of process or process equipment; permit to install or operate required; rules; trial operation; rules for issuance of general permit or certain exemptions; temporary locations; nonrenewable permits; failure of department to act on applications; appeal of permit actions.

Sec. 5505. (1) Except as provided in subsection (4), a person shall not install, construct, reconstruct, relocate, alter, or modify any process or process equipment without first obtaining from the department a permit to install, or a permit to operate authorized pursuant to rules promulgated under subsection (6) if applicable, authorizing the conduct or activity.

(2) The department shall promulgate rules to establish a permit to install program to be administered by the department. Except as provided in subsections (4) and (5), the permit to install program is applicable to each new or modified process or process equipment that emits or may emit an air contaminant. The start date for emissions offsets eligible to be applied to a permit to install shall be the date established by federal rule or, if

a date is not established by federal rule, January 1 of the year after the emissions baseline year used for the purpose of preparing the relevant state implementation plan. The department shall make available information in the permit database and the air emissions inventory established under section 5503(k), to identify emissions reductions that may be used as emissions offsets. This subsection does not authorize the department to seek permit changes to make emissions reductions available for use as emissions offsets.

(3) A permit to install may authorize the trial operation of a process or process equipment to demonstrate that the process or process equipment is operating in compliance with the permit to install issued under this section.

(4) The department may promulgate rules to provide for the issuance of general permits and to exempt certain sources, processes, or process equipment or certain modifications to a source, process, or process equipment from the requirement to obtain a permit to install or a permit to operate authorized pursuant to rules promulgated under subsection (6). However, the department shall not exempt any new source or modification that would meet the definition of a major source or major modification under parts C and D of title I of the clean air act, 42 USC 7470 to 7515.

(5) The department may issue a permit to install, a general permit, or a permit to operate authorized under rules promulgated under subsection (6) if applicable, that authorizes installation, operation, or trial operation, as applicable, of a source, process, or process equipment at numerous temporary locations. Such a permit shall do both of the following:

(a) Include terms and conditions necessary to ensure compliance with all applicable requirements of this part, the rules promulgated under this part, and the clean air act, including those necessary to ensure compliance with all applicable ambient air standards, emission limits, and increment and visibility requirements pursuant to part C of title I of the clean air act, 42 USC 7470 to 7492, at each location.

(b) Require the owner or operator of the process, source, or process equipment to notify the department at least 10 days in advance of each change in location. However, if electronic notification is used, the notification shall be given at least the following number of business days before the change of location:

(*i*) 5 business days unless subparagraph (*ii*) applies.

(*ii*) 2 business days, if, at least 10 days before the change of location, the owner provided the department a list of anticipated operating locations for that calendar year and if the change of location is on that list.

(6) The department may promulgate rules to establish a program that authorizes issuance of nonrenewable permits to operate for sources, processes, or process equipment that are not subject to the requirement to obtain a renewable operating permit pursuant to section 5506.

(7) The failure of the department to act on an administratively and technically complete application for a permit to install, a general permit, or a permit to operate authorized under rules promulgated under subsection (6), in accordance with a time requirement established pursuant to this part, rules promulgated under this part, or the clean air act may be treated as a final permit action solely for the purposes of obtaining judicial review in a court of competent jurisdiction to require that action be taken by the department on the application without additional delay.

(8) Any person may appeal the issuance or denial by the department of a permit to install, a general permit, or a permit to operate authorized in rules promulgated under subsection (6), for a new source in accordance with section 631 of the revised judicature act of 1961, 1961 PA 236, MCL 600.631. Petitions for review shall be the exclusive means to obtain judicial review of such a permit and shall be filed within 90 days after the final permit action, except that a petition may be filed after that deadline only if the petition is based solely on grounds arising after the deadline for judicial review. Such a petition shall be filed no later than 90 days after the new grounds for review arise. Appeals of permit actions for existing sources are subject to section 5506(14).

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2005, Act 57, Imd. Eff. June 30, 2005;—Am. 2019, Act 120, Eff. Feb. 13, 2020.

Popular name: Act 451

Popular name: NREPA

324.5506 Operating permit.

Sec. 5506. (1) After the date established pursuant to subsections (3) and (4)(n), if an application for an operating permit is required to be submitted, a person shall not operate a source that is required to obtain an operating permit under section 502a of title V of the clean air act, chapter 360, 104 Stat. 2641, 42 U.S.C. 7661a, and which is thereby subject to the requirements of this section except in compliance with an operating permit issued by the department. A permit issued under this section does not convey a property right or an exclusive privilege.

(2) If a person who owns or operates a source has submitted a timely and administratively complete

application for an operating permit, including an application for renewal of an operating permit, but final action has not been taken on the application, the source's failure to have an operating permit is not a violation of subsection (1) unless the delay in final action is due to the failure of the person owning or operating the source to submit information required or requested to process the application. A source required to have a permit under this section is not in violation of subsection (1) before the date on which the source is required to submit an application pursuant to subsections (3) and (4)(n). Except as otherwise provided in subsection (5), expiration of an operating permit terminates a person's right to operate a source. This subsection does not waive an applicable requirement to obtain a permit under section 5505.

(3) A person who owns or operates a source required to have an operating permit pursuant to this section shall submit to the department within 12 months after the date on which the source becomes subject to the requirement to obtain a permit under subsection (1), or on an earlier date specified by rule, a compliance plan and an administratively complete application for an operating permit signed by a responsible official, who shall certify the accuracy of the information submitted. The department shall approve or disapprove a timely and administratively complete application, and shall issue or deny the operating permit within 18 months after the date of receipt of the compliance plan and an administratively complete operating application, except that the department shall establish a phased schedule for acting on the timely and administratively complete operating permit applications submitted within the first full year after the operating permit program becomes effective. The schedule shall assure that at least 1/3 of the applications will be acted on by the department annually over a period not to exceed 3 years after the operating permit program becomes effective.

(4) The department shall promulgate rules to establish an operating permit program required under title V to be administered by the department. This permit program shall include all of the following and, at a minimum, shall be consistent with the requirements of title V:

(a) Provisions defining the categories of sources that are subject to the operating permit requirements of this section. Operating permits under this section are not required for any source category that is not required to obtain an operating permit under section 502(a) of the clean air act, title V of chapter 360, 104 Stat. 2641, 42 U.S.C. 7661a.

(b) Requirements for operating permit applications, including standard application forms, the minimum information that must be submitted with an administratively complete application, and criteria for determining in a timely fashion the administrative completeness of an application.

(c) A requirement that each operating permit application include a compliance plan describing how the source will comply with all applicable requirements of this part, rules promulgated under this part, and the clean air act.

(d) Provisions for inspection, entry, monitoring, record keeping, and reporting applicable to each operating permit issued under this section.

(e) Requirements and provisions for expeditiously determining when applications are technically complete, for processing applications.

(f) Provisions for transmitting copies of each operating permit application and proposed and final permits, including each modification or renewal, to the administrator of the United States environmental protection agency, and for notifying all other states whose air quality may be affected and are contiguous to this state and for providing an opportunity for those states to provide written recommendations on each operating permit application and proposed permit, pursuant to the requirements of section 505(a) and (d) of the clean air act, title V of chapter 360, 104 Stat. 2643, 42 U.S.C. 7661d.

(g) Provisions for issuance of operating permits and, in accordance with this part and rules promulgated under this part, for denial, termination, modification, revocation, renewal, and revision of operating permits for cause.

(h) Provisions to allow for changes within a permitted source without a revision to the operating permit, if the changes are not modifications under any provision of title I of the clean air act, chapter 360, 77 Stat. 392, 42 U.S.C. 7401 to 7431, 7470 to 7479, 7491 to 7492, 7501 to 7509a, and 7511 to 7515, and the changes do not exceed the emissions allowed under the operating permit, if the owner or operator of the source provides the department and the administrator of the United States environmental protection agency with written notification at least 7 days in advance of the proposed changes. However, the department may provide a different time frame for an emergency as defined in section 5527. The emissions allowed under the operating permit include any enforceable emission limitation, standard, or other condition, including a work practice standard, determined by the department to be required by an applicable requirement of this part, rules promulgated under this part, or the clean air act, or that establishes an emission limit or an enforceable emissions cap that the source has assumed to avoid an applicable requirement of this part, rules promulgated under this part, or the clean air act, to which the source would otherwise be subject. These provisions shall include the following:

(*i*) Changes that contravene an express permit condition. Such changes shall not include changes that would violate any applicable requirement of this part, the rules promulgated under this part, or the clean air act, or changes that would contravene any applicable requirement for monitoring, record keeping, reporting, or compliance certification.

(*ii*) Changes that involve emissions trading if trading has been approved by the administrator of the United States environmental protection agency as a part of the state implementation plan.

(i) Provisions to allow changes within a permitted source, pursuant to 40 C.F.R. 70.4(b)(14), that are not addressed or prohibited by the operating permit, if all of the following criteria are met:

(*i*) The change meets all applicable requirements of this part, the rules promulgated under this part, and the clean air act and does not violate any existing emission limitation, standard, or other condition of the operating permit.

(*ii*) The change does not affect any applicable requirement of the acid rain program under title IV and is not a modification under any provision of title I of the clean air act, chapter 360, 77 Stat. 392, 42 U.S.C. 7401 to 7431, 7470 to 7479, 7491 to 7492, 7501 to 7509a, and 7511 to 7515.

(*iii*) The source provides prompt written notice to the department and the administrator of the United States environmental protection agency, except for changes that qualify as insignificant processes or activities pursuant to section 5507(2).

(j) Provisions to allow changes within a permitted source, pursuant to 40 C.F.R. 70.7(e)(2), that may be made immediately after the source files an application with the department, if all of the following criteria are met:

(*i*) The change does not violate any applicable requirement of this part, the rules promulgated under this part, or the clean air act.

(*ii*) The change does not significantly affect an existing monitoring, record keeping, or reporting requirement in the operating permit.

(*iii*) The change does not require or modify a case-by-case determination of an emission limitation or other standard, or a source-specific determination, for temporary sources, of ambient air impacts, or a visibility or increment analysis.

(*iv*) The change does not seek to establish or modify an emission limitation, standard, or other condition of the operating permit that the source has assumed to avoid an applicable requirement of this part, the rules promulgated under this part, or the clean air act, to which the source would otherwise be subject.

(*v*) The change is not a modification under any provision of title I of the clean air act, chapter 360, 77 Stat. 392, 42 U.S.C. 7401 to 7431, 7470 to 7479, 7491 to 7492, 7501 to 7509a, and 7511 to 7515.

(k) Provisions for expeditiously handling administrative changes within a permitted source, pursuant to 40 C.F.R. 70.7(d). These changes are limited to the following:

(*i*) Correction of a typographical error.

(*ii*) A change in the name, address, or phone number of any person identified in the permit, or other similar minor administrative change.

(*iii*) A change that requires more frequent monitoring or reporting by the person owning or operating the source.

(*iv*) A change in ownership or operational control of the source, if the department determines that no other change in the operating permit is necessary, and if a written agreement containing a specific date for transfer of operating permit responsibility, coverage, and liability between the current and new owners or operators has been submitted to the department.

(*v*) Incorporation into the operating permit of the requirements of a permit to install issued pursuant to section 5505, if the permit to install has met procedural requirements that are substantially equivalent to the requirements of this section, including the content of the permit, and the provisions for participation by the United States environmental protection agency and other affected states and participation of the public under section 5511.

(*l*) Provisions for including reasonably anticipated alternate operating scenarios in an operating permit, pursuant to 40 C.F.R. 70.6(a)(9).

(m) Provisions to allow for the trading of emission increases and decreases within a permitted source solely for the purpose of complying with an enforceable emissions cap that is established in the permit pursuant to 40 C.F.R. part 70.4(b)(12)(*iii*), independent of any otherwise applicable requirements of this part, the rules promulgated under this part, or the clean air act.

(n) A schedule of the dates when submittal of an application for an operating permit is required for the source categories subject to this section and a phased schedule for taking final action on those applications.

(5) Each operating permit issued under this section shall be for a fixed term not to exceed 5 years. A permit applicant shall submit a timely application for renewal of an operating permit at least 6 months, but not more

than 18 months, prior to the expiration of the term of the existing operating permit. If a timely and administratively complete application is submitted, but the department has not approved or denied the renewal permit before the expiration of the term of the existing permit, the existing permit shall not expire until the renewal permit is approved or denied.

(6) Each operating permit issued pursuant to this section shall include those enforceable emissions limitations and standards applicable to the source, if any, and other conditions necessary to assure compliance with the applicable requirements of this part, rules promulgated under this part, and the clean air act, a schedule of compliance, and a requirement that the owner or operator of a source submit to the department, at least every 6 months, a report summarizing the results of any required monitoring. Each operating permit issued pursuant to this section shall also include a severability clause to ensure the continued validity of the unchallenged terms and conditions of the operating permit if any portion of a permit is challenged.

(7) The department shall require revision of an operating permit prior to the expiration of the permit consistent with section 5506(4)(g), for any of the following reasons or to do any of the following:

(a) To incorporate new applicable emissions limitations, standards, or rules promulgated under this part or regulations promulgated under the clean air act, issued or promulgated after the issuance of the permit, if 3 or more years remain in the term of the permit. A revision shall occur as expeditiously as practicable, but not later than 18 months after the promulgation of the emission limitation, standard, rule, or regulation. A revision is not required if the effective date of the emission limitation, standard, rule, or regulation is after the expiration date of the permit.

(b) To incorporate new applicable standards and requirements of the acid rain program under title IV into the operating permits of sources affected by that program.

(c) If the department determines that the permit contains a material mistake; that information required by this part, rules promulgated under this part, or the clean air act was omitted; or that an inaccurate statement was made in establishing the emissions limitations, standards, or conditions of the permit.

(d) If the department determines that the permit must be revised to assure compliance with the applicable requirements of this part, rules promulgated under this part, or the clean air act.

(8) At the request of the permit holder, a permit revision under subsection (7) may be treated as a permit renewal if it complies with the applicable requirements for permit renewals of this part, rules promulgated under this part, and the clean air act.

(9) A person who owns or operates a source subject to an operating permit issued pursuant to this section shall promptly report to the department any deviations from the emissions limitations, standards, or conditions of the permit and shall annually certify to the department that the source has been and is in compliance with all emissions limitations, standards, and conditions of the permit, except for those deviations reported to the department, during the reporting period. A responsible official shall sign all reports submitted pursuant to this subsection.

(10) The department shall not approve or otherwise issue any operating permit for a source required to obtain an operating permit pursuant to section 502(a) of title V of the clean air act, chapter 360, 104 Stat. 2641, 42 U.S.C. 7661a, if the administrator of the United States environmental protection agency objects to issuance of the permit in a timely manner pursuant to section 505(b) of title V of the clean air act, chapter 360, 104 Stat. 2643, 42 U.S.C. 7661d.

(11) Each operating permit shall contain a statement that compliance with an operating permit issued in accordance with this section is compliance with subsection (1). In addition, the statement shall provide that compliance with the operating permit is compliance with other applicable requirements of this part, rules promulgated under this part, and the clean air act, as of the date of permit issuance if either of the following requirements is met:

(a) The permit specifically includes the applicable requirement.

(b) The permit includes a determination that any other requirements that are specifically referred to in the determination are not applicable.

(12) An application for an operating permit may include a request that the permit include reference to specific requirements of this part, rules promulgated under this part, or the clean air act that the person owning or operating the source believes are not applicable to the source. The operating permit shall include a determination of applicability for the requirements included in the request.

(13) Subsection (11) does not apply to a change at a source made pursuant to subsection (4)(h), (i), or (j). Subsection (11) does not apply to a change in a source made pursuant to subsection (4)(k) until the change is incorporated into the operating permit.

(14) A person who owns or operates an existing source that is required to obtain an operating permit under this section, a general permit, or a permit to operate authorized under rules promulgated under section 5505(6) may file a petition with the department for review of the denial of his or her application for such a permit, the

revision of any emissions limitation, standard, or condition, or a proposed revocation of his or her permit. This review shall be conducted pursuant to the contested case and judicial review procedures of the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws. Any person may appeal the issuance or denial of an operating permit in accordance with section 631 of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961, being section 600.631 of the Michigan Compiled Laws. A petition for judicial review is the exclusive means of obtaining judicial review of a permit and shall be filed within 90 days after the final permit action. Such a petition may be filed after that deadline only if it is based solely on grounds arising after the deadline for judicial review and if the appeal does not involve applicable standards and requirements of the acid rain program under title IV. Such a petition shall be filed within 90 days after the new grounds for review arise.

(15) The failure of the department to act on a technically and administratively complete application or renewal application for an operating permit in accordance with a time requirement established pursuant to subsection (3) and rules promulgated under subsection (4)(n) is final permit action solely for the purposes of obtaining judicial review in a court of competent jurisdiction to require that action be taken by the department without additional delay on the application or renewal application.

(16) The department may, after notice and opportunity for public hearing, pursuant to the requirements of section 5511, issue a general permit covering numerous similar sources, processes, or process equipment, or a permit that authorizes operation of a source at numerous temporary locations. A general permit or a permit that authorizes operation of a source at numerous temporary locations shall comply with all requirements applicable to operating permits pursuant to this section. A permit that authorizes operation of a source at numerous temporary locations shall include terms and conditions necessary to assure compliance with all applicable requirements of this part, rules promulgated under this part, and the clean air act, including those necessary to assure compliance with all applicable ambient air standards, applicable emission limits, and applicable increment and visibility requirements pursuant to part C of title I of the clean air act, chapter 360, 91 Stat. 731, 42 U.S.C. 7470 to 7479 and 7491 to 7492, at each authorized location and shall require the owner or operator of the source to notify the department at least 10 days in advance of each change in location. A source covered by a general permit is not relieved from the obligation to file an application for a permit pursuant to subsections (3) and (5).

(17) As used in this section, "technically complete" means, for the purposes of an application for an operating permit required by this section, all of the information required for an administratively complete application and any other specific information requested by the department that may be necessary to implement and enforce all applicable requirements of this part, the rules promulgated under this part, or the clean air act, or to determine the applicability of those requirements. An application is not technically complete if it omits information needed to determine the applicability of any lawful requirement or to enforce any lawful requirement or any information necessary to evaluate the amount of the annual air quality fee for the source.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5507 Administratively complete action; exemption from information requirements; "compliance plan" defined.

Sec. 5507. (1) An administratively complete application means an application for an operating permit required in section 5506 that is submitted on standard application forms provided by the department and includes all of the following:

(a) Source identifying information, including company name and address, owner's name, and the names, addresses, and telephone numbers of the responsible official and permit contact person.

(b) A description of the source's processes and products using the applicable standard industrial classification codes.

(c) A description of all emissions of air contaminants emitted by the source that are regulated under this part, the rules promulgated under this part, and the clean air act.

(d) A schedule for submission of annual compliance certifications during the permit term, unless more frequent certifications are specified by an underlying applicable requirement.

(e) A certification by a responsible official of the truth, accuracy, and completeness of the application. The certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the application are true, accurate, and complete.

(f) For each process, except for any insignificant processes listed by the department pursuant to subsection (2), all of the following:

(*i*) A description of the process using the standard classification code.

(*ii*) Citation and description of all applicable requirements, including any applicable test method for determining compliance with each applicable requirement.

(*iii*) Actual and allowable emission rates in tons per year and in terms that are necessary to establish compliance with all applicable emission limitations and standards, including all calculations used to determine those emission rates. Actual emission information shall be used for verifying the compliance status of the process with all applicable requirements. Actual emission information shall not be used, except at the request of the permit applicant, to establish new emission limitations or standards or to modify existing emission limitations or standards unless such limitation or standard is required to assure compliance with a specific applicable requirement.

(*iv*) Information on fuels, fuel use, raw materials, production rates, and operating schedules, to the extent it is needed to determine or regulate emissions.

(*v*) Limitations on source operation affecting emissions or any work practice standards, if applicable.

(*vi*) Identification and description of air pollution control equipment and compliance monitoring devices or activities.

(*vii*) Identification and description of all emission points in sufficient detail to establish the basis for fees or to determine applicable requirements.

(*viii*) Other information required by any applicable requirement.

(*ix*) A statement of the methods proposed to be used for determining compliance with the applicable requirements under the operating permit, including a description of monitoring, record keeping, and reporting requirements and test methods.

(*x*) An explanation of any proposed exemptions from otherwise applicable requirements.

(*xi*) Information necessary to define any alternative operating scenarios that are to be included in the operating permit or to define permit terms and conditions implementing section 5506(4)(*l*).

(*xii*) A compliance plan.

(*xiii*) A schedule of compliance.

(2) The department shall promulgate a list of insignificant processes or activities, which are exempt from all or part of the information requirements of this section. For any insignificant processes or activities that are exempt because of size or production rate, the application shall include a list of the insignificant processes and activities.

(3) As used in section 5506 and this section, "compliance plan" means a description of the compliance status of the source with respect to all applicable requirements for each process as follows:

(a) For applicable requirements with which the source is in compliance, a statement that the source will continue to comply with such requirements.

(b) For applicable requirements that will become effective during the permit term, a statement that the source will meet these requirements on a timely basis.

(c) For requirements for which the source is not in compliance at the time of permit issuance, a narrative description of how the source will achieve compliance with such requirements.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5508 "Section 112" defined; source, process, or process equipment not subject to best available control technology for toxics requirements or health based screening level requirements.

Sec. 5508. (1) As used in this section, "section 112" means section 112 of part A of title I of the clean air act, 84 Stat. 1685, 42 U.S.C. 7412.

(2) A new, modified, or existing source, process, or process equipment for which standards have been promulgated under section 112(d) or for which a control technology determination has been made pursuant to section 112(g) or 112(j) is not subject to the best available control technology for toxics (T-BACT) requirements of rules promulgated under this part for any of the following:

(a) The hazardous air pollutants listed in section 112(b).

(b) Other toxic air contaminants that are volatile organic compounds, if the standard promulgated under section 112(d) or the determination made under section 112(g) or 112(j) controls similar compounds that are also volatile organic compounds.

(c) Other toxic air contaminants that are particulate matter, if the standard promulgated under section 112(d) or the determination made under section 112(g) or 112(j) controls similar compounds that are also

particulate matter.

(d) Other toxic air contaminants that are similar to the compounds controlled by the standard promulgated under section 112(d) or controlled by the determination made under section 112(g) or 112(j).

(3) A new, modified, or existing source, process, or process equipment for which standards have been promulgated under section 112(f) is not subject to the health based screening level requirements in rules promulgated under this part for the hazardous air pollutants listed in section 112(b).

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5509 "Malfunction" defined; rules; prohibition; actions taken by department; enforcement; conditions for applicability of subsections (3) to (5).

Sec. 5509. (1) As used in this section, "malfunction" means any sudden failure of a source, air pollution control equipment, process, or process equipment to operate in a normal or usual manner. A malfunction exists only for the time reasonably necessary to implement corrective measures. Malfunction does not include failures arising as a result of substandard maintenance that does not conform to industry standards, or periods when the source is being operated carelessly or in a manner that is not consistent with good engineering practice or judgment.

(2) By May 13, 1995, the department shall promulgate general rules, and may promulgate rules that pertain to specific categories of sources, that are consistent with, but are not limited to, the requirements of the clean air act, to establish standards of performance, emission standards, and requirements for monitoring, record keeping, and reporting that will apply during start-up, shutdown, and malfunction of a source, process, or process equipment. The rules shall require that during periods of start-up, shutdown, and malfunction, the operator shall to the extent reasonably possible operate a source, process, or process equipment in a manner consistent with good air pollution control practices for minimizing emissions.

(3) During periods of start-up, shutdown, or malfunction of a source, process, or process equipment, the emission of an air contaminant in excess of a standard or emission limitation, or a violation of any other requirement, established by this part, a rule promulgated under this part, or specified in a permit to install, a permit to operate authorized pursuant to rules promulgated under section 5505(6), or an operating permit under section 5506, is prohibited unless the following applicable requirements and any applicable rules promulgated pursuant to subsection (2) are complied with:

(a) At all times, including periods of start-up, shutdown, and malfunction, owners and operators shall, to the extent practicable, operate a source, process, or process equipment in a manner consistent with good air pollution control practice for minimizing emissions.

(b) Notice of a malfunction of a source, process, or process equipment that results in excess emissions of an air contaminant shall be provided to the department if the malfunction results in excess emissions that continue for more than 2 hours. Notice by any reasonable means includes but is not limited to oral, telephonic, or electronic notice, and shall be provided as soon as reasonably possible, but no later than 2 business days after the discovery of the malfunction. Written notice of malfunction shall be provided within 10 days after the malfunction has been corrected. Written notice shall specify all of the following:

(*i*) The cause of the malfunction, if known.

(*ii*) The date, time, location, and duration of the malfunction.

(*iii*) The actions taken to correct and prevent the reoccurrence of the malfunction.

(*iv*) Actions taken to minimize emissions during the malfunction, if any.

(*v*) The type and, where known or where it is reasonably possible to estimate, the quantity of any excess emissions of air contaminants.

(*vi*) Contemporaneous operational logs and continuous emission monitoring information where continuous emission monitoring is required by the clean air act or rules promulgated under this part or is specified as a condition of a permit issued under this part or an order entered under this part.

(c) The malfunctioning source, process, or process equipment shall have been maintained and operated in a manner consistent with the applicable provisions of a malfunction abatement plan approved under this part, if any.

(d) During start-up or shutdown, the source, process, or process equipment shall be operated in accordance with applicable start-up or shutdown provisions of its installation permit, nonrenewable permit to operate, or operating permit, if any.

(4) Notwithstanding the provisions of subsection (3), the department may take action under section 5518(1) to immediately discontinue and take action to contain an imminent and substantial endangerment to public health, safety, or welfare.

(5) Notwithstanding the provisions of subsection (3), enforcement action may be taken against a person who violates section 5531(4), (5), or (6).

(6) Subsections (3) to (5) do not apply upon the effective date of the general rules required under subsection (2) or November 13, 1996, whichever is first.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: The general rules referenced in subsection (6) were promulgated and became effective July 26, 1995.

Popular name: Act 451

Popular name: NREPA

324.5510 Denial or revocation of permit; circumstances.

Sec. 5510. In accordance with this part and rules promulgated under this part, the department may, after notice and opportunity for public hearing, deny or revoke a permit issued under this part if any of the following circumstances exist:

(a) Installation, modification, or operation of the source will violate this part, rules promulgated under this part, or the clean air act, unless the source is in compliance with a legally enforceable schedule of compliance contained in a permit or order.

(b) Installation, construction, reconstruction, relocation, alteration, or operation of the source presents or may present an imminent and substantial endangerment to human health, safety, or welfare, or the environment.

(c) The person applying for the permit makes a false representation or provides false information during the permit review process.

(d) The source has not been installed, constructed, reconstructed, relocated, altered, or operated in a manner consistent with the application for a permit or as specified in a permit.

(e) The person owning or operating the source fails to pay an air quality fee assessed under this part.

(f) The person proposes a major offset source or the owner or operator of a proposed major offset modification that owns or operates another source in the state that has the potential to emit 100 tons or more per year of any air contaminant regulated under the clean air act and that source is in violation of this part, rules promulgated under this part, the clean air act, or a permit or order issued under this part, unless the source is in compliance with a legally enforceable schedule of compliance contained in a permit or order.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5511 List of permit applications; list of consent order public notices; notice, opportunity for public comment and public hearing required for certain permit actions.

Sec. 5511. (1) The department shall establish and maintain a list of all applications for permits submitted pursuant to sections 5505 and 5506. The list shall report the status of each application. The information on the list shall be updated by the department on a monthly basis. The department shall send a copy of the pertinent sections of the list to the chairperson of the county board of commissioners of each county. Any other person may subscribe to this list on a countywide or statewide basis and shall reimburse the department for the costs of copying, handling, and mailing. The department shall make the list available at district offices selected by the department. The department may also develop an electronic data base that includes the capability of making this list available to the public. This list shall include all of the following information:

(a) The name of the permit applicant.

(b) The street address, if available, the county, and the municipality in which the source is located or proposed to be located.

(c) The type of application, such as installation, operation, renewal, or general permit.

(d) The date the permit application was received by the department.

(e) The date when the permit application is determined to be administratively complete, if applicable.

(f) A brief description of the source, process, or process equipment covered by the permit application.

(g) Brief pertinent comments regarding the progress of the permit application, including the dates of public comment periods and public hearings, if applicable.

(2) The department shall establish and maintain a list of all proposed consent order public notices. This information shall be updated by the department on a monthly basis. Any other person may subscribe to this list on a countywide or statewide basis and shall reimburse the department for the costs of copying, handling, and mailing. The department shall make the list available at district offices selected by the department. This list shall include all of the following information:

(a) The name of the parties to the proposed consent order.

(b) The street address, if available, and the county and municipality in which the source is located.

(c) A brief description of the source.

(d) A brief description of the alleged violation to be resolved by the proposed consent order.

(e) A brief description of the respondent's position regarding the alleged violation if the respondent requests such inclusion and supplies to the department a brief statement of the respondent's position regarding the alleged violation.

(3) The department shall not issue a permit to install or a nonrenewable permit to operate pursuant to section 5505 for a major source or for a major modification under title I of the clean air act, chapter 360, 77 Stat. 392, 42 U.S.C. 7401 to 7431, 7470 to 7479, 7491 to 7492, 7501 to 7509a, and 7511 to 7515, or issue, renew, or significantly modify any operating permit issued under section 5506, or enter into a consent order, without providing public notice, including offering an opportunity for public comment and a public hearing on the draft permit or proposed consent order. In addition, the department shall not issue a permit for which there is a known public controversy without providing public notice including an opportunity for public comment and public meeting. For the purposes of an operating permit issued under section 5506, a significant modification does not include any modifications to a permit made pursuant to section 5506(4)(h), (i), (j), or (k). For a general permit issued pursuant to section 5505(4) or section 5506(16), public notice and opportunity for public comment and a public hearing shall only be provided before the base general permit is approved, not as individual sources apply for coverage under that general permit. Public notice and an opportunity for public comment and a public hearing as required under this section shall be provided as follows:

(a) Public notice shall be provided by publication in a newspaper of general circulation in the area where the source is located or in a state publication designed to give general public notice, and by other means determined to be necessary by the department to assure adequate notice to the public. Notice shall also be provided to persons on a mailing list, developed by the department, including those persons who request in writing to be on that list, and to any other person who requests in writing to be notified of a permit action involving a specific source.

(b) The notice shall identify the source; the name and address of the responsible official; the mailing address of the department; the activity or activities involved in the proposed permit action or consent order; the emissions change involved in any significant permit modification; the name, address, and telephone number of a representative of the department from whom interested persons may obtain additional information, including copies of the draft permit or proposed consent order, the application, all relevant supporting material, and any other materials available to the department that are relevant to the permit or consent order decision; a brief description of the comment procedures required by this section; and the time and place of any hearing that may be held, including a statement of the procedures to request a hearing.

(c) The department shall provide at least 30 days for public comment and shall give notice of any public hearing at least 30 days in advance of the hearing.

(d) The department shall keep a record of the commenters and the issues raised during the public comment period and public hearing, if held, and these records shall be available to the public.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5512 Rules.

Sec. 5512. (1) Subject to section 5514, the department shall promulgate rules for purposes of doing all of the following:

(a) Controlling or prohibiting air pollution.

(b) Complying with the clean air act.

(c) Controlling any mode of transportation that is capable of causing or contributing to air pollution.

(d) Reviewing proposed locations of stationary emission sources.

(e) Reviewing modifications of existing emission sources.

(f) Prohibiting locations or modifications of emission sources that impair the state's ability to meet federal ambient air quality standards.

(g) Establishing suitable emission standards consistent with federal ambient air quality standards and factors including, but not limited to, conditions of the terrain, wind velocities and directions, land usage of the region, and the anticipated characteristics and quantities of potential air pollution sources. This part does not prohibit the department from denying or revoking a permit to operate a source, process, or process equipment that would adversely affect human health or other conditions important to the life of the community.

(h) Implementing sections 5505 and 5506.

(2) Unless otherwise provided in this part, each rule, permit, or administrative order promulgated or issued under this part prior to November 13, 1993 shall remain in effect according to its terms unless the rule or order is inconsistent with this part or is revised, amended, or repealed.

(3) Section 11522 applies to open burning.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2012, Act 102, Imd. Eff. Apr. 19, 2012;—Am. 2014, Act 417, Eff. Mar. 31, 2015.

Popular name: Act 451

Popular name: NREPA

Administrative rules: R 336.1101 et seq.; R 336.1122; and R 336.1201 et seq. of the Michigan Administrative Code.

324.5513 Car ferries and coal-fueled trains.

Sec. 5513. Notwithstanding any other provision of this part or the rules promulgated under this part, car ferries having the capacity to carry more than 110 motor vehicles and coal-fueled trains used in connection with tourism or an historical museum or carrying works of art or items of historical interest are not subject to regulation under this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5514 Department of environmental quality; prohibited acts; "wood heater" defined.

Sec. 5514. (1) The department of environmental quality shall not do any of the following:

(a) Promulgate a rule limiting emissions from wood heaters.

(b) Enforce against a manufacturer, distributor, or consumer a federal regulation limiting emissions from wood heaters and adopted after May 1, 2014.

(2) As used in this section, "wood heater" means a wood stove, pellet stove, wood-fired hydronic heater, wood burning forced-air furnace, or masonry wood heater designed for heating a home or business.

History: Add. 2014, Act 417, Eff. Mar. 31, 2015.

Compiler's note: Former MCL 324.5514, which pertained to disposal of United States flag by burning, was repealed by Act 102 of 2012, Imd. Eff. Apr. 19, 2012.

Popular name: Act 451

Popular name: NREPA

324.5515 Investigation; voluntary agreement; order; petition for contested case hearing; final order or determination; review.

Sec. 5515. (1) If the department believes that a person is violating this part, a rule promulgated under this part, a permit issued under this part, or a determination other than an order issued under this part, the department shall make a prompt investigation. If after this investigation the department finds that a violation of this part, a rule promulgated under this part, a permit issued under this part, or a determination other than an order issued under this part exists, the department shall attempt to enter into a voluntary agreement with the person.

(2) If the department believes that a person is violating an order issued under this part, the department shall make a prompt investigation. If after this investigation the department finds that a person has failed to comply with the terms of an order issued under this part, the department may attempt to enter into a voluntary agreement with the person.

(3) If a voluntary agreement is not entered into under subsection (1), the department may issue an order requiring a person to comply with this part, a rule promulgated under this part, a determination made under this part, or a permit issued under this part. If the department issues an order it shall be accompanied by a statement of the facts upon which the order is based.

(4) A person aggrieved by an order issued under subsection (3) may file a petition for a contested case hearing pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws. A petition shall be submitted to the department within 30 days of the effective date of the order. The department shall schedule the matter for hearing within 30 days of receipt of the petition for a contested case hearing. A final order or determination of the department upon the matter following the hearing is conclusive, unless reviewed in accordance with Act No. 306 of the Public Acts of 1969, in the circuit court for the county of Ingham or for the county in which the person resides.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5516 Public hearing; information available to the public; use of confidential information.

Sec. 5516. (1) A public hearing with reference to pollution control may be held before the department. Persons designated to conduct the hearing shall be described as presiding officers and shall be disinterested and technically qualified persons.

(2) A copy of each permit, permit application, order, compliance plan and schedule of compliance, emissions or compliance monitoring report, sample analysis, compliance certification, or other report or information required under this part, rules promulgated under this part, or permits or orders issued under this part shall be available to the public to the extent provided by the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

(3) A person whose activities are regulated under this part may designate a record or other information, or a portion of a record, permit application, or other information furnished to or obtained by the department or its agents, as being only for the confidential use of the department. The department shall notify the person asserting confidentiality of a request for public records under section 5 of the freedom of information act, Act No. 442 of the Public Acts of 1976, being section 15.235 of the Michigan Compiled Laws, the scope of which includes information that has been designated by the regulated person as being confidential. The person asserting confidentiality has 25 days after the receipt of the notice to demonstrate to the department that the information designated as confidential should not be disclosed because the information is a trade secret or secret process, or is production, commercial, or financial information the disclosure of which would jeopardize the competitive position of the person from whom the information was obtained, and make available information not otherwise publicly available. The department shall grant the request for the information unless the person regulated under this part demonstrates to the satisfaction of the department that the information should not be disclosed. If there is a dispute between the person asserting confidentiality and the person requesting information under Act No. 442 of the Public Acts of 1976, the department shall make the decision to grant or deny the request. After the department makes a decision to grant a request, the information requested shall not be released until 8 business days after the regulated person's receipt of notice of the department's decision. This does not prevent the use of the information by the department in compiling or publishing analyses or summaries relating to ambient air quality if the analyses or summaries do not identify the person or reveal information which is otherwise confidential under this section. This section does not render data on the quantity, composition, or quality of emissions from any source confidential. Data on the amount and nature of air contaminants emitted from a source shall be available to the public.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5517 Petition for relief from rule.

Sec. 5517. Application for relief from a rule promulgated by the department shall be made by petition to the circuit court for the county of Ingham or for the county in which the petitioner resides. The petition shall be verified as in a civil action. Each petition shall contain a plain and concise statement of the material facts on which the petitioner relies, shall set forth the rule or part of the rule that the petitioner claims is unreasonable or prejudicial to the petitioner, and shall specify the grounds for the claim. The petition may be accompanied by affidavits or other written proof and shall demand the relief to which the petitioner alleges he or she is entitled, in the alternative or otherwise. The petition may be made by 1 or more persons, jointly or severally, who are aggrieved by a rule, whether or not the petitioner is or was a party to the proceeding in which the rule was promulgated by the department.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5518 Notice to discontinue pollution; hearing; suit brought by attorney general in circuit court; effectiveness and duration of order; notice to county emergency management coordinator.

Sec. 5518. (1) If the department finds that a person is discharging or causing to be discharged into the atmosphere, directly or indirectly, an air contaminant and the discharge constitutes an imminent and substantial endangerment to the public health, safety, or welfare, or to the environment, and it appears to be prejudicial to the interests of the people of the state to delay action, the department shall notify the person by written notice that he or she must immediately discontinue the air pollution or take such other action as may

be necessary to contain the imminent and substantial endangerment, or both. The written notice shall specify the facts that are the basis of the allegation. Within 7 days, the department shall provide the person the opportunity to be heard and to present any proof that the discharge does not constitute an imminent and substantial endangerment to the public health, safety, or welfare, or to the environment.

(2) Notwithstanding any other provision of this part, upon receipt of evidence that a person is discharging or causing to be discharged into the atmosphere, directly or indirectly, an air contaminant and the discharge constitutes an imminent and substantial endangerment to the public health, safety, or welfare, or to the environment, and it appears to be prejudicial to the interests of the people of the state to delay action, the attorney general may bring suit on behalf of the state in the appropriate circuit court to immediately discontinue the air pollution or take such other action as may be necessary to contain the imminent and substantial endangerment, or both.

(3) An order issued by the department under subsection (1) is effective upon issuance and shall remain in effect for a period of not more than 7 days, unless the attorney general brings a civil action to restrain the alleged endangerment pursuant to subsection (2) or section 5530 before the expiration of that period. If the attorney general brings such an action within the 7-day period, the order issued by the department shall remain in effect for an additional 7 days or such other period as is authorized by the court in which the action is brought.

(4) Prior to taking an action under subsection (1), the department shall attempt to notify the emergency management coordinator for the county in which the source is located who is appointed pursuant to the emergency management act, Act No. 390 of the Public Acts of 1976, being sections 30.401 to 30.420 of the Michigan Compiled Laws.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5519 Asbestos emissions program; inspections; fees.

Sec. 5519. (1) The department shall establish a program to implement the National Emission Standard for Asbestos, 40 CFR part 61, subpart M.

(2) Each year, the department shall complete inspections for compliance with 40 CFR part 61, subpart M, of at least the following applicable percentage of asbestos renovations and demolitions for which original notice of intention was received under 40 CFR 61.145:

(a) 15% for 2025 and 2026.

(b) 20% for 2027 and 2028.

(c) 25% for 2029 and thereafter.

(3) An owner or operator that submits a notice of intention of asbestos removal or demolition is responsible for payment of a notification fee of $100.00. In addition, the owner or operator is responsible for payment of a $10.00 modification fee each time the submitted notice is modified. Fees under this subsection shall be paid electronically in the manner provided for by the department. A public entity may pass through the cost for the notice fee and any modification fee to the asbestos abatement contractor, unless the pass through would violate the terms of a contract entered into before the effective date of the amendatory act that added this section. The department shall assess and collect the fees and shall transmit fee revenue to the state treasurer for deposit in the asbestos inspection fund created in section 5519a.

(4) As used in this section, "asbestos abatement contractor" means that term as defined in section 103 of the asbestos abatement contractors licensing act, 1986 PA 135, MCL 338.3103.

History: Add. 2024, Act 56, Eff. Apr. 2, 2025.

Compiler's note: Former MCL 324.5519, which pertained to submission of emissions information to the department, was repealed by Act 245 of 1998, Imd. Eff. July 8, 1998.

Popular name: Act 451

Popular name: NREPA

324.5519a Asbestos inspection fund.

Sec. 5519a. (1) The asbestos inspection fund is created in the state treasury.

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

(3) The department is the administrator of the asbestos inspection fund for audits of the fund. The department shall expend money from the fund, upon appropriation, only to conduct inspections and related activities under section 5519.

History: Add. 2024, Act 56, Eff. Apr. 2, 2025.

Popular name: Act 451

Popular name: NREPA

324.5519b Annual asbestos program report.

Sec. 5519b. (1) Subject to subsection (3), by March 1 annually, the department shall prepare and submit to the legislature a report that includes the following related to the department's asbestos program:

(a) For the previous calendar year, all of the following:

(*i*) The number of inspectors employed by the department.

(*ii*) The number of inspections conducted.

(*iii*) The percentage of original notices of intention received for which inspections were conducted.

(*iv*) The number of enforcement actions taken.

(b) An evaluation and recommendation based on the evaluation of whether the department has a sufficient number of inspectors to carry out National Emission Standard for Asbestos, 40 CFR part 61, subpart M. The evaluation shall be based on metrics established by the department for the percentage of original notices of intention under 40 CFR 61.145 for renovations or demolitions received during a calendar year for which inspections were conducted during that calendar year. The minimum percentage set by the department for a determination of sufficiency shall be at least 15%.

(2) The report prepared under subsection (1) shall be posted on the department's website and published in the Michigan Register.

(3) The report required under subsection (1) may be combined with the report required under section 5522.

History: Add. 2024, Act 58, Eff. Apr. 2, 2025.

Popular name: Act 451

Popular name: NREPA

324.5520 Repealed. 1998, Act 245, Imd. Eff. July 8, 1998.

Compiler's note: The repealed section pertained to payment of emission fees.

Popular name: Act 451

Popular name: NREPA

324.5521 Emissions control fund.

Sec. 5521. (1) The emissions control fund is created within the state treasury. The state treasurer may receive money from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

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

(3) Upon the expenditure or appropriation of funds raised through fees in this part for any purpose other than those specifically listed in this part, authorization to collect fees under this part is suspended until such time as the funds expended or appropriated for purposes other than those listed in this part are returned to the emissions control fund.

(4) Beginning October 1, 1994 and thereafter money shall be expended from the fund, upon appropriation, only for the following purposes as they relate to implementing the operating permit program required by title V:

(a) Preparing generally applicable rules or guidance regarding the operating permit program or its implementation or enforcement.

(b) Reviewing and acting on any application for a permit, permit revision, or permit renewal, the development of an applicable requirement as part of the processing of a permit, or permit revision or renewal.

(c) General administrative costs of running the operating permit program, including the supporting and tracking of permit applications, compliance certification, and related data entry.

(d) Implementing and enforcing the terms of any operating permit, not including any court costs or other costs associated with an enforcement action.

(e) Emissions and ambient monitoring.

(f) Modeling, analysis, or demonstration.

(g) Preparing inventories and tracking emissions.

(h) Providing direct and indirect support to facilities under the small business clean air assistance program created in part 57.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1998, Act 245, Imd. Eff. July 8, 1998.

Popular name: Act 451

Popular name: NREPA

****** 324.5522 THIS SECTION MAY NOT APPLY: See subsection (11) ******

324.5522 Fee-subject facility; air quality fees; calculation of emissions charge and facility charge; annual report detailing activities of previous fiscal year; action by attorney general for collection of fees; applicability of section; condition.

Sec. 5522. (1) Until October 1, 2027, the owner or operator of each fee-subject facility shall pay air quality fees as required and calculated under this section. The department may levy and collect an annual air quality fee from the owner or operator of each fee-subject facility in this state. The legislature intends that the fees required under this section meet the minimum requirements of the clean air act and that this expressly stated fee system serve as a limitation on the amount of fees imposed under this part on the owners or operators of fee-subject facilities in this state.

(2) The annual air quality fee is calculated for each fee-subject facility, according to the following procedure:

(a) Except as provided in subdivisions (g) and (h), for category A facilities, the annual air quality fee is the sum of an emissions charge as specified in subdivision (i) and a facility charge. The facility charge is as follows, based on the amount of fee-subject emissions:

(*i*) If the amount of fee-subject emissions is capped under subdivision (i), $45,000.00.

(*ii*) For 1,000 or more tons, $30,000.00.

(*iii*) For 100 or more tons but less than 1,000 tons, $15,750.00.

(*iv*) For 60 or more tons but less than 100 tons, $12,500.00.

(*v*) For 6 or more tons but less than 60 tons, $10,500.00.

(*vi*) For zero or more tons but less than 6 tons, $5,250.00.

(b) For category B facilities, the annual air quality fee is the sum of an emissions charge as specified in subdivision (j) and a facility charge. The facility charge is as follows, based on the amount of fee-subject emissions:

(*i*) For 2,000 or more tons, $21,000.00.

(*ii*) For 200 or more tons but less than 2,000 tons, $15,750.00.

(*iii*) For 60 or more tons but less than 200 tons, $10,500.00.

(*iv*) For 6 or more tons but less than 60 tons, $7,500.00.

(*v*) For zero or more tons but less than 6 tons, $5,250.00.

(c) For category C facilities, the annual air quality fee is the sum of an emissions charge as specified in subdivision (j) and a facility charge. The facility charge is as follows, based on the amount of fee-subject emissions:

(*i*) For 60 or more tons, $4,500.00.

(*ii*) For 6 or more tons but less than 60 tons, $3,500.00.

(*iii*) For zero or more tons but less than 6 tons, $2,500.00.

(d) For category D facilities, the annual air quality fee is the sum of an emissions charge as specified in subdivision (j) and a facility charge. The facility charge is as follows, based on the amount of fee-subject emissions:

(*i*) For 60 or more tons, $2,500.00.

(*ii*) For 6 or more tons but less than 60 tons, $2,000.00.

(*iii*) For zero or more tons but less than 6 tons, $1,795.00.

(e) For category E facilities, the annual air quality fee is as follows, based on the amount of fee-subject emissions:

(*i*) For 60 or more tons, $1,795.00.

(*ii*) For zero or more tons but less than 60 tons, $250.00.

(f) For category F facilities, the annual air quality fee is $250.00.

(g) For municipal electric generating facilities with 646 or more tons of fee-subject air emissions, the annual air quality fee is $50,000.00.

(h) For municipal electric generating facilities with less than 646 tons of fee-subject emissions, the annual air quality fee is determined in the same manner as provided in subdivision (b).

(i) The emissions charge for a category A facility that is not covered by subdivision (g) or (h) equals the emission charge rate multiplied by the actual tons of fee-subject emissions. The emission charge rate for fee-subject air pollutants is $53.00. A pollutant that qualifies as a fee-subject air pollutant under more than 1 class is charged only once. The actual tons of fee-subject emissions is considered to be the sum of all fee-subject emissions at the fee-subject facility for the calendar year 2 years preceding the year of billing, but

not more than the lesser of the following:

(*i*) 6,100 tons.

(*ii*) 1,500 tons per pollutant, if the sum of all fee-subject emissions except carbon monoxide at the fee-subject facility is less than 6,100 tons.

(j) The emissions charge for facilities that are not electric providers must be calculated in the same manner as provided in subdivision (i). However, the actual tons of fee-subject emissions is considered to be the sum of all fee-subject emissions at a fee-subject facility for the calendar year 2 years preceding the year of billing, but not more than the lesser of the following:

(*i*) 4,500 tons.

(*ii*) 1,250 tons per pollutant, if the sum of all fee-subject emissions except carbon monoxide at the fee-subject facility is less than 4,500 tons.

(3) After January 1, but before January 15 of each year, the department shall notify the owner or operator of each fee-subject facility of its assessed annual air quality fee. Payment is due within 90 calendar days after the mailing date of the air quality fee notification. If an assessed fee is challenged under subsection (5), payment is due within 90 calendar days after the mailing date of the air quality fee notification or within 30 days after receipt of a revised fee or statement supporting the original fee, whichever is later. However, to combine fee assessments, the department may adjust the billing date and due date under this subsection for category F facilities that are dry cleaning facilities also subject to the licensing requirements of section 13305 of the public health code, 1978 PA 368, MCL 333.13305, or the certification requirements of section 5i of the fire prevention code, 1941 PA 207, MCL 29.5i. The department shall deposit all fees collected under this section to the credit of the fund.

(4) If the owner or operator of a fee-subject facility fails to submit the amount due within the time period specified in subsection (3), the department shall assess the owner or operator a penalty of 5% of the amount of the unpaid fee for each month that the payment is overdue up to a maximum penalty of 25% of the total fee owed. However, to combine fee assessments, the department may waive the penalty under this subsection for dry cleaning facilities described in subsection (3).

(5) To challenge its assessed fee, the owner or operator of a fee-subject facility shall submit the challenge in writing to the department. The department shall not process the challenge unless it is received by the department within 45 calendar days after the mailing date of the air quality fee notification described in subsection (3). A challenge must identify the facility and state the grounds on which the challenge is based. Within 30 calendar days after receipt of the challenge, the department shall determine the validity of the challenge and provide the owner with notification of a revised fee or statement setting forth the reason or reasons why the fee was not revised. Payment of the challenged or revised fee is due within the time frame described in subsection (3). If the owner or operator of a facility desires to further challenge its assessed fee, the owner or operator of the facility has an opportunity for a contested case hearing as provided for under chapter 4 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.271 to 24.288.

(6) If requested by the department, by March 15 of each year, or within 45 days after the request, whichever is later, the owner or operator of each fee-subject facility shall submit to the department information regarding the facility's previous year's emissions. The information must be sufficient for the department to calculate the facility's emissions for that year and meet the requirements of 40 CFR 51.320 to 51.327.

(7) By July 1 of each year, the department shall provide the owner or operator of each fee-subject facility required to pay an emission charge under this section with a copy of the department's calculation of the facility emissions for the previous year. Within 60 days after this notification, the owner or operator of the facility may provide corrections to the department. The department shall make a final determination of the emissions by December 15 of that year. If the owner or operator disagrees with the determination of the department, the owner or operator may request a contested case hearing as provided for under chapter 4 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.271 to 24.288.

(8) By March 1 each year, the department shall prepare and submit to the governor, the legislature, the chairpersons of the standing committees of the senate and house of representatives with primary responsibility for environmental protection issues related to air quality, and the chairpersons of the subcommittees of the senate and house of representatives appropriations committees with primary responsibility for appropriations to the department a report that details the department's activities of the previous fiscal year funded by the fund. This report must include, at a minimum, all of the following as it relates to the department:

(a) The number of full-time equated positions performing title V and non-title V air quality enforcement, compliance, or permitting activities.

(b) All of the following information related to the permit to install program authorized under section 5505:

(*i*) The number of permit to install applications received by the department.

(*ii*) The number of permit to install applications for which a final action was taken by the department. The number of final actions must be reported as the number of applications approved, the number of applications denied, and the number of applications withdrawn by the applicant.

(*iii*) The number of permits to install approved that were required to complete public participation under section 5511(3) before final action and the number of permits to install approved that were not required to complete public participation under section 5511(3) before final action.

(*iv*) The average number of final permit actions per permit to install reviewer full-time equivalent position.

(*v*) The percentage and number of permit to install applications that were reviewed for administrative completeness within 10 days after receipt by the department.

(*vi*) The percentage and number of permit to install applications submitted to the department that were administratively complete as received.

(*vii*) The percentage and number of permit to install applications for which a final action was taken by the department within 180 days after receipt for those applications not required to complete public participation under section 5511(3) before final action, or within 240 days after receipt for those applications required to complete public participation under section 5511(3) before final action.

(*viii*) The percentage and number of permit to install applications for which a processing period extension was requested and granted.

(c) All of the following information for the renewable operating permit program authorized under section 5506:

(*i*) The number of renewable operating permit applications received by the department.

(*ii*) The number of renewable operating permit applications for which a final action was taken by the department. The number of final actions must be reported as the number of applications approved, the number of applications denied, and the number of applications withdrawn by the applicant.

(*iii*) The percentage and number of initial permit applications processed within the required time.

(*iv*) The percentage and number of permit renewals and modifications processed within the required time.

(*v*) The number of permit applications reopened by the department.

(*vi*) The number of general permits issued by the department.

(d) The number of letters of violation sent.

(e) The amount of penalties collected from all consent orders and judgments.

(f) For each enforcement action that includes payment of a penalty, a description of what corrective actions were required by the enforcement action.

(g) The number of inspections done on sources required to obtain a permit under section 5506 and the number of inspections of other sources.

(h) The number of air pollution complaints received, investigated, not resolved, and resolved by the department.

(i) The number of contested case hearings and civil actions initiated, the number of contested case hearings and civil actions completed, and the number of voluntary consent orders, administrative penalty orders, and emergency orders entered or issued, for sources required to obtain a permit under section 5506.

(j) The amount of revenue in the fund at the end of the fiscal year.

(9) A report under subsection (8) must also include the amount of revenue for programs under this part received during the prior fiscal year from fees, from federal funds, and from general fund appropriations. Each of these amounts must be expressed as a dollar amount and as a percent of the total annual cost of programs under this part.

(10) The attorney general may bring an action for the collection of the fees imposed under this section.

(11) This section does not apply if the administrator of the United States Environmental Protection Agency determines that the department is not adequately administering or enforcing the renewable operating permit program and the administrator promulgates and administers a renewable operating permit program for this state.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1998, Act 245, Imd. Eff. July 8, 1998;—Am. 2001, Act 49, Imd. Eff. July 23, 2001;—Am. 2005, Act 169, Imd. Eff. Oct. 10, 2005;—Am. 2007, Act 75, Imd. Eff. Sept. 30, 2007;—Am. 2011, Act 164, Imd. Eff. Oct. 4, 2011;—Am. 2015, Act 60, Eff. Oct. 1, 2015;—Am. 2019, Act 119, Imd. Eff. Nov. 15, 2019;—Am. 2023, Act 140, Imd. Eff. Sept. 29, 2023.

Popular name: Act 451

Popular name: NREPA

324.5523 Issuance of permits and administration and enforcement of part, rules, and state implementation plan; delegation granted by department to certain counties.

Sec. 5523. (1) A county in which a city with a population of 750,000 or more is located may apply for a

delegation from the department to issue state permits and administer and enforce the applicable provisions of this part, rules promulgated under this part, the clean air act, and the state implementation plan. After a public hearing, the department shall grant the delegation if the department finds that the county's application demonstrates all of the following:

(a) That the county program complies with the applicable provisions of this part, the rules promulgated under this part, the clean air act, and the state implementation plan.

(b) That the county has, and will continue to have, the capacity to carry out the applicable provisions of this part, rules promulgated under this part, the clean air act, and the state implementation plan including, but not limited to, adequate and qualified staff to do all of the following:

(*i*) Monitor ambient air at locations specified by the department using equipment and procedures specified by the department.

(*ii*) Process and review applications for installation permits, operating permits, tax exemptions, and construction waivers pursuant to sections 5505 and 5506, part 59, and the clean air act, demonstrating a thorough knowledge of permit applicability, procedures, and regulations by developing permits that are free of significant errors and inaccuracies as defined in the performance standards section of the annual contract between the department and participating counties.

(*iii*) Perform necessary sampling and laboratory analyses.

(*iv*) Conduct regular and complete inspections and record reviews of all significant sources of air pollution.

(*v*) Respond to citizen complaints related to air pollution.

(*vi*) Notify sources of identified violations of applicable provisions of this part, rules promulgated under this part, the clean air act, and the state implementation plan and conduct appropriate enforcement, up to and including administrative, civil, and criminal enforcement.

(*vii*) Perform dispersion modeling analyses, collect emissions release information, and develop necessary state implementation plan demonstrations.

(*viii*) Carry out other activities required by this part, rules promulgated under this part, the clean air act, and the state implementation plan.

(c) That the county has adequate funding to carry out the applicable provisions of this part, rules promulgated under this part, the clean air act, and the state implementation plan. This shall include identification of funding from air quality fees and any federal, state, or county funds along with an identification of the activities that are funded by each funding source. The county funding shall be sufficient to provide the required grantee match for any federal air pollution grant.

(d) That the county has performed in accordance with the terms of the most recent contract, if any, between the state and the county that describes the work activities and program to be carried out by the county. This shall be demonstrated through state audit reports and the county's prompt and permanent correction of any deficiencies identified in state audit reports.

(e) That the county program contains provisions for public notice and public participation consistent with this part, the rules promulgated under this part, and the clean air act.

(f) That the county has the capacity to administer the state air quality fee program in the manner prescribed in section 5522 for all fee-subject facilities subject to this part, located within the county, and subject to the delegated program of the county. This shall include an ability to identify fee-subject facilities, calculate and assess fees, implement collections, maintain a dedicated account, and process fee challenges.

(2) A delegation under this section shall be for a term of not more than 5 years and not less than 2 years, and may be renewed by the department. The delegation shall be in the form of a written contract that does all of the following:

(a) Describes the activities the county shall carry out during the term of the delegation.

(b) Provides for the delegated program to be consistent with implementation of the state's air program, using state procedures, forms, databases, and other means.

(c) Provides for ongoing communication between the county and state to assure consistency under subdivision (b).

(3) One hundred eighty days prior to the expiration of the term of delegation, the county may submit an application to the department for renewal of their delegation of authority. The department shall hold a public hearing and following the public hearing make its decision on a renewal of delegation at least 60 days prior to the expiration of the term of the delegation. The department shall deny the renewal of a delegation of authority upon a finding that the county no longer meets the criteria described in subsection (1) or provisions of the delegation contract. The county may appeal a finding under subsection (1) or this subsection to a court of competent jurisdiction.

(4) A county delegated authority under this section annually shall submit a report to the department that documents the county's ability to meet the criteria described in subsection (1) and the delegation contract

during the past 12 months.

(5) In addition to the report of the county under subsection (4), the auditor general of the state shall annually submit to the governor, the legislature, and the department an independent report regarding whether a county meets the criteria provided in subsection (1) and a review of the fiscal integrity of a county delegated authority under this section. The auditor general's report shall also determine the county's pro rata share of the state's support services for title V programs that are attributable to and payable by a county.

(6) Within 60 days after a county delegated authority under this section submits its annual report as required under subsection (4), the department shall notify the county, in writing, whether the report of the county meets the requirements of this section or states, with particularity, the deficiencies in that report or any findings in the auditor general's report that render the county in noncompliance with the criteria in subsection (1). The county shall have 90 days to correct any stated deficiencies. If the department finds that the deficiencies have not been corrected by the county, the department shall notify the county, in writing, within 30 days of the submission of the county's corrections and may terminate a county's delegation. The county shall have 21 days from receipt of the decision of termination in which to appeal the department's decision to a court of competent jurisdiction. If the department fails to notify the county within 60 days, the report shall be considered satisfactory for the purposes of this subsection.

(7) Notwithstanding any other statutory provision, rule, or ordinance, a county delegated authority under this section to administer and enforce this part shall issue state permits and implement its responsibilities only in accordance with its delegation, the delegation contract, this part, rules promulgated under this part, the clean air act, and the applicable provisions of the state implementation plan. State permits issued by a county that is delegated authority under this section have the same force and effect as permits issued by the department, and if such a county issues a state permit pursuant to section 5505 or 5506, no other state or county permit is required pursuant to section 5505 or 5506, respectively.

(8) Upon receipt of a permit application, prior to taking final action to issue a state permit or entering into a consent order, the county shall transmit to the department a copy of each administratively complete permit application, application for a permit modification or renewal, proposed permit, or proposed consent order. The county shall transmit to the department a copy of each state permit issued by the county and consent order entered within 30 days of issuance of the state permit or entry of the consent order.

(9) Notwithstanding a delegation under this part, the department retains the authority to bring any appropriate enforcement action under sections 5515, 5516, 5518, 5526, 5527, 5528, 5529, 5530, 5531, and 5532 as authorized under this part and the rules promulgated under this part to enforce this part and the rules promulgated under this part. The department may bring any appropriate action to enforce a state permit issued or a consent order entered into by a county to which authority is delegated.

(10) Notwithstanding any other provision of this part, in a county that has been delegated authority under this section, that county shall impose and collect fees in the manner prescribed in section 5522 on all fee-subject facilities subject to this part and located within the corporate boundaries and subject to the delegated program of the county. The department shall not levy or collect an annual air quality fee from the owner or operator of a fee-subject facility who pays fees pursuant to this section. A county that is delegated authority under this section shall not assess a fee for a program or service other than as provided for in this part or title V or assess a fee covered by this part or title V greater than the fees set forth in section 5522. A county that is delegated authority under this section shall pay to the state the pro rata share of the state's support services for title V programs attributable to the county.

(11) Fees imposed and collected by a county with delegated authority under this section shall be paid to the county treasury.

(12) The county treasurer of a county delegated authority under this section shall create a clean air implementation account in the county treasury, and the county treasurer shall deposit all fees received pursuant to the delegation authorized under this section in the account. The fees shall be expended only in accordance with section 5521(6), the rules promulgated under this part, and the clean air act.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 1998, Act 245, Imd. Eff. July 8, 1998.

Popular name: Act 451

Popular name: NREPA

324.5524 Fugitive dust sources or emissions.

Sec. 5524. (1) The provisions of this section, including subsection (2), shall apply to any fugitive dust source at all mining operations, standard industrial classification major groups 10 through 14; manufacturing operations, standard industrial classification major groups 20 through 39; railroad transportation, standard industrial classification major group 40; motor freight transportation and warehousing, standard industrial

classification major group 42; electric services, standard industrial classification group 491; sanitary services, standard industrial classification group 495; and steam supply, standard industrial classification group 496, which are located in areas listed in table 36 of R 336.1371 of the Michigan administrative code.

(2) Except as provided in subsection (8), a person responsible for any fugitive dust source regulated under this section shall not cause or allow the emission of fugitive dust from any road, lot, or storage pile, including any material handling activity at a storage pile, that has an opacity greater than 5% as determined by reference test method 9d. Except as otherwise provided in subsection (8) or this section, a person shall not cause or allow the emission of fugitive dust from any other fugitive dust source that has an opacity greater than 20% as determined by test method 9d. The provisions of this subsection shall not apply to storage pile material handling activities when wind speeds are in excess of 25 miles per hour (40.2 kilometers per hour).

(3) In addition to the requirements of subsection (2), and except as provided in subdivisions (e), (f), and (g), a person shall control fugitive dust emissions in a manner that results in compliance with all of the following provisions:

(a) Potential fugitive dust sources shall be maintained and operated so as to comply with all of the following applicable provisions:

(*i*) All storage piles of materials, where the total uncontrolled emissions of fugitive dust from all such piles at a facility is in excess of 50 tons per year and where such piles are located within a facility with potential particulate emissions from all sources including fugitive dust sources and all other sources exceeding 100 tons per year, shall be protected by a cover or enclosure or sprayed with water or a surfactant solution, or treated by an equivalent method, in accordance with the operating program required by subsection (4).

(*ii*) All conveyor loading operations to storage piles specified in subparagraph (*i*) shall utilize spray systems, telescopic chutes, stone ladders, or other equivalent methods in accordance with the operating program required by subsection (4). Batch loading operations to storage piles specified in subparagraph (*i*) shall utilize spray systems, limited drop heights, enclosures, or other equivalent methods in accordance with the operating program required by subsection (4). Unloading operations from storage piles specified in subparagraph (*i*) shall utilize rake reclaimers, bucket wheel reclaimers, under-pile conveying, pneumatic conveying with baghouse, water sprays, gravity-feed plow reclaimer, front-end loaders with limited drop heights, or other equivalent methods in accordance with the operating program required by subsection (4).

(*iii*) All traffic pattern access areas surrounding storage piles specified in subparagraph (*i*) and all traffic pattern roads and parking facilities shall be paved or treated with water, oils, or chemical dust suppressants. All paved areas, including traffic pattern access areas surrounding storage piles specified in subparagraph (*i*), shall be cleaned in accordance with the operating program required by subsection (4). All areas treated with water, oils, or chemical dust suppressants shall have the treatment applied in accordance with the operating program required by subsection (4).

(*iv*) All unloading and transporting operations of materials collected by pollution control equipment shall be enclosed or shall utilize spraying, pelletizing, screw conveying, or other equivalent methods.

(*v*) Crushers, grinding mills, screening operations, bucket elevators, conveyor transfer points, conveyor bagging operations, storage bins, and fine product truck and railcar loading operations shall be sprayed with water or a surfactant solution, utilize choke-feeding, or be treated by an equivalent method in accordance with an operating program required under subsection (4). This subparagraph shall not apply to high-lines at steel mills.

(b) If particulate collection equipment is operated pursuant to this section, emissions from such equipment shall not exceed 0.03 grains per dry standard cubic foot (0.07 grams per cubic meter).

(c) A person shall not cause or allow the operation of a vehicle for the transporting of bulk materials with a silt content of more than 1% without employing 1 or more of the following control methods:

(*i*) The use of completely enclosed trucks, tarps, or other covers for bulk materials with a silt content of 20% or more by weight.

(*ii*) The use of tarps, chemical dust suppressants, or water in sufficient quantity to maintain the surface in a wet condition for bulk materials with a silt content of more than 5% but less than 20%.

(*iii*) Loading trucks so that no part of the load making contact with any sideboard, side panel, or rear part of the load comes within 6 inches of the top part of the enclosure for bulk materials with a silt content of more than 1% but not more than 5%.

(d) All vehicles for transporting bulk materials off-site shall be maintained in such a way as to prevent leakage or spillage and shall comply with the requirements of section 720 of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being section 257.720 of the Michigan Compiled Laws, and with R 28.1457 of the Michigan administrative code.

(e) The provisions of subdivisions (c) and (d) do not apply to vehicles with less than a 2-ton capacity that are used to transport sand, gravel, stones, peat, or topsoil.

(f) The provisions of subdivision (c)(*i*) and (*ii*) do not apply to fly ash which has been thoroughly wetted and has the property of forming a stable crust upon drying.

(g) The provisions of subdivision (c) do not apply to the transportation of iron or steel slag if the vehicles do not leave the facility and the slag has a temperature of 200 degrees fahrenheit or greater.

(4) All fugitive dust sources subject to the provisions of this section shall be operated in compliance with both the provisions of an operating program that shall be prepared by the owner or operator of the source and submitted to the department and with applicable provisions of this section. Such operating program shall be designed to significantly reduce the fugitive dust emissions to the lowest level that a particular source is capable of achieving by the application of control technology that is reasonably available, considering technological and economic feasibility. The operating program shall be implemented with the approval of the department.

(5) The operating program required by subsection (4) is subject to review and approval or disapproval by the department and shall be considered approved if not acted on by the department within 90 days of submittal. All programs approved by the department shall become a part of a legally enforceable order or as part of an approved permit to install or operate. At a minimum, the operating program shall include all of the following:

(a) The name and address of the facility.

(b) The name and address of the owner or operator responsible for implementation of the operating program.

(c) A map or diagram of the facility showing all of the following:

(*i*) Approximate locations of storage piles.

(*ii*) Conveyor loading operations.

(*iii*) All traffic patterns within the facility.

(d) The location of unloading and transporting operations with pollution control equipment.

(e) A detailed description of the best management practices utilized to achieve compliance with this section, including an engineering specification of particulate collection equipment, application systems for water, oil, chemicals, and dust suppressants utilized, and equivalent methods utilized.

(f) A test procedure, including record keeping, for testing all waste or recycled oils used for fugitive dust control for toxic contaminants.

(g) The frequency of application, application rates, and dilution rates if applicable, of dust suppressants by location of materials.

(h) The frequency of cleaning paved traffic pattern roads and parking facilities.

(i) Other information as may be necessary to facilitate the department's review of the operating program.

(6) Except for fugitive dust sources operating programs approved by the department pursuant to R 336.1373 of the Michigan administrative code between April 23, 1985 and May 12, 1987, the owner or operator of a source shall submit the operating program required by subsection (4) to the department by August 12, 1987.

(7) The operating program required by subsection (4) shall be amended by the owner or operator so that the operating program is current and reflects any significant change in the fugitive dust source or fugitive dust emissions. An amendment to an operating program shall be consistent with the requirements of this section and shall be submitted to the department for its review and approval or disapproval.

(8) Upon request by the owner or operator of a fugitive dust source, the department may establish alternate provisions to those specified in this section, if all of the following conditions are met:

(a) The fugitive dust emitting process, operation, or activity is subject to either of the following:

(*i*) The opacity limits of subsection (2).

(*ii*) The spray requirements of subsection (3)(a)(*i*) to (*v*).

(b) An alternate provision shall not be established by the department unless the department is reasonably convinced of all of the following:

(*i*) That a fugitive dust emitting process, operation, or activity subject to the alternate provisions is in compliance or on a legally enforceable schedule of compliance with the other rules of the department.

(*ii*) That compliance with the provisions of this section is not technically or economically reasonable.

(*iii*) That reasonable measures to reduce fugitive emissions as required by this section have been implemented in accordance with or will be implemented in accordance with a schedule approved by the department.

(9) Any alternate provisions approved by the department pursuant to subsection (8) shall be submitted to the United States environmental protection agency as an amendment to the state implementation plan.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5525 Definitions.

Sec. 5525. As used in section 5524:

(a) "Control equipment or pollution control equipment" has the meaning ascribed to control equipment in R 336.1103 of the Michigan administrative code.

(b) "Fine product" means materials which will pass through a 20-mesh screen or those particles with aerodynamic diameters of 830 microns or less.

(c) "Fugitive dust" has the meaning ascribed to it in R 336.1106 of the Michigan administrative code.

(d) "Fugitive dust source" means any fugitive dust emitting process, operation, or activity regulated under section 5524.

(e) "Opacity" has the meaning ascribed to it in R 336.1115 of the Michigan administrative code.

(f) "Particulate" means any air contaminant existing as a finely divided liquid or solid, other than uncombined water, as measured by a reference test specified in subsection (5) of R 336.2004 of the Michigan administrative code or by an equivalent or alternative method.

(g) "Potential particulate emissions" means those emissions of particulate matter expected to occur without control equipment, unless such control equipment is, aside from air pollution control requirements, vital to the production of the normal product of the source or to its normal operation. Annual potential particulate emissions shall be based on the maximum annual-rated capacity of the source, unless the source is subject to enforceable permit conditions or enforceable orders which limit the operating rate or the hours of operation or both. Enforceable agreements or permit conditions on the type or amount of materials combusted or processed shall be used in determining the potential particulate emission rate of a source.

(h) "Process" or "process equipment" has the meaning ascribed to it in R 336.1116 of the Michigan administrative code.

(i) "Silt content" means that portion, by weight, of a particulate material which will pass through a number 200 (75 micron) wire sieve as determined by the American society of testing material, test C-136-76.

(j) "Test method 9D" means the method by which visible emissions of fugitive dust shall be determined according to test method 9 as set forth in appendix A-reference methods in 40 CFR, part 60, with the following modifications:

(*i*) The data reduction provisions of section 2.5 of method 9 shall be based on an average of 12 consecutive readings recorded at 15-second intervals.

(*ii*) For roadways and parking lots, opacity observations shall be made from a position such that the observer's line of vision is approximately perpendicular to the plume direction and approximately 4 feet directly above the surface of the road or parking area from which the emissions are being generated. The observer shall not look continuously at the plume, but instead shall observe the plume momentarily at 15-second intervals at the point of maximum plume density. Consecutive readings must be suspended for any 15-second period if a vehicle is in the observer's line of sight. If this occurs, a "V" shall be used in lieu of a numerical value, and a footnote shall be made to indicate that "V" signifies that the observer's view was obstructed by a vehicle. Readings shall continue at the next 15-second period, and they shall be considered consecutive to the reading immediately preceding the 15-second period denoted by a "V". Consecutive readings also shall be suspended for any 15-second period if a vehicle passes through the area traveling in the opposite direction and creates a plume that is intermixed with the plume being read. If this occurs, an "I" shall be used in lieu of a numerical value, and a footnote shall be made to indicate that "I" signifies that the readings were terminated due to interference from intermixed plumes. Readings shall continue when, in the judgment of the observer, the plume created by the vehicle traveling in the opposite direction no longer interferes with the plume originally being read; and they shall be considered consecutive to the reading immediately preceding the 15-second period denoted by an "I". Intermixing of plumes from vehicles traveling in the same direction represents the road conditions, and reading shall continue in the prescribed manner. A reading encompassing an unusual condition (such as a broken bag of cement on the pavement) cannot be used to represent the entire surface condition involved. In such cases, another set of readings, encompassing the average surface condition, must be conducted. For all other fugitive dust sources except roadways and parking lots, opacity observations shall be made from a position that provides the observer a clear view of the source and the fugitive dust with the sun behind the observer. A position at least 15 feet from the source is recommended. To the extent possible, the line of sight should be approximately perpendicular to the flow of fugitive dust and to the longer axis of the emissions. Opacity observations shall be made for the point of highest opacity within the fugitive dust. Since the highest opacity usually occurs immediately above or downwind of the source, the observer should normally concentrate on the area or areas of the plume close to

the source.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5526 Investigation; inspection; furnishing duplicate of analytical report; powers of department or authorized representative; entry or access to records refused; powers of attorney general; "authorized representative" defined.

Sec. 5526. (1) The department may, upon the presentation of credentials and other documents as may be required by law, and upon stating the authority and purpose of the investigation, enter and inspect any property at reasonable times for the purpose of investigating either an actual or suspected source of air pollution or ascertaining compliance or noncompliance with this part, rules promulgated under this part, the clean air act, a permit issued under this part, or any determination or order issued under this part. If in connection with an investigation or inspection, samples of air contaminants are taken for analysis, a duplicate of the analytical report shall be furnished promptly to the person who is suspected of causing the air pollution. In implementing this subsection, the department or its authorized representative may do any of the following:

(a) Have access to and copy, at reasonable times, any records that are required to be maintained pursuant to this part, rules promulgated under this part, the clean air act, a permit issued under this part, or any determination or order issued under this part.

(b) Inspect at reasonable times any facility, equipment, including monitoring and air pollution control equipment, practices, or operations regulated or required under this part, rules promulgated under this part, the clean air act, a permit issued under this part, or any determination or order issued under this part.

(c) Sample or monitor at reasonable times substances or parameters for the purpose of determining compliance with this part, rules promulgated under this part, the clean air act, a permit issued under this part, or any determination or order issued under this part. The department may enter into a contract with a person to sample and monitor as authorized under this subdivision.

(2) If the department, or an authorized representative of the department, is refused entry or access to records and samples under subsection (1) for the purposes of utilizing this section, the attorney general, on behalf of the state, may do either of the following:

(a) Petition the court of appropriate jurisdiction for a warrant authorizing entry or access to records and samples pursuant to this section.

(b) Commence a civil action to compel compliance with a request for entry and access to records and samples pursuant to this section, to authorize entry and access to records and samples provided for in this section, and to enjoin interference with the utilization of this section.

(3) As used in this section, "authorized representative" means any of the following:

(a) A full- or part-time employee of the department of natural resources or other state department or agency to which the department delegates certain duties under this section.

(b) A county to which authority is delegated under section 5523.

(c) For the purpose of utilizing the powers conferred in subsection (1)(c), a contractor retained by the state or a county to which authority is delegated under section 5523.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5527 Emergency; definition; affirmative defense; burden of proof.

Sec. 5527. (1) As used in this section, "emergency" means a situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, war, strike, riot, catastrophe, or other condition as to which negligence on the part of the person was not the proximate cause, that requires immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation contained in an operating permit issued pursuant to section 5506, a permit to install or permit to operate issued pursuant to section 5505, or any rule promulgated under this part due to unavoidable increases in emissions attributable to the situation. An emergency does not include acts of noncompliance caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error.

(2) An emergency constitutes an affirmative defense to an action brought for noncompliance with a technology-based emission limitation contained in an operating permit issued pursuant to section 5506, a permit to install or permit to operate issued pursuant to section 5505, or any rule promulgated under this part

if the emergency is demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that establishes all of the following:

(a) An emergency occurred and that the defendant can identify the cause or causes of the emergency.

(b) The source was properly operated at the time of the emergency.

(c) During the emergency the defendant took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit.

(d) The defendant submitted notice of the emergency to the department within 2 working days after the emission limitation was exceeded due to the emergency. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

(3) In any enforcement proceeding, the defendant seeking to establish the occurrence of an emergency has the burden of proof.

History: 1994, Act 451, Eff. Mar. 30, 1995;—Am. 2000, Act 474, Imd. Eff. Jan. 11, 2001.

Popular name: Act 451

Popular name: NREPA

324.5528 Violation of part, rule, terms of permit, or order; agreement to correct violation; consent order; public notice and opportunity for public comment; providing copy of proposed consent order.

Sec. 5528. (1) If the department believes that a violation of this part or a rule promulgated under this part exists, or a violation of the terms of a permit issued under this part exists, the department shall provide the person responsible for the alleged violation with the opportunity to enter into an agreement with the department to correct the alleged violation. The agreement may provide for monetary or other relief as agreed upon by the parties. The agreement shall be in the form of a consent order and shall provide for compliance with this part and rules promulgated under this part and compliance with any applicable permit issued under this part. In addition, each consent order shall contain a compliance schedule that provides for reasonable progress toward full compliance by a designated date.

(2) If the department believes that a violation of an order issued under this part exists, the department may provide the person responsible for the alleged violation with the opportunity to enter into an agreement with the department to correct the alleged violation. The agreement may provide for monetary or other relief as agreed upon by the parties. The agreement shall be in the form of a consent order and shall provide for compliance with this part and rules promulgated under this part and compliance with any applicable permit or order issued under this part. In addition, each consent order shall contain a compliance schedule that provides for reasonable progress toward full compliance by a designated date.

(3) The department shall provide public notice and an opportunity for public comment on the terms and conditions of a consent order. Upon the request of any person the department shall provide a copy of the proposed consent order.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5529 Administrative fine; limitation; petition for review of fine.

Sec. 5529. (1) The department may assess an administrative fine of up to $10,000.00 for each instance of violation and, if the violation continues, for each day of continued noncompliance, if the department, on the basis of available information, finds that the person has violated or is in violation of this part or a rule promulgated under this part, has failed to obtain a permit required under this part, violates an order under this part, or has failed to comply with the terms of a permit issued under this part. If a single event constitutes an instance of violation of any combination of this part, a rule promulgated under this part, or a permit issued or order entered under this part, the amount of the administrative fine for that single event shall not exceed $10,000.00 for that violation. The assessment of an administrative fine may be either a part of a compliance order or a separate order issued by the department.

(2) The authority of the department under this section is limited to matters where the total administrative fine sought does not exceed $100,000.00 and the first alleged date of violation occurred within 12 months prior to initiation of the administrative action. Except as may otherwise be provided by applicable law, the department shall not condition the issuance of a permit on the payment of an administrative fine assessed pursuant to this section.

(3) Within 28 days of being assessed an administrative fine from the department, a person may file a petition with the department for review of this fine. Review of the fine shall be conducted pursuant to the

contested case procedures of the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.271 to 24.287 of the Michigan Compiled Laws. If issued as part of a consent order issued pursuant to section 5528, only the amount of the administrative fine and the alleged violation on which the fine is based are subject to the contested case procedures of Act No. 306 of the Public Acts of 1969.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5530 Commencement of civil action by attorney general; relief; costs; jurisdiction; defenses; fines.

Sec. 5530. (1) The attorney general may commence a civil action against a person for appropriate relief, including injunctive relief, and a civil fine as provided in subsection (2) for any of the following:

(a) Violating this part or a rule promulgated under this part.

(b) Failure to obtain a permit under this part.

(c) Failure to comply with the terms of a permit or an order issued under this part.

(d) Failure to pay an air quality fee or comply with a filing requirement under this part.

(e) Failure to comply with the inspection, entry, and monitoring requirements of this part.

(f) A violation described in section 5518(2).

(2) In addition to any other relief authorized under this section, the court may impose a civil fine of not more than $10,000.00 for each instance of violation and, if the violation continues, for each day of continued violation.

(3) In addition to other relief authorized under this section, the attorney general may, at the request of the department, file an action in a court of competent jurisdiction to recover the full value of the injuries done to the natural resources of the state.

(4) In issuing a final order in an action brought pursuant to this section, the court may award costs of litigation, including, but not limited to, reasonable attorney and expert witness fees, to the prevailing or substantially prevailing party if the court determines that such an award is appropriate.

(5) A civil action brought under this section may be brought in the county in which the defendant is located, resides, or is doing business, or in the circuit court for the county of Ingham, or in the county in which the registered office of a defendant corporation is located, or in the county where the violation occurred.

(6) General defenses and affirmative defenses, that may otherwise apply under state law may apply in an action brought under this section as determined to be appropriate by a court of competent jurisdiction.

(7) Fines imposed under this section shall be assessed for each instance of violation and, if the violation is continuous, shall be assessable up to the maximum amount for each day of violation.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5531 Violations as misdemeanors; violations as felonies; fines; defenses; definitions.

Sec. 5531. (1) A person who knowingly violates any requirement or prohibition of an applicable requirement of this part or a rule promulgated under this part or who fails to obtain or comply with a permit or comply with a final order or order of determination issued under this part is guilty of a misdemeanor punishable by a fine of not more than $10,000.00 per day, for each violation.

(2) A person who knowingly makes a false material statement, representation, or certification in, or omits material information from, or knowingly alters, conceals, or fails to file any notice, application, record, report, plan, or other document required to be submitted pursuant to this part or a rule promulgated under this part, or who knowingly fails to notify or report information required to be submitted under this part or a rule promulgated under this part, or who knowingly falsifies, tampers with, renders inaccurate, or knowingly fails to install any monitoring device or method required under this part or a rule promulgated under this part, is guilty of a misdemeanor punishable by imprisonment for not more than 1 year and a fine of not more than $10,000.00 per day, for each violation.

(3) A person who knowingly fails to pay any air quality fee owed under this part is guilty of a misdemeanor punishable by a fine of not more than $10,000.00.

(4) A person who knowingly releases into the ambient air any specific chemical or any hazardous air pollutant listed in 40 C.F.R. part 68, section 68.130 (January 19, 1993) pursuant to the authority of section 112(r) of part A of title I of the clean air act, 84 Stat. 1685, 42 U.S.C. 7412, or both, contrary to applicable federal, state, or local requirements, or contrary to a permit issued under this part, and because of the

quantities or concentrations of the substance released knows or should have known at the time that the release places another person in imminent danger of death or serious bodily injury is guilty of a felony punishable by imprisonment for not more than 2 years or a fine of not more than $10,000.00, or both.

(5) A person who knowingly releases or causes the release into the ambient air any specific chemical or any hazardous air pollutant listed in 40 C.F.R. part 68, section 68.130 (January 19, 1993) pursuant to the authority of section 112(r) of part A of title I of the clean air act, 84 Stat. 1685, 42 U.S.C. 7412, or both, contrary to applicable federal, state, or local requirements, or contrary to a permit issued under this part, and who knows or should have known at the time that the release places another person in imminent danger of death or serious bodily injury, and the release results in death or serious bodily injury to any person is guilty of a felony punishable by imprisonment for not more than 6 years or a fine of not more than $25,000.00, or both.

(6) A person who knowingly releases into the ambient air any specific chemical or any hazardous air pollutant listed in 40 C.F.R. part 68, section 68.130 (January 19, 1993) pursuant to the authority of section 112(r) of part A of title I of the clean air act, 84 Stat. 1685, 42 U.S.C. 7412, or both, contrary to applicable federal, state, or local requirements, or contrary to a permit issued under this part, and who intended at that time to place another person in imminent danger of death or serious bodily injury, and whose actions do result in death or cause serious bodily injury to any person is guilty of a felony punishable by imprisonment for not more than 15 years or a fine of not more than $250,000.00, or both.

(7) In determining whether a defendant who is an individual knew that the violation placed another person in imminent danger of death or serious bodily injury as required under subsections (4), (5), and (6), the defendant is responsible only for actual awareness or actual belief possessed, and knowledge possessed by a person other than the defendant, but not by the defendant, may not be attributed to the defendant. However, in proving a defendant's possession of actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to be shielded from relevant information.

(8) Fines imposed under this section shall be assessed for each instance of violation and, if the violation is continuous, shall be assessable up to the maximum amount for each day of violation.

(9) A defendant may establish an affirmative defense to a prosecution under this section by showing by a preponderance of the evidence that the conduct charged was freely consented to by the person endangered and that the danger and conduct charged were reasonably foreseeable hazards of any of the following:

(a) An occupation, a business, or a profession.

(b) Medical treatment or medical or scientific experimentation conducted by professionally approved methods if the person had been made aware of the risks involved prior to giving consent.

(10) All general defenses, affirmative defenses, and bars to prosecution that may otherwise apply with respect to state criminal offenses may apply under this section and shall be determined by the courts of this state having jurisdiction according to the principles of common law as they may be interpreted in the light of reason and experience. Concepts of justification and excuse applicable under this section may be developed by the courts in the light of reason and experience.

(11) Fines shall not be imposed pursuant to this section for a violation that was caused by an act of God, war, strike, riot, catastrophe, or other condition to which negligence or willful misconduct on the part of the person was not the proximate cause.

(12) As used in this section:

(a) "Serious bodily injury" means bodily injury that involves a substantial risk of death, unconsciousness, extreme physical pain, protracted and obvious disfigurement or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

(b) "Specific chemical" means a hazardous air pollutant listed in section 112(b)(1) of Part A of title I of the clean air act, 84 Stat. 1685, 42 U.S.C. 7412, except for the following compounds:

(*i*) Antimony compounds.

(*ii*) Arsenic compounds (inorganic including arsine).

(*iii*) Beryllium compounds.

(*iv*) Cadmium compounds.

(*v*) Chromium compounds.

(*vi*) Cobalt compounds.

(*vii*) Coke oven emissions.

(*viii*) Cyanide compounds.

(*ix*) Glycol ethers.

(*x*) Lead compounds.

(*xi*) Manganese compounds.

(*xii*) Mercury compounds.

(*xiii*) Fine mineral fibers.
(*xiv*) Nickel compounds.
(*xv*) Polycyclic organic matter.
(*xvi*) Radionuclides (including radon).
(*xvii*) Selenium compounds.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5532 Civil or criminal fines; factors to be considered in determining amount.

Sec. 5532. (1) A civil or criminal fine assessed, sought, or agreed upon under this part shall be appropriate to the violation.

(2) In determining the amount of any fine levied under this part, all of the following factors shall be considered:

(a) The size of the business.

(b) The economic impact of the penalty on the business.

(c) The violator's full compliance history and good faith efforts to comply.

(d) The duration of the violation as established by any credible evidence, including evidence other than the applicable test method.

(e) Payment by the violator of penalties previously assessed for the same violation.

(f) The economic benefit of noncompliance.

(g) The seriousness of the violation.

(h) Such other factors as justice may require.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5533 Award; eligibility; rules.

Sec. 5533. The department may pay an award of up to $10,000.00 to an individual who provides information resulting in the assessment of a civil fine by a court in an action brought by the attorney general pursuant to section 5530, or leading to the arrest and conviction of a person under section 5531. An officer or employee of the United States, state of Michigan, an authorized representative of the department as defined in section 5526(3), or any other state or local government who furnishes information described in this section in the performance of an official duty is ineligible for payment under this section. In addition, an employee of the department of natural resources, a designee of the department of natural resources, or a person employed by the department of attorney general is ineligible to receive an award under this section regardless of whether the reported information came to his or her attention while functioning in an official capacity or as a private citizen. A person may not receive an award under this section for a violation of this part made by that person alone or in conjunction with others. An award shall not be made under this section until rules are promulgated by the department prescribing the criteria for making awards.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5534 Repealed. 1999, Act 231, Imd. Eff. Dec. 28, 1999.

Compiler's note: The repealed section pertained to certain violations exempt from penalties.

Popular name: Act 451

Popular name: NREPA

324.5535 Suspension of enforcement; reasons; variance.

Sec. 5535. Notwithstanding any other provision of this part, the department may suspend the enforcement of the whole or any part of any rule as it applies to any person who shows that the enforcement of the rule would be inequitable or unreasonable as to that person, or the department may suspend the enforcement of the rule for any reason considered by it to be sufficient to show that the enforcement of the rule would be an unreasonable hardship upon the person. Upon any suspension of the whole or any part of the rule the department shall grant to the person a variance from that rule. The department shall not suspend enforcement or grant a variance under this section that would violate the clean air act.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5536 Variance; considerations effecting.

Sec. 5536. In determining under what conditions and to what extent a variance from a rule or regulation that would not violate the clean air act may be granted, the department shall give due recognition to the progress which the person requesting the variance has made in eliminating or preventing air pollution. The department shall consider the reasonableness of granting a variance conditioned upon the person effecting a partial control of the particular air pollution or a progressive control of the air pollution over a period of time that it considers reasonable under all the circumstances or the department may prescribe other and different reasonable requirements with which the person receiving the variance shall comply.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5537 Variance; granting for undue hardship.

Sec. 5537. The department shall grant a variance from any rule to, and suspend the enforcement of the rule as it applies to, any person who shows in the case of the person and of the source, process, or process equipment that the person operates that his or her compliance with the rule or regulation, and that the acquisition, installation, operation and maintenance of a source or process, or process equipment required or necessary to accomplish the compliance, would constitute an undue hardship on the person and would be out of proportion to the benefits to be obtained by compliance. A variance shall not be granted under this section if the person applying for the variance is causing air pollution that is injurious to the public health or if the granting of the variance would violate the clean air act. Any variance granted shall not be construed as relieving the person who receives it from any liability imposed by other law for the maintenance of a nuisance.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5538 Variance; period granted; report; conditions.

Sec. 5538. Any variance granted pursuant to sections 5535, 5536, and 5537 shall be granted for a period of time, that does not exceed 1 year, as is specified by the department at the time of granting it, but any variance may be continued from year to year. Any variance granted by the department may be granted on the condition that the person receiving it shall report to the department periodically, as the department specifies, as to the progress which the person has made toward compliance with the rule of the department.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5539 Variance; revocation or modification of order; public hearing and notice required.

Sec. 5539. The department may revoke or modify any order permitting a variance by written order, after a public hearing held upon not less than 10 days' notice.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5540 Purpose of part; alteration of existing rights of actions or remedies.

Sec. 5540. It is the purpose of this part to provide additional and cumulative remedies to prevent and abate air pollution. This part does not abridge or alter rights of action or remedies now or hereafter existing. This part or anything done by virtue of this part shall not be construed as estopping persons from the exercise of their respective rights to suppress nuisances or to prevent or abate air pollution.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5541 Construction of part; evidentiary effect of determination by commission.

Sec. 5541. This part does not repeal any of the laws relating to air pollution which are not by this part

expressly repealed. This part is ancillary to and supplements the laws now in force, except as they may be in direct conflict with this part. The final order or determination of the department shall not be used as evidence of presumptive air pollution in any suit filed by any person other than the department.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

324.5542 Effect on existing ordinances or regulations; local enforcement; cooperation with local governmental units.

Sec. 5542. (1) Nothing in this part or in any rule promulgated under this part invalidates any existing ordinance or regulation having requirements equal to or greater than the minimum applicable requirements of this part or prevents any political subdivision from adopting similar provisions if their requirements are equal to or greater than the minimum applicable requirements of this part.

(2) When a political subdivision or enforcing official of a political subdivision fails to enforce properly the provisions of the political subdivision's ordinances, laws, or regulations that afford equal protection to the public as provided in this part, the department, after consultation with the local official or governing body of the political subdivision, may take such appropriate action as may be necessary for enforcement of the applicable provisions of this part.

(3) The department shall counsel and advise local units of government on the administration of this part. The department shall cooperate in the enforcement of this part with local officials upon request.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Popular name: Act 451

Popular name: NREPA

PART 57
SMALL BUSINESS CLEAN AIR ASSISTANCE

324.5701 Definitions.

Sec. 5701. As used in this part:

(a) "Clean air act" means chapter 360, 69 Stat. 322, 42 U.S.C. 7401 to 7431, 7470 to 7479, 7491 to 7492, 7501 to 7509a, 7511 to 7515, 7521 to 7525, 7541 to 7545, 7547 to 7550, 7552 to 7554, 7571 to 7574, 7581 to 7590, 7601 to 7612, 7614 to 7617, 7619 to 7622, 7624 to 7627, 7641 to 7642, 7651 to 7651o, 7661 to 7661f, and 7671 to 7671q and the regulations promulgated under that act.

(b) "Office" means the office of the small business clean air ombudsman.

(c) "Ombudsman" means the small business clean air ombudsman.

(d) "Program" means the small business clean air assistance program.

(e) "Small business" means a business that is independently owned and operated and that is not dominant in its field as defined in 13 C.F.R. 121 and, unless adjusted as authorized under this section or section 5702, is a stationary source that meets all of the following requirements:

(*i*) Is owned or operated by a person that employs 100 or fewer individuals.

(*ii*) Is a small business concern as defined in the small business act, Public Law 85-536, 72 Stat. 384.

(*iii*) Is not a major stationary source as defined in Titles I and III of the clean air act or is a major stationary source as defined in Titles I and III of the clean air act because of its location in a nonattainment area.

(*iv*) Emits less than 50 tons per year of any air contaminant or air pollutant regulated pursuant to part 55 or the clean air act.

(*v*) Emits less than 75 tons per year of all air contaminants or air pollutants regulated pursuant to part 55 or the clean air act.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities, including budgeting procurement and management-related functions, of the office of the small business clean air ombudsman to the Michigan jobs commission, see E.R.O. No. 1995-1, compiled MCL 408.49 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5702 “Small business stationary source” explained.

Sec. 5702. (1) Upon petition by a source, the department may, after notice and opportunity for public comment, include as a small business stationary source for purposes of this section any stationary source that does not meet the criteria of subparagraph (*iii*), (*iv*), or (*v*) of section 5701(e) but which does not emit more

than 100 tons per year of all air contaminants and air pollutants regulated pursuant to part 55 or the clean air act.

(2) The department, in consultation with the administrator of the United States environmental protection agency and the administrator of the United States small business administration and after providing notice and opportunity for public hearing, may exclude from the small business stationary source definition any category or subcategory of sources that the state determines to have sufficient technical and financial capabilities to meet the requirements of the clean air act and part 55 without the application of this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities, including budgeting procurement and management-related functions, of the office of the small business clean air ombudsman to the Michigan jobs commission, see E.R.O. No. 1995-1, compiled MCL 408.49 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5703 Office of small business clean air ombudsman; creation; exercise of powers and duties; appointment of executive officer.

Sec. 5703. (1) The office of the small business clean air ombudsman is created within the department of commerce. The office shall exercise its powers and duties independently of any state department or entity.

(2) The principal executive officer of the office is the small business clean air ombudsman, who shall be appointed by the governor.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities, including budgeting procurement and management-related functions, of the office of the small business clean air ombudsman to the Michigan jobs commission, see E.R.O. No. 1995-1, compiled at MCL 408.49 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Environmental Assistance Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5704 Office of ombudsman; responsibilities and duties.

Sec. 5704. The office of the ombudsman is responsible for assessing and ensuring that the goals of the program are being met and in addition shall coordinate or do all of the following:

(a) Conduct independent evaluations of all aspects of the program.

(b) Review and provide comments and recommendations to the United States environmental protection agency and state and local air pollution control authorities regarding the development and implementation of requirements that impact small businesses.

(c) Facilitate and promote the participation of small businesses in the development of rules that impact small businesses.

(d) Assist in providing reports to the governor and legislature and the public regarding the applicability of the requirements of this part, part 55, and the clean air act to small business.

(e) Aid in the dissemination of information, including, but not limited to, air pollution requirements and control technologies, to small businesses and other interested parties.

(f) Participate in or sponsor meetings and conferences with state and local regulatory officials, industry groups, and small business representatives.

(g) Aid in investigating and resolving complaints and disputes from small businesses against the state or local air pollution control authorities, or both.

(h) Periodically review the work and services provided by the program with trade associations and representatives of small business.

(i) Refer small businesses to the appropriate specialist in the program where they may obtain information and assistance on affordable alternative technologies, process changes, and products and operational methods to help reduce air pollution and accidental releases.

(j) Arrange for and assist in the preparation of guideline documents by the program and ensure that the language is readily understandable by laypersons.

(k) Work with trade associations and small businesses to bring about voluntary compliance with the clean air act and part 55.

(*l*) Work with regional and state offices of the small business administration, the United States department of commerce and state department of commerce, and other federal and state agencies that may have programs to financially assist small businesses in need of funds to comply with environmental requirements.

(m) Work with private sector financial institutions to assist small businesses in locating sources of funds to comply with state and local air pollution control requirements.

(n) Conduct studies to evaluate the impacts of the clean air act and part 55 on the state's economy, local economies, and small businesses.

(o) Work with other states to establish a network for sharing information on small businesses and their efforts to comply with the clean air act and the pertinent air pollution act for their state.

(p) Make recommendations to the department and the legislature concerning the reduction of any fee required under the clean air act or part 55 to take into account the financial resources of small businesses.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities, including budgeting procurement and management-related functions, of the office of the small business clean air ombudsman to the Michigan jobs commission, see E.R.O. No. 1995-1, compiled MCL 408.49 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Environmental Assistance Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled at MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5705 Small business clean air assistance program; creation; purpose.

Sec. 5705. The program is created in the department of commerce. The program shall develop adequate mechanisms for all of the following:

(a) Developing, collecting, and coordinating information on compliance methods and technologies for small businesses.

(b) Encouraging lawful cooperation among small businesses and other persons to further compliance with the clean air act and part 55.

(c) Assisting small business with information regarding pollution prevention and accidental release detection and prevention, including, but not limited to, providing information concerning alternative technologies, process changes, and products and methods of operation that help reduce air pollution.

(d) Establishing a compliance assistance program that assists small businesses in determining applicable requirements for compliance and the procedures for obtaining permits efficiently in a timely manner under the clean air act or part 55, or both.

(e) Providing mechanisms and access to information so that small businesses receive notification of their rights under the clean air act and part 55 in a manner and form that assures reasonably adequate time for small businesses to evaluate their compliance methods or applicable proposed or final rules or standards under the clean air act and part 55.

(f) Informing small businesses of their obligations under the clean air act and part 55, including mechanisms for referring small businesses to qualified auditors or to the state if the state elects to provide audits to determine compliance with the clean air act and part 55. To the extent permissible by state and federal law, audits shall be separate from the formal inspection and compliance program.

(g) Providing information on how to obtain consideration from the department on requests from small businesses for modifications of any work practice, technological method of compliance, or the schedule of milestones for reductions of emissions preceding an applicable compliance date.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities, including budgeting procurement and management-related functions, of the office of the small business clean air ombudsman to the Michigan jobs commission, see E.R.O. No. 1995-1, compiled at MCL 408.49 of the Michigan Compiled Laws.

For transfer of authority, powers, duties, functions, and responsibilities of the Environmental Assistance Division to the Director of the Michigan Department of Environmental Quality, see E.R.O. No. 1995-16, compiled MCL 324.99901 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5706 Access to information, records, and documents; assistance to ombudsman.

Sec. 5706. Upon request, the ombudsman shall be given access to all information, records, and documents in the possession of the commission and the department that the ombudsman considers necessary to fulfill the responsibilities of the office other than information described in section 13 of the freedom of information act, Act No. 442 of the Public Acts of 1976, being section 15.243 of the Michigan Compiled Laws. The commission and the department shall also assist the ombudsman in fulfilling his or her responsibilities under this part.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities, including budgeting procurement and management-related functions, of the office of the small business clean air ombudsman to the Michigan jobs commission, see E.R.O. No. 1995-1, compiled at MCL 408.49 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5707 Information obtained from small businesses; confidentiality.

Sec. 5707. Information obtained by the office or the program from small businesses that utilize their services shall be held in confidence by those employed by the office or the program to the extent authorized under the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws, including, but not limited to, those provisions pertaining to exemptions from disclosure for trade secrets and commercial and financial information.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities, including budgeting procurement and management-related functions, of the office of the small business clean air ombudsman to the Michigan jobs commission, see E.R.O. No. 1995-1, compiled at MCL 408.49 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

324.5708 Small business clean air compliance advisory panel.

Sec. 5708. (1) The small business clean air compliance advisory panel is created within the program.

(2) The advisory panel shall be broadly representative of the regulated small business community and shall include women members and members who are minorities. The advisory panel shall consist of the following members:

(a) Two members appointed by the governor to represent the general public and who are not owners or representatives of owners of small business stationary sources.

(b) One member appointed by the republican leader of the senate who is an owner or a representative of owners of small business stationary sources.

(c) One member appointed by the democratic leader of the senate who is an owner or a representative of owners of small business stationary sources.

(d) One member appointed by the republican leader of the house of representatives who is an owner or a representative of owners of small business stationary sources.

(e) One member appointed by the democratic leader of the house of representatives who is an owner or a representative of owners of small business stationary sources.

(f) One member appointed by the department.

(3) Members of the advisory panel shall serve for terms of 4 years, or until a successor is appointed, whichever is later. However, of the members first appointed, the members appointed by the governor shall serve for 3 years, the members appointed by the senate shall serve for 1 year, and the members appointed by the house of representatives and the member appointed by the department shall serve for 2 years.

(4) If a vacancy occurs on the advisory panel, the governor, the department, or the appropriate legislative leader who made the appointment shall make an appointment for the unexpired term in the same manner as the original appointment.

(5) The first meeting of the advisory panel shall be called within 90 days of the appointment of all advisory panel members. At the first meeting the advisory panel shall elect from among its members a chairperson and other officers as it considers necessary or appropriate.

(6) A majority of the members of the advisory panel constitutes a quorum for the transaction of business at a meeting of the advisory panel. A majority of the members present and serving are required for official action of the advisory panel.

(7) Members of the advisory panel shall serve without compensation. However, members of the advisory panel may be reimbursed for their actual and necessary expenses incurred in the performance of their official duties as members of the advisory panel.

(8) The advisory panel shall do all of the following:

(a) Consult with the ombudsman and the head of the program to plan the work of the panel, including the frequency of meetings, agenda items, and reports to be issued by the panel.

(b) Determine whether the program should utilize private contractors hired by the program or utilize expertise within the program, or both, to meet the requirements of this part that pertain to providing technical assistance to small businesses.

(c) Prepare advisory reports concerning all of the following:

(*i*) The effectiveness of the office and program.

(*ii*) The difficulties encountered and degree and severity of enforcement of part 55.

(*iii*) The costs of operating the office and the program.

(*iv*) The average costs of different categories of small businesses in complying with the air quality enforcement program of this state.

(d) Periodically report to the administrator of the United States environmental protection agency regarding compliance by the program with the broad intent of all of the following acts as may be applicable:

(*i*) Chapter 35 of title 44 of the United States Code, 44 U.S.C. 3501 to 3520, relating to paperwork reduction.

(*ii*) Sections 601 to 612 of title 5 of the United States Code, 5 U.S.C. 601 to 612, relating to regulatory flexibility.

(*iii*) Section 504 of title 5 of the United States Code, 5 U.S.C. 504, and section 2412 of title 28 of the United States Code, 28 U.S.C. 2412, relating to equal access to justice.

(e) Review information prepared by the program for small businesses to assure that the information is understandable to laypersons.

(f) Utilize the program to act as staff to develop and disseminate the work product of the advisory panel.

(9) The advisory panel shall provide copies of advisory reports prepared by the advisory panel to the United States environmental protection agency, the department, the legislature, and the department of commerce. In addition, the reports shall be made available to any person upon request.

History: 1994, Act 451, Eff. Mar. 30, 1995.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities, including budgeting procurement and management-related functions, of the office of the small business clean air ombudsman to the Michigan jobs commission, see E.R.O. No. 1995-1, compiled at MCL 408.49 of the Michigan Compiled Laws.

Popular name: Act 451

Popular name: NREPA

PART 59
AIR POLLUTION CONTROL FACILITY; TAX EXEMPTION

324.5901 “Facility” defined.

Sec. 5901. As used in this part, "facility" means machinery, equipment, structures, or any part or accessories of machinery, equipment, or structures, installed or acquired for the primary purpose of controlling or disposing of air pollution that if released would render the air harmful or inimical to the public health or to property within this state. Facility includes an incinerator equipped with a pollution abatement device in effective operation. Facility does not include an air conditioner, dust collector, fan, or other similar facility for the benefit of personnel or of a business. Facility also means the following, if the installation was completed on or after July 23, 1965:

(a) Conversion or modification of a fuel burning system to effect air pollution control. The fuel burner portion only of the system is eligible for tax exemption.

(b) Installation of a new fuel burning system to effect air pollution control. The fuel burner portion only of the system is eligible for tax exemption.

(c) A process change involving production equipment made to satisfy the requirements of part 55 and rules promulgated under that part. The maximum cost allowed shall be 25% of the cost of the new process unit but shall not exceed the cost of the conventional control equipment applied on the basis of the new process production rate on the preexisting process.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.5902 Tax exemption certificate; application; contents; approval; notice; hearing; tax exemption.

Sec. 5902. (1) An application for a pollution control tax exemption certificate shall be filed with the state tax commission in a manner and in a form as prescribed by the state tax commission. The application shall contain plans and specifications of the facility, including all materials incorporated or to be incorporated in the facility and a descriptive list of all equipment acquired or to be acquired by the applicant for the purpose of pollution control, together with the proposed operating procedure for the control facility.

(2) Before issuing a certificate, the state tax commission shall seek approval of the department and give

notice in writing by certified mail to the department of treasury and to the assessor of the taxing unit in which the facility is located or to be located, and shall afford to the applicant and the assessor an opportunity for a hearing. Tax exemption granted under this part shall be reduced to the extent of any commercial or productive value derived from any materials captured or recovered by any air pollution control facility as defined in this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.5903 Tax exemption certificate; findings of department; notice to state tax commission; issuance and effective date of certificate.

Sec. 5903. If the department finds that the facility is designed and operated primarily for the control, capture, and removal of pollutants from the air, and is suitable, reasonably adequate, and meets the intent and purposes of part 55 and rules promulgated under that part, the department shall notify the state tax commission, which shall issue a certificate. The effective date of the certificate is the date on which the certificate is issued.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.5904 Tax exemptions; statement in certificate.

Sec. 5904. (1) For the period subsequent to the effective date of the certificate and continuing as long as the certificate is in force, a facility covered by the certificate is exempt from real and personal property taxes imposed under the general property tax act, Act No. 206 of the Public Acts of 1893, being sections 211.1 to 211.157 of the Michigan Compiled Laws.

(2) Tangible personal property purchased and installed as a component part of the facility is exempt from both of the following:

(a) Sales taxes imposed under the general sales tax act, Act No. 167 of the Public Acts of 1933, being sections 205.51 to 205.78 of the Michigan Compiled Laws.

(b) Use taxes imposed under the use tax act, Act No. 94 of the Public Acts of 1937, being sections 205.91 to 205.111 of the Michigan Compiled Laws.

(3) The certificate shall state the total acquisition cost of the facility entitled to exemption.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.5905 Tax exemption certificate; issuance; mailing to applicant, local tax assessors, and treasury department; filing; notice of refusal.

Sec. 5905. The state tax commission shall send an air pollution control tax exemption certificate, when issued, by certified mail to the applicant, and certified copies by certified mail to the assessor of the taxing unit in which any property to which the certificate relates is located or to be located and to the department of treasury, which copies shall be filed of record in their offices. Notice of the state tax commission's refusal to issue a certificate shall be sent by certified mail to the applicant, to the department of treasury, and to the assessor.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.5906 Tax exemption certificate; modification or revocation; grounds; notice and hearing; statute of limitations.

Sec. 5906. (1) The state tax commission, on notice by certified mail to the applicant and opportunity for a hearing, shall, on its own initiative or on complaint of the department, the department of treasury, or the assessor of the taxing unit in which any property to which the certificate relates is located, modify or revoke the certificate if any of the following appear:

(a) The certificate was obtained by fraud or misrepresentation.

(b) The holder of the certificate has failed substantially to proceed with the construction, reconstruction, installation, or acquisition of a facility or to operate the facility for the purpose and degree of control specified

in the certification or an amended certificate.

(c) The facility covered by the certificate is no longer used for the primary purpose of pollution control and is being used for a different purpose.

(d) Substantial noncompliance with part 55 or any rule promulgated under that part.

(2) On the mailing by certified mail to the certificate holder, the department of treasury, and the local assessor of notice of the action of the state tax commission modifying or revoking a certificate, the certificate shall cease to be in force or shall remain in force only as modified. If a certificate is revoked because it was obtained by fraud or misrepresentation, all taxes that would have been payable if a certificate had not been issued are immediately due and payable with the maximum interest and penalties prescribed by applicable law. A statute of limitations shall not operate in the event of fraud or misrepresentation.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.5907 Tax exemption certificate; refusal; appeal.

Sec. 5907. A party aggrieved by the issuance, refusal to issue, revocation, or modification of a pollution control tax exemption certificate may appeal from the finding and order of the state tax commission in the manner and form and within the time provided by the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.5908 State tax commission; rules; administration of part.

Sec. 5908. The state tax commission may adopt rules as it considers necessary for the administration of this part. These rules shall not abridge the authority of the department to determine whether or not air pollution control exists within the meaning of this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

PART 61
EMISSIONS FROM VESSELS

324.6101 Vessels; blowing flues prohibited; exceptions.

Sec. 6101. A marine vessel while navigating in the waters of this state within 1 mile of land shall not blow flues unless necessary under an emergency condition for the safe navigation of the vessel or to alleviate or extinguish a flash fire in the boiler up-takes or during departure-arrival operations.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6102 Violation; penalty; separate offenses.

Sec. 6102. A person who is convicted of violating this part is guilty of a misdemeanor, punishable by a fine of not more than $1,000.00. Each occurrence is a separate offense.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

PART 63
MOTOR VEHICLE EMISSIONS TESTING FOR WEST MICHIGAN

324.6301 Meanings of words and phrases.

Sec. 6301. For the purposes of this part, the words and phrases contained in sections 6302 to 6304 have the meanings ascribed to them in those sections.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6302 Definitions; A to D.

Sec. 6302. (1) "Alternative fuel" means the following fuel sources used to propel a motor vehicle:

(a) Compressed natural gas.

(b) Diesel fuel.

(c) Electric power.

(d) Propane.

(e) Any other source as defined by rule promulgated by the department.

(2) "Certificate of compliance" means a serially numbered written instrument or document that is issued to the owner of a motor vehicle upon passing an inspection or reinspection and is evidence that the motor vehicle complies with the standards and criteria adopted by the department under this part. The department shall consult with the department of natural resources when appropriate to determine that rules and standards will comply with federal requirements and sound environmental considerations.

(3) "Certificate of waiver" means a serially numbered written document or sticker indicating that the standards and criteria of the department have been met for a motor vehicle pursuant to this part.

(4) "Clean air act" means chapter 360, 69 Stat. 322, 42 U.S.C. 7401 to 7431, 7470 to 7479, 7491 to 7492, 7501 to 7509a, 7511 to 7515, 7521 to 7525, 7541 to 7545, 7547 to 7550, 7552 to 7554, 7571 to 7574, 7581 to 7590, 7601 to 7612, 7614 to 7617, 7619 to 7622, 7624 to 7627, 7641 to 7642, 7651 to 7651o, 7661 to 7661f, and 7671 to 7671q. Clean air act includes the regulations promulgated under the clean air act.

(5) "Consumer protection" means protecting the public from unfair or deceptive practices.

(6) "Contractor" means a person who enters into a contract with the department to operate public motor vehicle inspection stations under this part.

(7) "Cut point" means the level of pollutants emitted that is used in determining whether a particular make and model of motor vehicle passes or fails all or a part of an inspection.

(8) "Department" means the state transportation department.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6303 Definitions; E to N.

Sec. 6303. (1) "Emission control device" means a catalytic converter, thermal reactor, or other component part used by a vehicle manufacturer to reduce emissions or to comply with emission standards prescribed by regulations promulgated by the United States environmental protection agency under the clean air act.

(2) "Initial inspection" means an inspection performed on a motor vehicle for the first time in a test cycle.

(3) "Inspection" means testing of a motor vehicle for compliance with emission control requirements of this part and the clean air act.

(4) "Maintenance" means the repair or adjustment of a motor vehicle to bring that motor vehicle into compliance with emission control requirements of this part and rules promulgated under this part.

(5) "Motor vehicle" or "vehicle" means a self-propelled vehicle as defined in section 79 of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being section 257.79 of the Michigan Compiled Laws, of 10,000 pounds or less gross vehicle weight, which is required to be registered for use upon the public streets and highways of this state under the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being sections 257.1 to 257.923 of the Michigan Compiled Laws. For purposes of this part, motor vehicle includes those vehicles owned by the government of the United States, this state, and any political subdivision of this state.

(6) "National ambient air quality standards" means the air quality standards for outside air as established in the clean air act.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6304 Definitions; P to T.

Sec. 6304. (1) "Pollutants" means nitrogen oxides, carbon monoxide, hydrocarbons, and other toxic substances emitted from the operation of a motor vehicle.

(2) "Public inspection station" means a facility for motor vehicle inspection operated under contract with the department as provided in this part.

(3) "Tamper with" means to remove or render inoperative, to cause to be removed or rendered inoperative, or to make less operative an emission control device or an element of an emission control device that is

required by the clean air act to be installed in or on a motor vehicle.

(4) "Test-only network" means a network of inspection stations that perform official vehicle emissions inspections and in which owners and employees of those stations, or companies owning those stations, are contractually or legally barred from engaging in motor vehicle repair or service, motor vehicle parts sales, and motor vehicle sale and leasing, either directly or indirectly, and are barred from referring vehicle owners to particular providers of motor vehicle repair services.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6305 Motor vehicle emissions inspection and maintenance program fund; account.

Sec. 6305. (1) There is established a motor vehicle emissions inspection and maintenance program fund to be maintained as a separate fund in the state treasury and to be administered by the department. Money received and collected for vehicle emissions inspections under this part shall be deposited in the state treasury to the credit of the motor vehicle emissions inspection and maintenance program fund.

(2) The vehicle emissions inspection account is created in the motor vehicle emissions inspection and maintenance program fund. Money in the vehicle emissions inspection account shall be appropriated by the legislature for the purposes of a public education program to be conducted by the department, start-up costs required to implement requirements of the motor vehicle emissions inspection and maintenance program under this part, administration and oversight by the department, enforcement of the motor vehicle emissions inspection and maintenance program through the vehicle registration process by the department of state, gasoline inspection and testing, and other activities related to the motor vehicle emissions inspection and maintenance program.

(3) Funds remaining in the motor vehicle emissions inspection and maintenance program fund at the end of a fiscal year shall not lapse to the general fund but shall remain in the motor vehicle emissions inspection and maintenance program fund for appropriation in the following year.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6306 Operation of motor vehicle; prohibition; testing; enforcement; inspection and maintenance program; implementation in Kent, Ottawa, and Muskegon counties; exclusion; test procedures and components; vehicles subject to inspection; rules; suspension of vehicle registration; suspension of program.

Sec. 6306. (1) Each motor vehicle subject to this part shall be inspected for emissions as provided in this part. A person shall not operate a motor vehicle subject to this part whose certificate of compliance has expired or who has not received a time extension or waiver and whose vehicle fails to meet emission cut points established by the department or other emission control requirements established by the department in this part. If a vehicle subject to testing under this part has not been tested within the previous 12 months, the prospective seller of the vehicle shall have the vehicle tested and complete necessary repairs before offering the vehicle for sale.

(2) To enforce this section, the department shall implement and administer a motor vehicle emissions inspection and maintenance program designed to meet the performance standards for a motor vehicle emissions inspection and maintenance program as established by the United States environmental protection agency in 40 C.F.R. 51.351 in the counties of Kent, Ottawa, and Muskegon in those areas that are not in attainment of the national ambient air quality standards for ozone. However, those counties that would be in attainment of the national ambient air quality standards for ozone, given base line emissions for that county, but for emissions emanating from outside of the state, are excluded from implementation of such a program unless the department of environmental quality shall affirmatively determine by clear and convincing evidence, based on study of formation and transport of ozone, that the control of motor vehicle emissions would significantly contribute to the attainment of the national ambient air quality standards for ozone as promulgated under the clean air act. The motor vehicle emissions inspection and maintenance program shall include the following test procedures and components:

(a) Biennial testing.

(b) Test-only network.

(c) Transient mass-emission evaporative system, purge, and pressure testing on 1981 and later model year vehicles using the IM240 driving cycle.

(d) Two-speed idle testing, antitampering, and pressure test on 1975 to 1980 vehicles in accordance with the following:

(*i*) Visual antitampering inspection of the catalytic converter, gas cap, PCV valve, air pump, and fuel inlet restrictor on light-duty gas vehicles and light-duty gas trucks of 10,000 pounds or less gross vehicle weight.

(*ii*) Pressure test of the evaporative system for light-duty gas vehicles and light-duty gas trucks of 10,000 pounds or less gross vehicle weight.

(e) On-board diagnostic check for vehicles so equipped.

(3) The cut points set forth in test procedures, quality control requirements, and equipment specifications issued by the United States environmental protection agency are hereby adopted for the emissions testing program authorized in this part.

(4) Equipment and test procedures shall meet the requirements of appendices A through E to subpart S of 40 C.F.R. 51 and the test procedures, quality control requirements, and equipment specifications issued by the United States environmental protection agency.

(5) Vehicles shall be subject to inspection according to the following:

(a) The first initial inspection under this part for each even numbered model year vehicle shall take place within 6 months before the expiration of the vehicle registration in an even numbered calendar year.

(b) The first initial inspection under this part for each odd numbered model year vehicle shall take place within 6 months before the expiration of the vehicle registration in an odd numbered calendar year.

(6) The department, in consultation with the department of state and the department of environmental quality, may promulgate rules for the administration of the motor vehicle emissions inspection and maintenance program, including, but not limited to, all of the following:

(a) Standards for public inspection station equipment, including emission testing equipment.

(b) Emission test cut points and other emission control requirements based on the clean air act and the state implementation plan.

(c) Exemptions from inspections as authorized under this part.

(d) Standards and procedures for the issuance of certificates of compliance and certificates of waiver from inspection and maintenance program requirements.

(e) Rules to ensure that owners of motor vehicles registered in this state who temporarily reside out of state are not unduly inconvenienced by the requirements of this part. The rules may include any of the following:

(*i*) Reciprocal agreements with other states that require motor vehicle inspections that are at least as stringent as those required under this part and rules promulgated under this part.

(*ii*) Provision for time extensions of not more than 2 years for persons temporarily residing in a state, the District of Columbia, or a territory of the United States with which this state has not entered into a reciprocal agreement for vehicle emissions inspection and maintenance. Additional time extensions shall be granted to persons temporarily residing out of state because of military service.

(7) The department may promulgate rules to require the inspection of motor vehicles through the use of remote sensing devices. These rules may provide for use of remote sensing devices for research purposes, but shall not provide for any checklanes or other measures by which motorists will be stopped on highways or other areas open to the general public.

(8) Upon receipt of documentation from the department, the department of state may suspend the registration of any vehicle that is not in compliance with this part and the rules promulgated under this part and for which the required certificate of compliance has not been obtained.

(9) If any area in this state subject to this part is redesignated by the United States environmental protection agency as being in attainment with the national ambient air quality standards for ozone, a motor vehicle emissions inspection and maintenance program authorized by this part is suspended and shall only be reimplemented if required as a contingency measure included in a maintenance plan approved by the United States environmental protection agency as part of the redesignation as an ozone attainment area. The department may only implement the contingency measure if there is observation of an actual violation of the ozone national ambient air quality standard under 40 C.F.R. 50.9 during the maintenance period.

(10) Implementation of a motor vehicle emissions inspection and maintenance program authorized by this part shall be suspended if the classification of the Grand Rapids and Muskegon ozone nonattainment areas is adjusted from moderate ozone nonattainment areas to transitional or marginal nonattainment areas by the United States environmental protection agency pursuant to its authority under section 181 of the clean air act, 42 U.S.C. 7511, or if the United States environmental protection agency determines that a motor vehicle emissions inspection and maintenance program is not applicable or is not necessary for either of these areas to meet the requirements of the clean air act.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1996, Act 564, Imd. Eff. Jan. 16, 1997.

Popular name: Act 451

Popular name: NREPA

324.6307 Registration renewal; vehicle inspection and certificate of compliance or waiver required; validity; prohibition.

Sec. 6307. (1) The department of state shall not renew the registration of a motor vehicle subject to this part unless the vehicle has been inspected as provided in this part and a certificate of compliance or a certificate of waiver has been issued.

(2) Certificates of compliance and certificates of waiver issued under this part are valid for 2 years.

(3) If not exempted by this part or rules promulgated under this part, a person shall not drive a motor vehicle registered in an area required to have a motor vehicle emissions inspection and maintenance program without a valid certificate of compliance or certificate of waiver.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6308 Repealed. 1996, Act 564, Imd. Eff. Jan. 16, 1997.

Compiler's note: The repealed section pertained to exemption of certain areas to requirements of part.

Popular name: Act 451

Popular name: NREPA

324.6309 Judicial relief.

Sec. 6309. The state should pursue judicial relief, either alone or in cooperation with other states, from the requirements or penalties imposed by the clean air act.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6310 Inspection fee; initial inspections; free reinspections; remittance and deposit of inspection fee.

Sec. 6310. (1) The department, in consultation with the department of state, may establish an inspection fee not to exceed $24.00 adjusted annually by the percentage increase or decrease in the Detroit consumer price index rounded to the nearest whole dollar. In establishing the fee or other funding sources, the department shall include the direct and indirect costs of the vehicle emissions inspection, estimated start-up costs, estimated cost for a public information program, administration and oversight by the department, and enforcement costs by the department of state. The fee, if established, shall be paid by the motor vehicle owner to the operator of the inspection station at the time of an initial vehicle emissions inspection.

(2) Initial inspections must take place within 6 months before the expiration of the registration for the vehicle or the expiration of the certificate of compliance, time extension, or certificate of waiver issued under this part. Vehicles subject to this part that are not required to be registered in this state shall be presented for inspection during each biennial inspection period at a time set by the department.

(3) The owner of a motor vehicle subject to this part that has failed an initial vehicle emissions inspection is entitled to 1 free reinspection after the completion of necessary repairs designed to bring the vehicle into compliance with clean air act standards.

(4) By the fifteenth day of each month, each inspection station shall remit the amount of the inspection fee required for administration and oversight under the contractual agreement entered into with the department to the department of treasury for deposit in the motor vehicle emissions inspection and maintenance program fund.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6311 Vehicles exempt from inspection requirements of part.

Sec. 6311. The following vehicles are exempt from the inspection requirements of this part:

(a) Motor vehicles that are exempted by rules promulgated by the department because of prohibitive inspection problems or inappropriateness for inspection.

(b) A motor vehicle manufactured before the 1975 model year.

(c) Vehicles that are licensed as historic vehicles under section 803a of the Michigan vehicle code, Act No.

300 of the Public Acts of 1949, being section 257.803a of the Michigan Compiled Laws.

(d) A motor vehicle that has as its only fuel source an alternative fuel.

(e) A motorcycle.

(f) A motor vehicle used for covert monitoring of inspection facilities.

(g) A new motor vehicle, immediately after issuance of the vehicle's first title until the year of the next biennial inspection for the vehicle model year according to section 6306(5).

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6312 Public inspection stations; contracts with private entities to conduct inspections; competitive evaluation process; notice of requests for proposals and contract awards; factors to be considered during contractor evaluation process.

Sec. 6312. (1) The department shall contract with a private entity or entities for the design, construction, equipment, establishment, maintenance, and operation of public inspection stations to conduct vehicle emissions inspections as required by this part.

(2) The department shall seek to obtain the highest quality service for the lowest cost through a competitive evaluation process for contractors.

(3) The department shall provide adequate public notice of the requests for proposals by advertising in a newspaper of general circulation in the state not later than November 13, 1993. The department shall award the contract with reasonable promptness by written notice to the responsible offeror whose proposal has been evaluated and is determined to be the most advantageous to the state, taking into consideration the requirements of this part and rules promulgated under this part, or as otherwise required by the department of management and budget.

(4) In addition to the other requirements of this part, the director of the department shall give balanced consideration during the contractor evaluation process to all of the following factors:

(a) The public convenience of the inspection station, including the provisions for average mileage to an inspection station and the waiting time at a station.

(b) The unit cost per inspection.

(c) The degree of technical content of the proposal, including test-accuracy specifications and quality of testing services, and the data and methodology used to prepare the network design, and other technological aspects of the proposal.

(d) The experience of the contractor and the probability of a successful performance by the contractor, including an evaluation of the capacity, resources, and technical and management skills to adequately construct, equip, operate, and maintain a sufficient number of public inspection stations to meet the demand.

(e) The financial stability of the contractor. The department may make reasonable inquiries to determine the financial stability of an offeror. The failure of an offeror to promptly supply information in connection with such an inquiry is grounds for a determination of nonresponsibility with respect to that offeror.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6313 Contract provisions.

Sec. 6313. In addition to any other provisions of this part, the contract authorized by section 6312 shall contain all of the following provisions:

(a) The minimum requirements for adequate staff, equipment, management, and hours of operation of inspection stations.

(b) The submission of reports and documentation concerning the operation of official inspection stations as required by this part.

(c) Surveillance to ensure compliance with vehicular emissions standards, procedures, rules, regulations, and laws.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6314 Public inspection stations.

Sec. 6314. (1) The number and locations of the public inspection stations shall provide convenient service

for motorists and shall be consistent with all of the following:

(a) The network of stations shall be sufficient to assure short driving distances and to assure that waiting times to get a vehicle inspected do not exceed 15 minutes more than 4 times a month.

(b) When there are more than 4 vehicles in a queue waiting to be tested, spare lanes shall be opened and additional staff employed to reduce wait times.

(c) A person shall not be required to make an appointment for a vehicle inspection.

(d) There shall be adequate queuing space for each inspection lane at each inspection station to accommodate on the station property all motor vehicles waiting for inspection.

(e) There shall be at least 2 inspection stations located within each county subject to the motor vehicle emissions inspection and maintenance program under this part.

(2) Public inspection stations shall inspect and reinspect motor vehicles in accordance with this part.

(3) A public inspection station shall inspect and reinspect motor vehicles in accordance with the rules promulgated under this part by the department. The inspection station shall issue a certificate of compliance for a motor vehicle that has been inspected and determined to comply with the standards and criteria of the department pursuant to the rules promulgated under section 6305. If a certificate of compliance is not issued, the inspection station shall provide a written inspection report describing the reason for rejection and, if appropriate, the repairs needed or likely to be needed to bring the vehicle into compliance with the standards and criteria.

(4) Stations shall provide a process by which vehicles being reinspected shall be accommodated before vehicles waiting for an initial inspection.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6315 Certificate of waiver.

Sec. 6315. (1) A certificate of waiver shall be issued for a motor vehicle that fails an initial inspection and a subsequent reinspection if the actual cost of maintenance already performed and designed to bring the vehicle into compliance with clean air act standards in accordance with the inspection report is at least $300.00, adjusted in January of each year by the increase or decrease in the Detroit consumer price index rounded to the nearest whole dollar.

(2) The costs covered by vehicle warranty and the costs necessary to repair or replace any emission control equipment that has been removed, dismantled, tampered with, misfueled, or otherwise rendered inoperative shall not be considered in determining eligibility for a certificate of waiver pursuant to subsection (1).

(3) Owners of vehicles subject to a transient IM240 emission test may apply to the department for a certificate of waiver after failing an initial inspection and a subsequent reinspection even though the dollar limit stated in subsection (1) for the cost of maintenance already performed has not been met. The department shall perform a complete, documented physical and functional diagnosis and inspection. If the diagnosis and inspection shows that no additional emission-related repairs are needed or that the vehicle presents prohibitive inspection problems or is inappropriate for inspection, the department may issue a certificate of waiver.

(4) Issuance of a certificate of waiver shall be conditioned upon meeting the criteria established by regulations promulgated by the United States environmental protection agency in 40 C.F.R. 51.360.

(5) A temporary certificate of waiver, valid for not more than 15 days, may be issued to a motor vehicle to allow time for necessary maintenance and reinspection. A temporary certificate of waiver may be issued not more than twice for the same motor vehicle.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6316 Implementation of continuing education programs; protection of public from fraud and abuse; ensuring proper and accurate emission inspection results; evaluation; compilation of data; report.

Sec. 6316. (1) The department, directly or by contract, shall implement continuing education programs to begin 6 months before the commencement of the public inspection program in a county. A continuing education program shall consist of a component designed to educate the general public about the motor vehicle emissions inspection and maintenance program and a component to inform those who will perform maintenance requirements under this part.

(2) The department shall institute procedures and mechanisms to protect the public from fraud and abuse

by inspectors, mechanics, and others involved in the inspection and maintenance program. This shall include a challenge mechanism by which a vehicle owner can contest the results of an inspection. It shall include mechanisms for protecting whistleblowers and following up on complaints by the public or others involved in the process. It shall include a program to assist owners in obtaining warranty-covered repairs for eligible vehicles that fail a test.

(3) The department shall evaluate, inspect, and provide quality assurance for the inspection and maintenance program established under this part to ensure proper and accurate emission inspection results. The department shall be responsible for issuance of certificates of waiver and time extensions.

(4) The department shall compile data and undertake studies necessary to evaluate the cost, effectiveness, and benefits of the motor vehicle inspection program. The department shall compile data on failure rate, compliance rate, the number of certificates issued, and other similar matters in accordance with 40 C.F.R. 51.365 and 51.366. The department shall make an annual report on the operation of the motor vehicle inspection program to the standing committees of the legislature that primarily address issues pertaining to public health or protection of the environment by January 1, 1995, and each year thereafter.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6317 Certificate of compliance; issuance.

Sec. 6317. A contractor shall not issue a certificate of compliance for a motor vehicle that has not been inspected and has not met or exceeded emission cut points established by the department in accordance with this part and the rules promulgated under this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6318 Furnishing certain information about repair facility; guidelines; failure of vehicle to pass inspection; availability of certificates of waiver.

Sec. 6318. (1) An employee, owner, or operator of a public inspection station shall not furnish information about the name or other description of a repair facility or other place where maintenance may be obtained. The department shall develop guidelines for provision of this information in cooperation with the department of state, and shall provide the house and senate standing committees dealing with transportation matters with those guidelines before January 1, 1995.

(2) Each public inspection station shall furnish the following information upon failure of the vehicle to pass inspection:

(a) A written inspection report listing each reason that the vehicle failed the emissions inspection.

(b) A notice which states the following:

"A vehicle's failure to pass the emissions inspection may be related to a malfunction covered under warranty.".

(3) Certificates of waiver shall be available at each public inspection station pursuant to section 6315.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6319 Tampering with motor vehicle.

Sec. 6319. A person shall not tamper with a motor vehicle that has been certified to comply with this part and the rules promulgated under this part so that the motor vehicle is no longer in compliance. For purposes of this part, tampering does not include the alteration of a motor vehicle by employees of the department for purposes of monitoring and enforcement of this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6320 Providing false information to public inspection station or department.

Sec. 6320. A person shall not provide false information to a public inspection station or the department about estimated or actual repair costs or repairs needed to bring a motor vehicle into compliance. A person shall not claim an amount spent for repair if the repairs were not made or the amount not spent.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6321 Violations as misdemeanor; fine; separate offenses.

Sec. 6321. (1) A person who violates section 6317, forges, counterfeits, or alters an inspection certificate, or knowingly possesses an unauthorized inspection certificate is guilty of a misdemeanor, punishable by imprisonment for not more than 1 year or by a fine of not more than $1,000.00. Each violation constitutes a separate offense.

(2) Except as otherwise provided in subsection (1), a person who violates section 6318, 6319, or 6320 is guilty of a misdemeanor.

(3) A person who drives a motor vehicle in violation of this part or rules promulgated under this part is subject to a civil fine of not more than $500.00. Each violation constitutes a separate offense.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

PART 65
MOTOR VEHICLE EMISSIONS TESTING FOR SOUTHEAST MICHIGAN

324.6501 Meanings of words and phrases.

Sec. 6501. For the purposes of this part, the words and phrases contained in sections 6502 to 6504 have the meanings ascribed to them in those sections.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6502 Definitions; C, D.

Sec. 6502. (1) "Certificate of compliance" means a serially numbered written instrument or document that is issued to the owner of a motor vehicle upon passing an inspection or reinspection and is evidence that the motor vehicle complies with the standards and criteria adopted by the department under this part.

(2) "Certificate of waiver" means a serially numbered written document or sticker indicating that the standards and criteria of the department have been met for a motor vehicle pursuant to the requirements of this part.

(3) "Clean air act" means chapter 360, 69 Stat. 322, 42 U.S.C. 7401 to 7431, 7470 to 7479, 7491 to 7492, 7501 to 7509a, 7511 to 7515, 7521 to 7525, 7541 to 7545, 7547 to 7550, 7552 to 7554, 7571 to 7574, 7581 to 7590, 7601 to 7612, 7614 to 7617, 7619 to 7622, 7624 to 7627, 7641 to 7642, 7651 to 7651o, 7661 to 7661f, and 7671 to 7671q. Clean air act includes the regulations promulgated under the clean air act.

(4) "Consumer protection" means protecting the public from unfair or deceptive practices.

(5) "Cut point" means the level of pollutants emitted that is used in determining whether a particular make and model of motor vehicle passes or fails all or a part of an inspection.

(6) "Department" means the state transportation department.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6503 Definitions; E to N.

Sec. 6503. (1) "Emission control device" means a catalytic converter, thermal reactor, or other component part used by a vehicle manufacturer to reduce emissions or to comply with emission standards prescribed by regulations promulgated by the United States environmental protection agency under the clean air act.

(2) "Fleet testing station" means a testing station that is authorized to conduct inspections on 10 or more vehicles owned or leased by 1 person.

(3) "Initial inspection" means an annual inspection performed on a motor vehicle for the first time in a test cycle.

(4) "Inspection" means testing of a motor vehicle for compliance with emission control requirements of this part and the clean air act.

(5) "Maintenance" means the repair or adjustment of a motor vehicle to bring that motor vehicle into compliance with emission control requirements of this part and rules promulgated under this part.

(6) "Motor vehicle" means a self-propelled vehicle as defined in section 79 of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being section 257.79 of the Michigan Compiled Laws, that has a gross vehicle weight rating of 10,000 pounds or less and which is required to be registered for use upon the public streets and highways of this state under Act No. 300 of the Public Acts of 1949, being sections 257.1 to 257.923 of the Michigan Compiled Laws. For purposes of this part, motor vehicle includes those vehicles owned by the government of the United States, this state, and any political subdivision of this state.

(7) "National ambient air quality standards" means the air quality standards for outside air as established in the clean air act.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6504 Definitions; P to T.

Sec. 6504. (1) "Pollutants" means nitrogen oxides, carbon monoxide, hydrocarbons, and other toxic substances emitted from the operation of a motor vehicle.

(2) "Tamper with" means to remove or render inoperative, to cause to be removed or rendered inoperative, or to make less operative an emission control device or an element of an emission control device that is required by the clean air act to be installed in or on a motor vehicle.

(3) "Test cycle" means a 12-month period corresponding with the expiration date for registration of the vehicle.

(4) "Testing station" means a facility for motor vehicle inspection as provided in this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6505 Access to records; requests in writing; identification of record; reasonable charge.

Sec. 6505. (1) Access to records of the department and the department of state shall be in accordance with the freedom of information act, Act No. 442 of the Public Acts of 1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

(2) Requests for access to records shall be in writing and shall identify the specific record.

(3) There shall be a reasonable charge for the reproduction and mailing of identifiable records.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6506 Testing or repair of motor vehicles; implementation of emissions inspection test program in Wayne, Oakland, and Macomb counties.

Sec. 6506. On and after the effective date of the 1996 amendatory act that amended this section, the owner of a motor vehicle who resides in Wayne, Oakland, or Macomb county shall not be required to have the motor vehicle tested or repaired under this act unless an emissions inspection test program is implemented under the conditions described in section 6507.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1996, Act 166, Imd. Eff. Apr. 17, 1996.

Popular name: Act 451

Popular name: NREPA

324.6507 Emissions inspection test program in Wayne, Oakland, and Macomb counties; conditions for implementation; contingency measures; adoption of cut points; equipment and test procedures; rules; suspension of vehicle registration.

Sec. 6507. (1) The department may implement and administer only under the conditions set forth in subsection (2) an emissions inspection test program designed to meet the performance standards for a motor vehicle emissions testing program as established by the United States environmental protection agency in 40 C.F.R. 51.352 in the counties of Wayne, Oakland, and Macomb, using bar 90 testing equipment, including a visual antitampering check, or an equivalent system approved by the United States environmental protection agency. This inspection and maintenance program, if implemented, shall be carried out by licensed testing stations as authorized by the department. The visual antitampering check described in this subsection includes visual antitampering inspection of the catalytic converter, gas cap, PCV valve, air pump, and fuel inlet restrictor on light duty gas vehicles and light duty gas trucks with a gross vehicle weight rating of 10,000

pounds or less.

(2) The decentralized test and repair program described in subsection (1) shall only be implemented as a contingency measure included in the maintenance plan approved by the United States environmental protection agency as part of the redesignation as an ozone attainment area. The contingency measure shall include authority to expand the program to Washtenaw county in addition to the counties described in subsection (1) if other measures are not sufficient to meet the maintenance plan. The department may only implement the contingency measure if there is observation of an actual violation of the ozone national ambient air quality standard under 40 C.F.R. 50.9 during the maintenance period. The department may only exercise the contingency measure set forth in this subsection if:

(a) The department notifies the legislature that the event set forth in this subsection has occurred and that the contingency will be implemented after a period of 45 days.

(b) The legislature fails to adopt any amendments to this part that alter the requirements of this section within the 45-day period.

(3) The cut points set forth in test procedures, quality control requirements, and equipment specifications issued by the United States environmental protection agency are hereby adopted for the emissions testing program authorized in this section.

(4) Equipment and test procedures for the program described in subsection (1) shall meet the requirements of appendices A through D to subpart S of 40 C.F.R. 51 and the test procedures, quality control requirements, and equipment specifications issued by the United States environmental protection agency.

(5) The department, in consultation with the department of state and the department of natural resources, may promulgate rules for the administration of the inspection and maintenance program under this section including, but not limited to:

(a) Standards for testing station equipment, including emission testing equipment.

(b) Emission test cut points and other emission control requirements based on the clean air act and the state implementation plan.

(c) Exemptions from inspections as authorized under this part.

(d) Standards and procedures for the issuance of certificates of compliance and certificates of waiver from inspection and maintenance program requirements.

(e) Rules to ensure that owners of motor vehicles registered in this state who temporarily reside out of state are not unduly inconvenienced by the requirements of this part. The rules may include any of the following:

(*i*) Reciprocal agreements with other states that require motor vehicle inspections that are at least as stringent as those required under this part and rules promulgated under this part.

(*ii*) Provision for time extensions of not more than 2 years for persons temporarily residing in a state, the District of Columbia, or a territory of the United States with which this state has not entered into a reciprocal agreement for vehicle emissions inspection and maintenance. Additional time extensions shall be granted to persons temporarily residing out of state because of military service.

(6) Upon receipt of documentation from the department, the department of state may suspend the registration of any vehicle that is not in compliance with this section and the rules promulgated under this section and for which the required certificate of compliance has not been obtained.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1996, Act 166, Imd. Eff. Apr. 17, 1996.

Popular name: Act 451

Popular name: NREPA

324.6508 Motor vehicle emissions testing program fund; account.

Sec. 6508. (1) There is established a motor vehicle emissions testing program fund to be maintained as a separate fund in the state treasury and to be administered by the department. Money received and collected for motor vehicle emissions inspections and for delinquency charges under this part and from any other source shall be deposited in the state treasury to the credit of the motor vehicle emissions testing program fund.

(2) The motor vehicle emissions inspection account is created in the motor vehicle emissions testing program fund. Money in this account shall be appropriated by the legislature for the purposes of a public education program to be conducted by the department, start-up costs required to implement requirements of the motor vehicle emissions testing program under this part, administration and oversight by the department and the independent third-party organization, enforcement of the motor vehicle emissions testing program through the vehicle registration process by the department of state, gasoline inspection and testing, and other activities related to the motor vehicle emissions testing program.

(3) Funds remaining in the motor vehicle emissions testing program fund at the end of a fiscal year shall not lapse to the general fund but shall remain in the motor vehicle emissions testing program fund for

appropriation in the following year.

(4) If any of the funds collected from the fee in section 6511(1) for administration and oversight including reimbursement of independent third-party organizations are appropriated or expended for any purposes other than those specifically listed in subsection (2), section 6520(2), and section 6532, the authority to collect fees granted under section 6511(1) shall be suspended until the funds appropriated or expended for purposes other than those specifically listed in subsection (2), section 6520(2), and section 6532 are returned to the fund established in subsection (1).

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6509 Renewal of registration; issuance of certificate of compliance or certificate of waiver required; validity of certificate.

Sec. 6509. (1) The department of state shall not renew the registration of a motor vehicle subject to this part unless the vehicle has been inspected as provided in this part and a certificate of compliance or a certificate of waiver has been issued.

(2) Certificates of compliance and certificates of waiver issued under this part are valid for 1 test cycle.

(3) If not exempted by this part or rules promulgated under this part, a person shall not drive a motor vehicle registered in an area required to have a vehicle emission and maintenance program without a valid certificate of compliance or certificate of waiver.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6510 Testing station; prohibited conduct.

Sec. 6510. (1) A testing station shall not falsely represent that the motor vehicle has passed or failed an inspection or reinspection.

(2) A testing station shall not falsely represent repairs or falsely estimate the price for repairs that are necessary to allow a person to obtain a certificate of compliance or a certificate of waiver.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6511 Testing station; fee; use of fee; conditions requiring free reinspection or issuance of certificate of compliance; initial inspections; remittance and disposition of fee.

Sec. 6511. (1) A testing station may charge a person a fee of not more than $13.00. This part or the rules promulgated under this part do not prohibit a testing station from providing inspections for a fee of less than $13.00. However, the fee charged shall not be less than $3.00. Three dollars from the fee charged under this subsection shall be remitted by the testing station to the department of treasury as provided in subsection (7) and shall be used by the department for administration and oversight. One dollar from the $3.00 shall be used by the department to reimburse the independent third-party organization pursuant to section 6520. A testing station shall not make a separate charge for issuing a certificate of compliance, notice of failure, or certificate of waiver.

(2) A testing station shall provide 1 free reinspection of a motor vehicle if the motor vehicle failed a previous inspection performed by the testing station and if the motor vehicle is presented for reinspection within 90 days of the previous inspection, except that a testing station is not obligated to perform a free reinspection if the person presenting the motor vehicle for reinspection does not present the notice of failure previously issued by the testing station.

(3) A testing station that has performed repairs to bring into compliance a motor vehicle that has failed an inspection at another testing station within the previous 90 days, as evidenced by the notice of failure, shall provide to the person presenting the motor vehicle a free reinspection and shall provide a certificate of compliance for the motor vehicle if it passes the reinspection.

(4) A testing station shall provide 1 free reinspection of a motor vehicle if a fee was charged by the testing station for an initial inspection of the motor vehicle that was not completed under any condition described in the rules.

(5) Initial inspections must take place within 6 months before the expiration of the registration for the vehicle or the expiration of the certificate of compliance, time extension, or certificate of waiver issued under

this part. Vehicles subject to this part that are not required to be registered in this state shall be presented for inspection during each annual inspection test cycle at a time set by the department.

(6) By the fifteenth day of each month, each testing station shall remit the amount of the fee required for administration and oversight under subsection (1) to the department of treasury for deposit in the motor vehicle emissions testing program fund.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1996, Act 166, Imd. Eff. Apr. 17, 1996.

Popular name: Act 451

Popular name: NREPA

324.6512 Vehicles exempt from inspection requirements.

Sec. 6512. The following vehicles are exempt from the inspection requirements of this part:

(a) Motor vehicles that are exempted by rules promulgated by the department because of prohibitive inspection problems or inappropriateness for inspection.

(b) A motor vehicle manufactured before the 1975 model year.

(c) A motor vehicle that has as its only fuel source compressed natural gas, diesel fuel, propane, electric power, or any other source as defined by rule promulgated by the department.

(d) A vehicle that is licensed as a historic vehicle under section 803a of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being section 257.803a of the Michigan Compiled Laws.

(e) A motorcycle.

(f) A motor vehicle used for covert monitoring of inspection facilities.

(g) A new motor vehicle, immediately after issuance of the vehicle's first title until the next annual inspection for the vehicle model year.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6513 Motor vehicles subject to part and rules; exceptions.

Sec. 6513. (1) The motor vehicles subject to this part and the rules promulgated under this part include the following:

(a) Each registered motor vehicle for the model years 1975 and later that is owned by a person whose permanent place of residence is in a county subject to this part.

(b) All motor vehicles for the model years 1975 and later that belong to a fleet and that are predominately garaged, operated, or maintained in a county subject to this part.

(2) A vehicle identified on a certificate of title issued by the department of state as an assembled vehicle is not subject to this part and the rules promulgated under this part.

(3) A motor vehicle is not subject to this part and the rules promulgated under this part if its application for registration renewal is accompanied by both a memorandum of federal clean air act exemption issued pursuant to federal regulation and a certification by the applicant identifying the vehicle, and if the application for registration is filed with the department.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1996, Act 166, Imd. Eff. Apr. 17, 1996.

Popular name: Act 451

Popular name: NREPA

324.6514 Motor vehicles purchased as new vehicles; evidence.

Sec. 6514. Any 1 of the following shall be accepted by the department of state as evidence that a motor vehicle was purchased as a new motor vehicle within the previous 12 months:

(a) A registration or certificate of title indicating the motor vehicle is of a model year which has been offered for sale in this state for not more than 12 months.

(b) A record of the department of state indicating that the motor vehicle was purchased as new within the previous 12 months.

(c) A seller's statement to the buyer that indicates that the motor vehicle being sold is a new motor vehicle and that is dated within the previous 12 months.

(d) A manufacturer's statement of origin showing the first retail sale as being within the previous 12 months.

(e) A bill of sale from a manufacturer or a dealer franchised to sell new motor vehicles of that particular make that indicates that the motor vehicle being sold is new and that is dated within the previous 12 months.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6515 Application for motor vehicle registration as evidence of owner's permanent place of residence.

Sec. 6515. An application for a motor vehicle registration shall be accepted by the department of state as evidence of a motor vehicle owner's permanent place of residence.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6516 Inspection of motor vehicles; license to operate testing station; separate license and fee; mobile or temporary location; remote sensing devices; use of other instruments; display of license.

Sec. 6516. (1) A person shall not engage in the business of inspecting motor vehicles under this part except as authorized by a license to operate a testing station issued by the department pursuant to part 13.

(2) A person shall not be licensed to operate a testing station unless the person has an established place of business where inspections are to be performed during regular business hours, where records required by this part and the rules promulgated under this part are to be maintained, and that is equipped with an instrument or instruments of a type that comply with and are capable of performing inspections of motor vehicles under this part.

(3) A person licensed as a testing station shall perform inspections under this part at the established place of business for which the person is licensed. A person shall inform the department immediately of a change in the address of an established place of business at which the person is licensed as a testing station.

(4) A person shall obtain a separate license and pay a separate fee for each established place of business at which a testing station is to be operated.

(5) A testing station may establish and operate mobile or temporary testing station locations if they meet all of the following conditions:

(a) The instrument used at the mobile or temporary location is capable of meeting the performance specifications for instruments set forth in rules promulgated under this part while operating in the mobile or temporary station environment.

(b) The owner of a motor vehicle inspected at the mobile or temporary location shall be provided with a free reinspection of the motor vehicle, at the established place of business of the testing station or at any mobile or temporary testing station location operated by the testing station.

(c) Personnel at the licensed established place of business location shall, at all times, know the location and hours of operation of the mobile or temporary testing station or stations.

(d) The records required by this part and the rules promulgated under this part relating to inspections performed and the instrument or instruments used at a mobile or temporary testing station shall be maintained at a single established place of business that is licensed as a testing station.

(e) The documents printed as required by the rules promulgated under this part by an instrument used at a mobile or temporary testing station location shall contain the testing station number and the name, address, and telephone number of the testing station's established place of business.

(6) A testing station may use remote sensing devices as a complement to testing otherwise required by this part.

(7) A testing station shall not cause or permit an inspection of a motor vehicle to be performed by a person other than an emission inspector using an instrument of a type that complies with the rules promulgated under this part.

(8) A testing station shall display a valid testing station license issued by the department in a place and manner conspicuous to its customers.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1996, Act 166, Imd. Eff. Apr. 17, 1996;—Am. 2004, Act 325, Imd. Eff. Sept. 10, 2004.

Popular name: Act 451

Popular name: NREPA

324.6517 Testing station license; application; information; fee; effective date and duration of license; reinstatement of surrendered, revoked, or expired repair facility registration; resumption of operation.

Sec. 6517. (1) An application for a testing station license shall include a description of the business to be

licensed. The description shall include, in addition to other information required by this part and the rules promulgated under this part, all of the following:

(a) The repair facility registration number issued to the applicant if the applicant is licensed under the motor vehicle service and repair act, 1974 PA 300, MCL 257.1301 to 257.1340.

(b) The name of the business and the address of the business location for which a testing station license is being sought.

(c) The name and address of each owner of the business in the case of a sole proprietorship or a partnership and, in the case of a corporation, the name and address of each officer and director and of each owner of 25% or more of the corporation.

(d) The name of and identification number issued by the department for each emission inspector employed by the applicant.

(e) A description, including the model and serial number, of each instrument to be used by the applicant to perform inspections or reinspections under this part and the rules promulgated under this part and the date the instrument was purchased by the applicant.

(f) The estimated capacity of the applicant to perform inspections.

(2) The fee for a testing station license is $50.00 and shall accompany the application for a license submitted to the department.

(3) A testing station license shall take effect on the date it is approved by the department and shall remain in effect until this part expires, the license is surrendered by the station, revoked or suspended by the department, or until the motor vehicle repair facility registration of the business has been revoked or suspended by the department of state, surrendered by the facility, or has expired without timely renewal.

(4) If a testing station license has expired by reason of surrender, revocation, or expiration of repair facility registration, the business shall not resume operation as a testing station until the repair facility registration has been reinstated and a new, original application for a testing station license has been received and approved by the department and a new license fee paid.

(5) When the repair facility registration has been suspended, the testing station may resume operation without a new application when the repair facility registration suspension has ended.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 1996, Act 166, Imd. Eff. Apr. 17, 1996;—Am. 2004, Act 325, Imd. Eff. Sept. 10, 2004.

Popular name: Act 451

Popular name: NREPA

324.6518 Testing station; change of ownership; notice.

Sec. 6518. (1) If the ownership of a testing station changes, a new original license and payment of a new license fee is required, and the station shall not operate until its application is approved by the department. For the purposes of this section, "change of ownership" means a change in the ownership of a station which is either a sole proprietorship or a partnership; the replacement of a sole proprietorship with a partnership, a corporation, or another sole proprietorship; the replacement of a partnership with a sole proprietorship, a corporation, or another partnership; or the replacement of a corporation with a sole proprietorship, a partnership, or another corporation.

(2) A corporation shall notify the department within 30 days of a change in ownership that involves the accumulation of 25% or more of the ownership by a person who did not previously own 25% or more of the corporation.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6519 Display of certain information; prohibited conduct.

Sec. 6519. (1) A testing station shall display at the established place of business an information sign that bears an identifying symbol developed by the department and is worded as follows: "OFFICIAL EMISSION TESTING STATION".

(2) The sign shall be displayed on the outside premises of the testing station so that it is clearly and readily visible and readable to persons in motor vehicles as they enter the testing station property.

(3) A testing station shall also conspicuously display the price charged by the station for an inspection preceded by a dollar sign and printed in Arabic numerals.

(4) A testing station shall maintain posted business hours during which time representatives of the independent third party required to make certifications of the equipment used by the testing station and the emission inspectors used by the testing station may conduct inspections of the station, instruments and records

required by this part and the rules promulgated under this part, and the motor vehicle emission inspection procedures employed by the testing station.

(5) A testing station shall not hinder, obstruct, or otherwise prevent an inspection required by this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6520 Testing station; certification by third-party organization.

Sec. 6520. (1) A testing station shall submit annually to the department evidence of certification of its testing equipment and emission inspectors by an independent third-party organization. The certification shall provide that the testing equipment and emission inspectors meet the requirements of this part and the rules promulgated under this part and the requirements of the clean air act. If deficiencies are noted by the third-party certifying organization, the testing station shall submit a written explanation of corrective action accepted by the third-party organization with the certification.

(2) The department shall contract with the third-party organization to establish a random inspection system for testing stations. Funds from the fee imposed pursuant to section 6511 shall be used for this purpose.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6521 Fleet testing station; permit; requirements.

Sec. 6521. (1) A fleet owner or lessee shall not perform inspections under this part or the rules promulgated under this part except as authorized under a permit to operate a fleet testing station issued by the department pursuant to part 13.

(2) A person shall not receive a permit to operate a fleet testing station unless the person has an established location where inspections are to be performed, where records required by this part and the rules promulgated under this part are to be maintained, that is equipped with an instrument or instruments of a type that comply with this part or the rules promulgated under this part, and that is capable of performing inspections of motor vehicles under this part and the rules promulgated under this part.

(3) A person with a permit to operate a fleet testing station shall perform inspections under this part and the rules promulgated under this part only at the established location for which the person has the permit. A person shall inform the department immediately of a change in the address of the established location for which the person has a permit to operate a fleet testing station.

(4) A fleet testing station shall not cause or permit an inspection of a motor vehicle to be performed by a person other than an emission inspector using an instrument of a type that complies with the rules promulgated under this part.

(5) An application for a fleet testing station shall include a description of the operation to be licensed. The description shall include, in addition to other information required by this part and the rules promulgated under this part, all of the following:

(a) The name of the business and the address of the location for which a fleet testing station permit is being sought.

(b) The name and address of each owner of the business in the case of a sole proprietorship or a partnership and, in the case of a corporation, the name and address of each officer and director and of each owner of 25% or more of the corporation.

(c) The name of and identification number issued by the department for each emission inspector employed by the applicant.

(d) A description, including the model and serial number of each instrument to be used by the applicant to perform inspections or reinspections under this part and the rules promulgated under this part, and the date the equipment was purchased by the applicant.

(e) A description of the fleet to be inspected, including the number and types of motor vehicles.

(f) A statement signed by the applicant certifying that the applicant maintains and repairs, on a regular basis, the fleet vehicles owned by the applicant.

(6) A fleet testing station permit shall take effect on the date it is approved by the department and shall expire 1 year from that date. A fleet testing station permit shall be renewed automatically, unless the fleet testing station informs the department not to renew it or unless the department has revoked the permit.

(7) A person shall obtain a separate permit for each location at which fleet inspections are performed.

(8) By the fifteenth day of each month, each fleet testing station shall remit $1.00 for each vehicle inspected during the preceding month to the department of treasury for deposit in the motor vehicle emissions

testing program fund.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995;—Am. 2004, Act 325, Imd. Eff. Sept. 10, 2004.

Popular name: Act 451

Popular name: NREPA

324.6522 Fleet testing station; change of ownership; notice.

Sec. 6522. (1) If the ownership of a fleet testing station changes, a new permit is required, and the fleet testing station shall not operate until its application for a new permit is approved by the department. For purposes of this section, "change of ownership" means a change in the ownership of a station that is a sole proprietorship or a partnership; the replacement of a sole proprietorship with a partnership, a corporation, or another sole proprietorship; the replacement of a partnership with a sole proprietorship, a corporation, or another partnership; or the replacement of a corporation with a sole proprietorship, a partnership, or another corporation.

(2) A corporation shall notify the department within 30 days of any change in ownership that involves the accumulation of 25% or more of the ownership by a person who did not previously own 25% or more of the corporation.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6523 Fleet testing station; limitation.

Sec. 6523. A fleet testing station shall perform inspections under this part and the rules promulgated under this part only upon its own fleet motor vehicles, unless separately licensed as a testing station.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6524 Fleet testing station; inspection by independent third party; prohibited conduct.

Sec. 6524. (1) A fleet testing station, its records, equipment required by this part and the rules promulgated under this part, and the motor vehicle emission inspection procedures employed by the fleet testing station shall be open to inspection by an independent third party as otherwise required by this part.

(2) A fleet testing station shall not hinder, obstruct, or otherwise prevent an inspection required by this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6525 False representations.

Sec. 6525. A fleet testing station shall not falsely represent that a motor vehicle has passed or failed an inspection or reinspection.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6526 Fleet testing station; issuance of certificate of compliance.

Sec. 6526. A fleet testing station shall issue a certificate of compliance for a vehicle that has passed an inspection or reinspection or received a low emission tune-up.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6527 Inspection appointment; issuance of certificate of compliance; report describing reason for rejection.

Sec. 6527. (1) A person shall not be required to make an appointment for a vehicle inspection.

(2) A testing station shall inspect and reinspect motor vehicles in accordance with this part and the rules promulgated under this part by the department. The station shall issue a certificate of compliance for a motor vehicle that has been inspected and determined to comply with the standards and criteria of the department pursuant to the rules promulgated under this part. If a certificate of compliance is not issued, the inspection

station shall provide a written inspection report describing the reason for rejection.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6528 Certificate of waiver; issuance; conditions; certain costs not considered in determining eligibility; criteria; temporary certificate; fee.

Sec. 6528. (1) A certificate of waiver shall be issued for a motor vehicle that fails an initial inspection and a subsequent reinspection if the actual cost of maintenance already performed and designed to bring the vehicle into compliance with clean air standards in accordance with the inspection report is at least $200.00, adjusted in January of each year by the increase or decrease in the Detroit consumer price index and rounded off to the nearest whole dollar.

(2) The costs covered by vehicle warranty and the costs necessary to repair or replace any emission control equipment that has been removed, dismantled, tampered with, misfueled, or otherwise rendered inoperative shall not be considered in determining eligibility for a certificate of waiver pursuant to subsection (1).

(3) Except for the program described in section 6506, issuance of a certificate of waiver shall be conditioned upon meeting the criteria established by regulations promulgated by the United States environmental protection agency in 40 C.F.R. 51.360.

(4) A temporary certificate of waiver, valid for not more than 14 days, may be issued to the owner of a motor vehicle by the secretary of state to allow time for necessary maintenance and reinspection. The secretary of state may charge the fee permitted for a temporary registration under section 802(5) of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being section 257.802 of the Michigan Compiled Laws.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6529 Approval as emission inspector.

Sec. 6529. (1) A person shall not perform inspections under this part or the rules promulgated under this part unless the person receives approval from the department as an emission inspector.

(2) Before a person is approved as an emission inspector, the person shall have passed an examination approved by the department that is designed to test the person's competency to perform inspections.

(3) A person who fails an examination to obtain approval as an emission inspector may retake the examination when it is next offered.

(4) A person's approval by the department as an emission inspector shall take effect on the date it is issued by the department and shall expire upon surrender by the person or upon revocation by the department.

(5) The department, after notice and opportunity for a hearing, may deny, suspend, or revoke a person's approval as an emission inspector if the department finds that an applicant or an emission inspector does any of the following:

(a) Commits fraud, misrepresentation, trickery, or deceit in connection with the inspection or repair of a motor vehicle under this part or a rule promulgated under this part.

(b) Violates this part or a rule promulgated under this part.

(c) Improperly performs an instrument maintenance, recordkeeping, or inspection procedure required by the rules promulgated under this part.

(d) Incompetently performs an inspection.

(e) Is denied certification by the independent third party responsible for certifications under this part.

(6) Instead of proceeding under subsection (5), or as a means of settling a matter pursuant under subsection (5), the department may do any of the following:

(a) Enter into an assurance of discontinuance with an applicant or an emission inspector.

(b) Enter into a probation agreement with an applicant or an emission inspector.

(c) Enter into a suspension, revocation, or denial agreement with an applicant or an emission inspector.

(d) Require an applicant or an emission inspector to take training or an examination, or both.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6530 Inspection; certificate of compliance or waiver obtained at licensed testing station.

Sec. 6530. Unless the person is licensed as a fleet testing station, a person who owns a motor vehicle

required to be inspected under this part and the rules promulgated under this part shall have the motor vehicle inspected and shall obtain a certificate of compliance or a waiver only at a testing station licensed under this part and the rules promulgated under this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6531 Compliance; determination by department; system for selection of qualified vehicles.

Sec. 6531. The department may issue a certificate of compliance for a motor vehicle when the department makes a determination that the motor vehicle complies with the requirements of this part and the rules promulgated under this part. The department shall establish a system for selecting which motor vehicles qualify for the department's determination as to compliance.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6532 Protection of public from fraud and abuse; quality assurance; evaluation of cost; effectiveness and benefits of inspection program; report.

Sec. 6532. (1) The department shall institute procedures and mechanisms to protect the public from fraud and abuse by inspectors, mechanics, and others involved in the inspection and maintenance program. These procedures and mechanisms shall include a challenge mechanism by which a vehicle owner can contest the results of an inspection. It shall include mechanisms for protecting whistleblowers and following up on complaints by the public or others involved in the process. It shall include a program to assist owners in obtaining warranty covered repairs for eligible vehicles that fail a test.

(2) The department shall provide quality assurance for the inspection and maintenance program established under this part through certification of competency by a third party to ensure proper and accurate emission inspection results. The third party each year shall certify the testing equipment and the emission inspectors employed by a testing station.

(3) The department shall compile data and undertake studies necessary to evaluate the cost, effectiveness, and benefits of the motor vehicle inspection program. The department shall compile data on failure rate, compliance rate, the number of certificates issued, and other similar matters in accordance with 40 C.F.R. 51.365 and 51.366. The department shall make an annual report on the operation of the motor vehicle inspection program to the standing committees of the legislature that primarily address issues pertaining to public health or protection of the environment by January 1, 1995, and each year thereafter.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6533 Testing station; fleet testing station; issuance of certificate of compliance; conditions.

Sec. 6533. A testing station or a fleet testing station shall not issue a certificate of compliance for a motor vehicle that has not been inspected and has not met or exceeded emission cut points established by the department in accordance with this part and the rules promulgated under this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6534 Information to be provided by public inspection station; availability of certificate of waiver.

Sec. 6534. (1) An employee, owner, or operator of a public inspection station shall not furnish information, except information provided by the state or otherwise required by this part, about the name or other description of a repair facility or other place where maintenance may be obtained.

(2) Each testing station shall furnish the following information upon failure of the vehicle to pass inspection:

(a) A written inspection report listing each reason that the vehicle failed the emissions inspection.

(b) A notice that states the following:

"A vehicle's failure to pass the emissions inspection may be related to a malfunction covered under warranty.".

(3) Certificates of waiver shall be available at each public inspection station pursuant to section 6528.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6535 Tampering with motor vehicle.

Sec. 6535. A person shall not tamper with a motor vehicle that has been certified to comply with this part and the rules promulgated under this part so that the motor vehicle is no longer in compliance. For purposes of this part, tampering does not include the alteration of a motor vehicle by employees of the department for purposes of monitoring and enforcement of this part.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6536 Providing false information about repair costs prohibited.

Sec. 6536. A person shall not provide false information to a public inspection station or the department about estimated or actual repair costs or repairs needed to bring a motor vehicle into compliance. A person shall not claim an amount spent for repair if the repairs were not made or the amount not spent.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6537 Violations as misdemeanor; fine.

Sec. 6537. (1) A person who violates section 6533 or forges, counterfeits, or alters an inspection certificate or who knowingly possesses an unauthorized inspection certificate, is guilty of a misdemeanor, punishable by imprisonment for not more than 1 year or by a fine of not more than $1,000.00. Each violation constitutes a separate offense.

(2) Except as otherwise provided in subsection (1), a person who violates section 6534, 6535, or 6536 is guilty of a misdemeanor.

(3) A person who drives a motor vehicle in violation of this part or rules promulgated under this part is subject to a civil fine of not more than $500.00. Each violation constitutes a separate offense.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6538 Transfer and availability of vehicle emissions inspection and maintenance fund.

Sec. 6538. Funds remaining in the vehicle emissions inspection and maintenance fund created by former Act No. 83 of the Public Acts of 1980 shall be transferred on January 1, 1996 to the motor vehicle emissions testing program fund created in this part. These funds shall be available for appropriation to the department for start-up costs to implement the motor vehicle emissions testing program in this part, to conduct a public information program to educate the general public about requirements of this part, and for other activities related to the motor vehicle emissions testing program.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA

324.6539 Repeal of MCL 257.1051 to 257.1076.

Sec. 6539. Act No. 83 of the Public Acts of 1980, being sections 257.1051 to 257.1076 of the Michigan Compiled Laws, is repealed January 1, 1996.

History: Add. 1995, Act 60, Imd. Eff. May 24, 1995.

Popular name: Act 451

Popular name: NREPA