

HOUSE BILL No. 6577

September 20, 2006, Introduced by Reps. Pastor, Sheen, Palmer, Gosselin, Acciavatti, Marleau, LaJoy, Moore, Moolenaar, Brandenburg, Shaffer, Amos, Elsenheimer, Booher, Casperson, Gillard, Baxter, Huizenga, Stakoe, Hoogendyk, Pavlov, Hune, Taub, Stahl and Vander Veen and referred to the Committee on Natural Resources, Great Lakes, Land Use, and Environment.

A bill to amend 1976 PA 399, entitled "Safe drinking water act," by amending sections 4 and 21 (MCL 325.1004 and 325.1021), section 4 as amended by 2006 PA 37, and by adding section 4a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) A supplier of water shall file with the department
2 the plans and specifications of the entire waterworks system owned
3 or operated by the supplier, unless the department determines that
4 its existing records are adequate. A general plan of the waterworks
5 system for each public water supply shall be provided to the
6 department by a supplier of water and shall be updated as
7 determined necessary by the department.

8 (2) Upon receipt of the plans and specifications for a
9 proposed waterworks system, the department shall evaluate the

1 adequacy of the proposed system to protect the public health by
2 supplying water meeting the state drinking water standards and, if
3 applicable, shall evaluate the impact of the proposed system as
4 provided in subsections (3) and (4). The department shall also
5 conduct a capacity assessment for a proposed community supply or
6 nontransient noncommunity water supply and determine if the system
7 has the technical, financial, and managerial capacity to meet all
8 requirements of this act and the rules promulgated under this act,
9 on the date of commencement of operations. If upon evaluation the
10 department determines the plans and specifications to be inadequate
11 or the capacity assessment shows the system to be inadequate, the
12 department may return the plans and specifications to the applicant
13 and require additions or modifications as may be appropriate. The
14 department may reject plans and specifications for a waterworks
15 system that will not satisfactorily provide for the protection of
16 the public health or, if applicable, will not meet the standards
17 provided in subsections (3) and (4). The department may deny a
18 permit for construction of a proposed community supply or a
19 nontransient noncommunity water supply if the capacity assessment
20 shows that the proposed system does not have adequate technical,
21 financial, or managerial capacity to meet the requirements of this
22 act and the rules promulgated under this act.

23 (3) The department may evaluate the impact of a proposed
24 waterworks system for a community supply owned by a political
25 subdivision that will do any of the following:

26 (a) Provide new total designed withdrawal capacity of more
27 than 2,000,000 gallons of water per day from a source of water

1 other than the Great Lakes and their connecting waterways.

2 (b) Provide an increased total designed withdrawal capacity of
3 more than 2,000,000 gallons of water per day from a source of water
4 other than the Great Lakes and their connecting waterways beyond
5 the system's total designed withdrawal capacity.

6 (c) Provide new total designed withdrawal capacity of more
7 than 5,000,000 gallons of water per day from the Great Lakes and
8 their connecting waterways.

9 (d) Provide an increased total designed withdrawal capacity of
10 more than 5,000,000 gallons of water per day from the Great Lakes
11 and their connecting waterways beyond the system's total designed
12 withdrawal capacity.

13 (4) The department shall reject the plans and specifications
14 for a proposed waterworks system evaluated under subsection (3) if
15 it determines that the proposed system will not meet the applicable
16 standard provided in section 32723(5) or (6) of the natural
17 resources and environmental protection act, 1994 PA 451, MCL
18 324.32723, unless both of the following conditions are met:

19 (a) The department determines that there is no feasible and
20 prudent alternative location for the withdrawal.

21 (b) The department includes in the approval conditions related
22 to depth, pumping capacity, rate of flow, and ultimate use that
23 ensure that the environmental impact of the withdrawal is balanced
24 by the public benefit of the withdrawal related to public health,
25 safety, and welfare.

26 (5) Before commencing the construction of a waterworks system
27 or an alteration, addition, or improvement to a system, a supplier

1 of water shall submit the plans and specifications for the
2 improvements to the department and secure from the department a
3 permit for construction as provided by rule. Plans and
4 specifications submitted to the department shall be prepared by a
5 professional engineer licensed under article 20 of the occupational
6 code, 1980 PA 299, MCL 339.2001 to 339.2014. A contractor, builder,
7 or supplier of water shall not engage in or begin the construction
8 of a waterworks system or an alteration, addition, or improvement
9 to a waterworks system until a valid permit for the construction
10 has been secured from the department. A contractor, builder, or
11 supplier of water who permits or allows construction to proceed
12 without a valid permit, or in a manner not in accordance with the
13 plans and specifications approved by the department, violates this
14 act. A supplier of water shall not issue a voucher or check or in
15 any other way expend money or provide consideration for
16 construction of a waterworks system unless a valid permit issued by
17 the department is in effect. **A SUPPLIER MAY REQUEST AN EXPEDITED**
18 **PERMIT APPLICATION REVIEW AS PROVIDED IN SECTION 4A.**

19 (6) The department may deny a permit for construction of a
20 waterworks system or an alteration, addition, or improvement to a
21 waterworks system if the most recent capacity assessment shows that
22 the waterworks system does not have adequate technical, financial,
23 or managerial capacity to meet the requirements of this act and the
24 rules promulgated under this act, and the deficiencies identified
25 in that capacity assessment remain uncorrected, unless the proposed
26 construction will remedy the deficiencies.

27 (7) **A PERSON SHALL OBTAIN WRITTEN APPROVAL FROM THE DEPARTMENT**

1 FOR ALL MODIFICATIONS TO A WATERWORKS SYSTEM EXCEPT FOR A MINOR
2 MODIFICATION. THE DEPARTMENT MAY VERBALLY APPROVE MINOR
3 MODIFICATIONS OF A CONSTRUCTION PERMIT ISSUED BY THE DEPARTMENT
4 BECAUSE OF UNFORESEEN SITE CONDITIONS THAT BECOME APPARENT DURING
5 CONSTRUCTION. MINOR MODIFICATIONS INCLUDE, BUT ARE NOT LIMITED TO,
6 EXTENDING A HYDRANT LEAD OR ROUTING A WATER MAIN AROUND A MANHOLE.
7 A PERSON MAKING A REQUEST FOR A MODIFICATION SHALL PROVIDE TO THE
8 DEPARTMENT ALL RELEVANT INFORMATION REQUIRED UNDER THIS SECTION AND
9 THE APPLICATION FORM PROVIDED BY THE DEPARTMENT RELATED TO THE
10 MODIFICATION. A PERSON RECEIVING A WRITTEN OR VERBAL APPROVAL FROM
11 THE DEPARTMENT SHALL SUBMIT REVISED PLANS AND SPECIFICATIONS TO THE
12 DEPARTMENT WITHIN 10 DAYS FROM THE DATE OF APPROVAL.

13 (8) IF A PERSON SEEKS CONFIRMATION OF THE DEPARTMENT'S VERBAL
14 APPROVAL OF A MINOR MODIFICATION UNDER SUBSECTION (7), THE PERSON
15 SHALL NOTIFY THE DEPARTMENT ELECTRONICALLY, AT AN ADDRESS SPECIFIED
16 BY THE DEPARTMENT, WITH A DETAILED DESCRIPTION OF THE REQUEST FOR
17 THE MODIFICATION. THE DEPARTMENT SHALL MAKE REASONABLE EFFORTS TO
18 RESPOND WITHIN 2 BUSINESS DAYS, CONFIRMING WHETHER THE REQUEST HAS
19 BEEN APPROVED OR NOT APPROVED. IF THE DEPARTMENT HAS NOT RESPONDED
20 WITHIN 2 BUSINESS DAYS AFTER THE DEPARTMENT RECEIVES THE DETAILED
21 DESCRIPTION, THE VERBAL APPROVAL SHALL BE CONSIDERED CONFIRMED.

22 SEC. 4A. (1) AN EXPEDITED PERMIT APPLICATION REVIEW PROCESS IS
23 AVAILABLE FROM OCTOBER 1, 2006 THROUGH SEPTEMBER 30, 2009 FOR
24 PROJECTS DESCRIBED IN SUBSECTION (6). A SUPPLIER PLANNING TO
25 REQUEST AN EXPEDITED PERMIT APPLICATION REVIEW SHALL NOTIFY THE
26 DEPARTMENT ELECTRONICALLY, IN ACCORDANCE WITH THE INSTRUCTIONS
27 PROVIDED ON THE DEPARTMENT'S WEBSITE, AT LEAST 2 WEEKS PRIOR TO

1 SUBMITTING A REQUEST FOR AN EXPEDITED PERMIT APPLICATION REVIEW.
2 THE SUPPLIER SHALL SUBMIT THE REQUEST FOR AN EXPEDITED PERMIT
3 APPLICATION REVIEW ELECTRONICALLY AND SHALL INCLUDE THE APPROPRIATE
4 FEE AS PROVIDED IN SUBSECTION (2). CREDIT CARD PAYMENT OF THE
5 APPROPRIATE FEE IS REQUIRED WITH THE ELECTRONIC FILING OF THE
6 APPLICATION. THE SUPPLIER SHALL SUBMIT A WRITTEN COPY OF THE
7 CONSTRUCTION PLANS AND SPECIFICATIONS FOR THE PROJECT TO THE
8 DEPARTMENT POSTMARKED NO LATER THAN THE DATE THAT THE APPLICATION
9 WAS SUBMITTED ELECTRONICALLY.

10 (2) THE EXPEDITED PERMIT APPLICATION REVIEW FEE SHALL BE AS
11 FOLLOWS:

12 (A) WATER MAIN PROJECTS WITH TOTAL LENGTHS LESS THAN 1,000
13 FEET, \$1,000.00.

14 (B) WATER MAIN PROJECTS WITH TOTAL LENGTHS GREATER THAN OR
15 EQUAL TO 1,000 FEET AND LESS THAN 3,000 FEET, \$1,500.00.

16 (C) WATER MAIN PROJECTS OF TOTAL LENGTH GREATER THAN 3,000
17 FEET AND LESS THAN OR EQUAL TO 10,000 FEET, \$2,000.00.

18 (3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (5), IF AN
19 APPLICANT DOES NOT SUBMIT A COMPLETE APPLICATION AND THE
20 APPROPRIATE FEE UNDER SUBSECTION (2), OR IF THE NOTIFICATION
21 REQUIRED IN SUBSECTION (1) IS NOT MADE, THE DEPARTMENT SHALL NOT
22 CONDUCT AN EXPEDITED REVIEW AND THE FEE SHALL NOT BE REFUNDED.
23 WITHIN 10 BUSINESS DAYS OF RECEIPT OF THE APPLICATION, THE
24 DEPARTMENT SHALL NOTIFY THE SUPPLIER OF THE REASONS WHY THE
25 APPLICATION WILL NOT BE EXPEDITED. THE SUPPLIER MAY CORRECT THE
26 DEFICIENCIES AND SUBMIT A NEW REQUEST FOR AN EXPEDITED PERMIT
27 APPLICATION REVIEW WITH THE APPROPRIATE FEE IN ACCORDANCE WITH THIS

1 SECTION. THE DEPARTMENT SHALL NOT REJECT A RESUBMITTED APPLICATION
2 SOLELY BECAUSE THE DEPARTMENT FAILED TO IDENTIFY THE DEFICIENCIES
3 IN THE ORIGINAL APPLICATION.

4 (4) FOR A SECOND SUBMISSION OF AN APPLICATION THAT ORIGINALLY
5 FAILED TO MEET THE REQUIREMENTS SPECIFIED IN SUBSECTION (3), THE
6 APPLICANT SHALL INCLUDE A FEE EQUAL TO 10% OF THE FEE SPECIFIED IN
7 SUBSECTION (2). IF THE APPLICANT MAKES ADDITIONAL CHANGES OTHER
8 THAN THOSE ITEMS IDENTIFIED BY THE DEPARTMENT AS BEING DEFICIENT,
9 THE APPLICANT SHALL INCLUDE THE FEE SPECIFIED IN SUBSECTION (2).
10 FOR EACH SUBSEQUENT SUBMITTAL OF AN APPLICATION THAT FAILS TO MEET
11 THE REQUIREMENTS SPECIFIED IN SUBSECTION (3), THE APPLICANT SHALL
12 INCLUDE THE FEE SPECIFIED IN SUBSECTION (2).

13 (5) IF AN APPLICANT FAILS TO PROVIDE A COMPLETE APPLICATION OR
14 THE APPROPRIATE FEE REQUIRED UNDER THIS SECTION, THE DEPARTMENT
15 SHALL NOTIFY THE APPLICANT WITHIN 5 BUSINESS DAYS. THE APPLICATION
16 SHALL NOT BE PROCESSED UNTIL THE DEFICIENT ITEMS ARE ADDRESSED. IF
17 THE APPLICANT DOES NOT PROVIDE THE DEFICIENT ITEMS WITHIN 5
18 BUSINESS DAYS AFTER NOTIFICATION BY THE DEPARTMENT, THE APPLICATION
19 SHALL BE HANDLED AS PROVIDED IN SUBSECTION (3). THE FEE FOR AN
20 EXPEDITED REVIEW REQUIRED UNDER THIS SECTION SHALL BE REFUNDED IF
21 THE DEPARTMENT FAILS TO MEET THE DEADLINES ESTABLISHED IN
22 SUBSECTION (7).

23 (6) A REQUEST FOR AN EXPEDITED PERMIT APPLICATION REVIEW IS
24 LIMITED TO PROJECTS WHICH CONSIST SOLELY OF INSTALLATION OF NEW
25 WATER MAINS OF LESS THAN OR EQUAL TO 10,000 FEET LOCATED IN A
26 COUNTY WITH A POPULATION OF BETWEEN 750,000 AND 1,000,000 AND ANY
27 CONTIGUOUS COUNTY WITH A POPULATION OF GREATER THAN 160,000.

1 EXPEDITED PERMIT APPLICATION REVIEWS ARE NOT ALLOWED FOR OTHER
2 PROJECTS REQUIRING A PERMIT UNDER THIS ACT INCLUDING, BUT NOT
3 LIMITED TO, PROJECTS INVOLVING WATER TREATMENT PROCESSES, GROUND OR
4 ELEVATED STORAGE TANKS, CHEMICAL FEED SYSTEMS, WELLS, BOOSTER
5 STATIONS, PUMPS, NEW PROPOSED WATERWORKS SYSTEMS SUBJECT TO A
6 CAPACITY ASSESSMENT, OR PROJECTS FUNDED UNDER THE STATE DRINKING
7 WATER REVOLVING FUND ESTABLISHED UNDER SECTION 16B OF THE SHARED
8 CREDIT RATING ACT, 1985 PA 227, MCL 141.1066B.

9 (7) THE DEPARTMENT SHALL REVIEW AND MAKE A DECISION ON A
10 COMPLETE APPLICATION SUBMITTED IN ACCORDANCE WITH A REQUEST FOR
11 EXPEDITED PERMIT APPLICATION REVIEW PURSUANT TO THE FOLLOWING
12 SCHEDULE:

13 (A) FROM OCTOBER 1, 2006 THROUGH SEPTEMBER 30, 2007, THE
14 DEPARTMENT SHALL MAKE A PERMIT DECISION WITHIN 20 BUSINESS DAYS OF
15 RECEIPT BY THE DEPARTMENT OF THE COMPLETE APPLICATION, INCLUDING
16 PLANS AND SPECIFICATIONS.

17 (B) FROM OCTOBER 1, 2007 THROUGH SEPTEMBER 30, 2008, THE
18 DEPARTMENT SHALL MAKE A PERMIT DECISION WITHIN 15 BUSINESS DAYS OF
19 RECEIPT BY THE DEPARTMENT OF THE COMPLETE APPLICATION, INCLUDING
20 PLANS AND SPECIFICATIONS.

21 (C) FROM OCTOBER 1, 2008 THROUGH SEPTEMBER 30, 2009, THE
22 DEPARTMENT SHALL MAKE A PERMIT DECISION WITHIN 10 BUSINESS DAYS OF
23 RECEIPT BY THE DEPARTMENT OF THE COMPLETE APPLICATION, INCLUDING
24 PLANS AND SPECIFICATIONS.

25 (8) IF THE DEPARTMENT FAILS TO MEET THE DEADLINES SPECIFIED IN
26 SUBSECTION (7), THE DEPARTMENT SHALL CONTINUE TO EXPEDITE THE
27 APPLICATION REVIEW PROCESS FOR AN APPLICATION SUBMITTED UNDER THIS

1 SECTION.

2 (9) EXPEDITED PERMIT APPLICATION REVIEW FEES SHALL BE
3 DEPOSITED INTO THE INFRASTRUCTURE CONSTRUCTION FUND CREATED IN
4 SECTION 4113 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION
5 ACT, 1994 PA 451, MCL 324.4113.

6 (10) AS USED IN THIS SECTION:

7 (A) "COMPLETE APPLICATION" MEANS THE APPLICATION FORM PROVIDED
8 BY THE DEPARTMENT IS COMPLETED, ALL REQUESTED INFORMATION IS
9 PROVIDED, THE SUBMITTED CONSTRUCTION PLANS AND SPECIFICATIONS ARE
10 PREPARED AND SEALED BY A PROFESSIONAL ENGINEER LICENSED UNDER
11 ARTICLE 20 OF THE OCCUPATIONAL CODE, 1980 PA 299, MCL 339.2001 TO
12 339.2014, AND THE APPLICATION AND CONSTRUCTION PLANS AND
13 SPECIFICATIONS CAN BE PROCESSED FOR ISSUANCE OF THE PERMIT WITHOUT
14 ADDITIONAL INFORMATION. THE DEPARTMENT MAY CONSIDER AN APPLICATION
15 WITH MINOR DESIGN ISSUES COMPLETE ON CONDITION THAT THOSE ISSUES
16 ARE CORRECTED.

17 (B) "PROJECT" MEANS A PLAN OR PROPOSAL TO INSTALL NEW WATER
18 MAINS WITHIN A WATERWORKS SYSTEM LOCATED IN 1 GENERAL AREA WHERE
19 ALL THE COMPONENTS ARE INTERCONNECTED BUT DOES NOT INCLUDE A
20 WATERWORKS SYSTEM PROPOSED FOR CONSTRUCTION IN SEPARATE PARCELS OF
21 LAND OR DEVELOPMENT AREAS.

22 Sec. 21. (1) A person who **KNOWINGLY** violates this act or the
23 rules promulgated ~~hereunder~~ **UNDER THIS ACT** or an order issued
24 pursuant to this act is guilty of a misdemeanor ~~and shall be~~
25 ~~punished~~ **PUNISHABLE** by a fine of not more than \$5,000.00 for each
26 day of violation, or by imprisonment for not more than 1 year, or
27 both.

1 (2) A LAW ENFORCEMENT OFFICER MAY ISSUE AND SERVE AN
2 APPEARANCE TICKET UPON A PERSON FOR A MINOR OFFENSE PURSUANT TO
3 SECTIONS 9A AND 9G OF CHAPTER IV OF THE CODE OF CRIMINAL PROCEDURE,
4 1927 PA 175, MCL 764.9A AND 764.9G.

5 (3) AS USED IN THIS SECTION, "MINOR OFFENSE" MEANS A VIOLATION
6 OF A PERMIT ISSUED UNDER THIS ACT THAT DOES NOT FUNCTIONALLY IMPAIR
7 THE OPERATION OR CAPACITY OF A WATERWORKS SYSTEM OR THE LEVEL OF
8 PUBLIC HEALTH PROTECTION IT PROVIDES.

9 Enacting section 1. This amendatory act does not take effect
10 unless Senate Bill No.____ or House Bill No.____ (request no.
11 07161'06) of the 93rd Legislature is enacted into law.