

Act No. 254
Public Acts of 2005
Approved by the Governor
December 1, 2005
Filed with the Secretary of State
December 1, 2005
EFFECTIVE DATE: December 1, 2005

**STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2005**

Introduced by Reps. Stakoe, Stahl, Robertson, Taub, Palsrok, Pastor, Garfield, Brandenburg, Meyer, Jones, Green, Ward, Baxter, Marleau, Caswell, Gosselin, Vander Veen, Gaffney, Hopgood, Accavitti, Toboeman, Acciavatti, Schuitmaker, Shaffer, Amos, Moolenaar, LaJoy, Nitz and Drolet

ENROLLED HOUSE BILL No. 4572

AN ACT to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts," (MCL 324.101 to 324.90106) by adding section 5204a.

The People of the State of Michigan enact:

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 \$40,000,000.00 to eligible municipalities. The grant program shall provide assistance to municipalities to complete the loan application requirements of section 5308.

(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.

(b) The 10% local match is not eligible for loan assistance from the state water pollution control revolving fund or the fund.

(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.

(f) The department shall cease accepting grant applications under this section 2 years after the date the first grant agreement is entered into under subsection (3).

(3) Within 6 months after the effective date of the amendatory act that added this section, 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 30 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 for the project within 3 years of the grant award.

(b) The project has been identified as being in the fundable range and the applicant declines loan assistance from the state water pollution control revolving fund or the fund in that fiscal year.

(c) The applicant is unable to, or decides not to, proceed with constructing the project or opts to finance construction by means other than a grant from the state water pollution control revolving fund or the fund.

(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.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 4573.

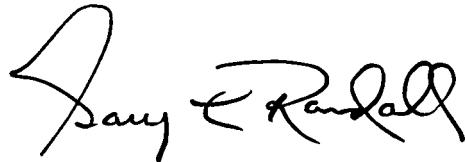
(b) Senate Bill No. 789.

(c) Senate Bill No. 790.

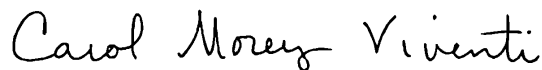
(d) Senate Bill No. 799.

(e) House Bill No. 5297.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor