## SUBSTITUTE FOR HOUSE BILL NO. 5673

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 5201, 5202, 5203, and 5204 (MCL 324.5201,
324.5202, 324.5203, and 324.5204), section 5201 as amended by 2005
PA 257, sections 5202 and 5203 as added by 2002 PA 397, and section
5204 as amended by 2010 PA 232, and by adding sections 5204e and
5204f.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 5201. As used in this part:
- 2 (A) "ASSET MANAGEMENT PROGRAM" MEANS THE PROGRAM THAT
- 3 IDENTIFIES THE DESIRED LEVEL OF SERVICE AT THE LOWEST LIFE CYCLE
- 4 COST FOR REHABILITATING, REPAIRING, OR REPLACING THE ASSETS
- 5 ASSOCIATED WITH A MUNICIPALITY'S WASTEWATER OR STORM WATER SYSTEM.
- 6 (B) (a) "Authority" means the Michigan municipal bond

- 1 authority created in section 4 of the shared credit rating act,
- 2 1985 PA 227, MCL 141.1054.
- 3 (C) (b)—"Department" means the department of environmental
- 4 quality.
- 5 (D) <del>(c)</del> "Fund" means the strategic water quality initiatives
- 6 fund created in section 5204.
- 7 (E) (d)—"Grant" means a grant from the grant program.
- 8 (F) (e)—"Grant program" means the strategic water quality
- 9 initiatives grant program established under section 5204a. THIS
- 10 PART.
- 11 (G) (f) "Loan" means a loan from the loan program.
- 12 (H) (g) "Loan program" means the strategic water quality
- 13 initiatives loan program established under section 5202.
- 14 (I) (h)—"Municipality" means that term as it is defined in
- **15** section 5301.
- 16 (J)  $\frac{(i)}{(i)}$ "On-site septic system" means a natural system or
- 17 mechanical device used to store, treat, and dispose of sewage from
- 18 1 or more dwelling units that utilize a subsurface trench or bed
- 19 that allows the effluent to be absorbed and treated by the
- 20 surrounding soil, including a septic tank and tile field system.
- 21 (K) (j)—"State water pollution control revolving fund" means
- 22 the state water pollution control revolving fund established under
- 23 section 16a of the shared credit rating act, 1985 PA 227, MCL
- 24 141.1066a.
- 25 (1) "WETLAND MITIGATION BANK" MEANS A SITE WHERE WETLANDS ARE
- 26 RESTORED, CREATED, OR PRESERVED FOR THE PURPOSE OF DOING BOTH OF
- 27 THE FOLLOWING:

- 1 (i) TO PROVIDE COMPENSATORY MITIGATION IN ACCORDANCE WITH THE
- 2 PROVISIONS OF PART 303, IN ADVANCE OF AUTHORIZED, UNAVOIDABLE
- 3 IMPACTS TO WETLANDS.
- 4 (ii) TO PROVIDE STORM WATER CONTROL, NONPOINT SOURCE POLLUTION
- 5 CONTROL, OR POLLUTION TREATMENT THAT IMPROVES THE QUALITY OF THE
- 6 WATERS OF THE STATE.
- 7 Sec. 5202. (1) The authority in consultation with the
- 8 department shall establish a strategic water quality initiatives
- 9 loan program. This loan program shall provide low interest loans to
- 10 municipalities to provide assistance for improvements to a sewage
- 11 system for 1 or more of the following:
- 12 (a) Improvements to reduce or eliminate the amount of
- 13 groundwater or storm water entering a sanitary sewer lead or a
- 14 combined sewer lead.
- 15 (b) Upgrades or replacements of failing on-site septic systems
- 16 that are adversely affecting public health or the environment, or
- **17** both.
- 18 (C) ASSISTANCE FOR CONSTRUCTION ACTIVITIES AS DEFINED IN
- 19 SECTION 5301(D) DESIGNED TO PROTECT WATER QUALITY, INCLUDING
- 20 IMPROVEMENTS THAT ARE WATER OR ENERGY EFFICIENT, WHERE FEASIBLE,
- 21 WHEN IDENTIFIED THROUGH AN ASSET MANAGEMENT PROGRAM OR A PROJECT
- 22 IDENTIFIED IN AN APPROVED STORM WATER MANAGEMENT PLAN.
- 23 (D) PROJECT COSTS OF THE MUNICIPALITY RELATED TO TESTING,
- 24 DEMONSTRATION, AND CONSTRUCTION ACTIVITIES AS DEFINED IN SECTION
- 25 5301(D) FOR INNOVATIVE WASTEWATER AND STORM WATER TECHNOLOGIES
- 26 APPROVED BY THE DEPARTMENT.
- 27 (2) In implementing the loan program, the department shall

- 1 annually establish the interest rate that will be charged for
- 2 loans.
- 3 Sec. 5203. (1) A municipality that wishes to apply for a loan
- 4 shall submit a loan application to the department in accordance
- 5 with the application requirements provided in part 53.AS FOLLOWS:
- 6 (A) IN COMPLIANCE WITH THE APPLICATION REQUIREMENTS PROVIDED
- 7 IN PART 53, FOR ACTIVITIES DESCRIBED IN SECTION 5202(1)(A) OR (B).
- 8 (B) ON A FORM APPROVED BY THE DEPARTMENT, FOR ACTIVITIES
- 9 DESCRIBED IN SECTION 5202(1)(C) OR (D).
- 10 (2) The department shall process the loan applications
- 11 submitted under this part. and otherwise administer the fund in
- 12 accordance with the procedures established pursuant to part 53.
- 13 (3) Prior to releasing a loan, the authority in consultation
- 14 with the department shall enter into a loan agreement with the loan
- 15 recipient. in accordance with part 53.
- 16 (4) All money that is received for the repayment of a loan
- 17 shall be forwarded to the state treasurer for deposit into the
- **18** fund.
- 19 Sec. 5204. (1) The strategic water quality initiatives fund is
- 20 created within the state treasury.
- 21 (2) The state treasurer may receive money or other assets from
- 22 any source for deposit into the fund. The state treasurer shall
- 23 direct the investment of the fund. The state treasurer shall credit
- 24 to the fund interest and earnings from fund investments. The
- 25 authority shall act as fiscal agent for the fund in accordance with
- 26 the shared credit rating act, 1985 PA 227, MCL 141.1051 to
- **27** 141.1076.

- 1 (3) Money in the fund at the close of the fiscal year shall
- 2 remain in the fund and shall not lapse to the general fund.
- 3 (4) The authority in consultation with the department shall
- 4 expend money from the fund, upon appropriation, only for the
- 5 following:
- 6 (a) Loans under section 5202.
- 7 (b) Grants under section SECTIONS 5204a, and 5204d, AND 5204E.
- 8 (c) Response activities to address nonpoint source water
- 9 pollution under section 5204b.
- 10 (d) Grants and loans for brownfield sites under section 5204c.
- 11 (E) GRANTS AND LOANS FOR WETLAND MITIGATION BANKS UNDER
- 12 SECTION 5204F.
- 13 (F) (e)—The costs of the authority and the department in
- 14 administering the fund.
- 15 (5) The fund may be pledged as security for bonds to be issued
- 16 by the authority for the purpose of funding loans if authorized by
- 17 the state administrative board.
- 18 SEC. 5204E. (1) IN ADDITION TO OTHER REQUIREMENTS OF THIS
- 19 PART, THE GRANT PROGRAM SHALL PROVIDE GRANTS TO MUNICIPALITIES FOR
- 20 SEWAGE COLLECTION AND TREATMENT SYSTEMS OR STORM WATER OR NONPOINT
- 21 SOURCE POLLUTION CONTROL AS PROVIDED FOR IN THIS SECTION.
- 22 (2) THE GRANT PROGRAM IS SUBJECT TO ALL OF THE FOLLOWING:
- 23 (A) THE GRANT PROGRAM SHALL PROVIDE GRANTS IN ACCORDANCE WITH
- 24 THE FOLLOWING:
- 25 (i) SUBJECT TO SUBPARAGRAPH (iii), FOR GRANTS OF UP TO
- 26 \$1,000,000.00, NOT MORE THAN 90% OF THE COSTS INCURRED BY THE
- 27 MUNICIPALITY.

- 1 (ii) SUBJECT TO SUBPARAGRAPH (iii), FOR GRANTS OF MORE THAN
- 2 \$1,000,000.00 AND LESS THAN \$2,000,000.00, NOT MORE THAN 90% OF THE
- 3 COSTS INCURRED BY THE MUNICIPALITY UP TO \$1,000,000.00 AND NOT MORE
- 4 THAN 75% OF THE COSTS ABOVE \$1,000,000.00 INCURRED BY THE
- 5 MUNICIPALITY.
- 6 (iii) IF ANY OF THE FOLLOWING CONDITIONS ARE MET, A GRANT MAY BE
- 7 ISSUED TO COVER 100% OF THE COSTS INCURRED BY THE MUNICIPALITY:
- 8 (A) THE MUNICIPALITY IS A DISADVANTAGED COMMUNITY AS DEFINED
- 9 IN PART 53.
- 10 (B) THE MUNICIPALITY IS IN RECEIVERSHIP.
- 11 (C) THE MUNICIPALITY IS OPERATING UNDER AN EMERGENCY MANAGER
- 12 OR AN EMERGENCY FINANCIAL MANAGER APPOINTED UNDER STATE LAW.
- 13 (D) THE MUNICIPALITY IS OPERATING UNDER A CONSENT AGREEMENT AS
- 14 PROVIDED UNDER THE LOCAL GOVERNMENT FISCAL RESPONSIBILITY ACT, 1990
- 15 PA 72, MCL 141.1201 TO 141.1291.
- 16 (B) A GRANT MAY BE USED FOR 1 OR MORE OF THE FOLLOWING
- 17 PURPOSES:
- 18 (i) DEVELOPMENT OF AN ASSET MANAGEMENT PROGRAM FOR A SEWAGE
- 19 COLLECTION AND TREATMENT SYSTEM OR A STORM WATER SYSTEM. FOR SEWAGE
- 20 COLLECTION AND TREATMENT SYSTEMS, THE PROGRAM SHALL INCLUDE THE
- 21 DEVELOPMENT OF A FUNDING STRUCTURE AND IMPLEMENTATION SCHEDULE THAT
- 22 PROVIDES SUFFICIENT RESOURCES TO IMPLEMENT THE PROGRAM. THE
- 23 MUNICIPALITY SHALL COORDINATE, AS FEASIBLE, WITH OTHER
- 24 INFRASTRUCTURE ACTIVITIES IN THE SAME GEOGRAPHIC AREA.
- 25 (ii) DEVELOPMENT OF MANAGEMENT PLANS AS DETERMINED BY THE
- 26 DEPARTMENT FOR THE TREATMENT OF STORM WATER.
- 27 (iii) PLANNING AND DESIGN OF A SEWAGE TREATMENT WORKS PROJECT OR

- 1 STORMWATER TREATMENT PROJECT AS DEFINED IN SECTION 5301(N) OR (O)
- 2 OR CONSTRUCTION ACTIVITIES DESIGNED TO REDUCE NONPOINT SOURCE
- 3 POLLUTION.
- 4 (iv) PROJECT COSTS OF A MUNICIPALITY RELATED TO THE TESTING AND
- 5 DEMONSTRATION OF INNOVATIVE WASTEWATER AND STORM WATER TECHNOLOGIES
- 6 APPROVED BY THE DEPARTMENT.
- 7 (C) THE LOCAL MATCH IS NOT ELIGIBLE FOR LOAN ASSISTANCE FROM
- 8 THE STATE WATER POLLUTION CONTROL REVOLVING FUND OR THE FUND.
- 9 (D) GRANT FUNDS SHALL NOT BE USED FOR GENERAL LOCAL GOVERNMENT
- 10 ADMINISTRATIVE ACTIVITIES OR ACTIVITIES PERFORMED BY MUNICIPAL
- 11 EMPLOYEES THAT ARE UNRELATED TO THE PROJECT.
- 12 (E) A MUNICIPALITY SHALL NOT RECEIVE MORE THAN \$2,000,000.00
- 13 IN TOTAL GRANT ASSISTANCE UNDER THIS SECTION.
- 14 (3) THE DEPARTMENT SHALL ESTABLISH AN APPLICATION AND REVIEW
- 15 PROCESS FOR CONSIDERING GRANT APPLICATIONS UNDER THIS SECTION. THE
- 16 APPLICATION SHALL CONTAIN THE INFORMATION REQUIRED BY THE
- 17 DEPARTMENT AND THE AUTHORITY. WITHIN 60 DAYS AFTER RECEIPT OF AN
- 18 APPLICATION, THE DEPARTMENT SHALL PUBLISH NOTICE OF THE APPLICATION
- 19 ON THE DEPARTMENT'S CALENDAR. WITHIN 120 DAYS AFTER RECEIPT OF AN
- 20 ADMINISTRATIVELY COMPLETE GRANT APPLICATION, THE DEPARTMENT SHALL,
- 21 IN WRITING, NOTIFY THE APPLICANT WHETHER THE APPLICATION IS
- 22 APPROVED OR REJECTED. IF THE DEPARTMENT APPROVES A GRANT UNDER THIS
- 23 SECTION, THE DEPARTMENT AND THE AUTHORITY SHALL ENTER INTO A GRANT
- 24 AGREEMENT WITH THE RECIPIENT PRIOR TO TRANSFERRING FUNDS. THE GRANT
- 25 AGREEMENT SHALL CONTAIN TERMS ESTABLISHED BY THE DEPARTMENT AND THE
- 26 AUTHORITY, INCLUDING BOTH OF THE FOLLOWING:
- 27 (A) A REQUIREMENT THAT A GRANT RECIPIENT PROCEED WITH A

- 1 PROJECT FOR WHICH GRANT FUNDING IS PROVIDED WITHIN 3 YEARS AFTER
- 2 THE DEPARTMENT APPROVES THE GRANT. FOR ASSET MANAGEMENT PROGRAMS,
- 3 THIS WOULD INCLUDE SIGNIFICANT PROGRESS, AS DETERMINED BY THE
- 4 DEPARTMENT, TOWARD ACHIEVING THE FUNDING STRUCTURE NECESSARY TO
- 5 IMPLEMENT THE PROGRAM.
- 6 (B) A REQUIREMENT THAT THE GRANT RECIPIENT REPAY THE GRANT,
- 7 WITHIN 90 DAYS OF BEING INFORMED TO DO SO, WITH INTEREST AT A RATE
- 8 NOT TO EXCEED 8% PER YEAR, TO THE AUTHORITY FOR DEPOSIT INTO THE
- 9 FUND IF THE APPLICANT IS UNABLE TO, OR DECIDES NOT TO, PROCEED WITH
- 10 A CONSTRUCTION PROJECT OR IMPLEMENTATION OF AN ASSET MANAGEMENT
- 11 PROGRAM FOR WHICH GRANT FUNDING IS PROVIDED.
- 12 (4) FOR EACH YEAR IN WHICH THE DEPARTMENT RECEIVES GRANT
- 13 APPLICATIONS UNDER THIS SECTION, THE DEPARTMENT SHALL REPORT BY
- 14 OCTOBER 1 OF THAT YEAR TO THE STANDING COMMITTEES OF THE SENATE AND
- 15 THE HOUSE OF REPRESENTATIVES WITH PRIMARY JURISDICTION OVER ISSUES
- 16 PERTAINING TO NATURAL RESOURCES AND THE ENVIRONMENT AND TO THE
- 17 SENATE AND HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEES ON
- 18 THE UTILIZATION OF FUNDS UNDER THIS PART THAT WERE RECEIVED FROM
- 19 THE GREAT LAKES WATER QUALITY BOND FUND CREATED IN SECTION 19706.
- 20 THE REPORT SHALL INCLUDE, AT A MINIMUM, ALL OF THE FOLLOWING:
- 21 (A) THE NUMBER OF GRANT APPLICATIONS RECEIVED UNDER THIS
- 22 SECTION.
- 23 (B) THE NAME OF EACH MUNICIPALITY APPLYING FOR A GRANT.
- 24 (C) THE TYPE OF PROJECT BEING FUNDED FOR EACH GRANT AWARDED.
- 25 (D) THE NUMBER OF USERS POTENTIALLY AFFECTED BY EACH GRANT
- 26 AWARDED.
- 27 (E) THE AMOUNT OF THE LOCAL MATCH FOR EACH GRANT AWARDED.

- 1 (F) THE INDIVIDUAL AND ANNUAL CUMULATIVE AMOUNT OF GRANT FUNDS
- 2 AWARDED, INCLUDING AN IDENTIFICATION OF WHETHER EACH AWARD WAS FOR
- 3 THE PURPOSE OF APPLYING FOR ASSISTANCE FROM THE STATE WATER
- 4 POLLUTION CONTROL REVOLVING FUND OR THE FUND.
- 5 SEC. 5204F. (1) THE DEPARTMENT, IN CONJUNCTION WITH THE
- 6 AUTHORITY, SHALL ESTABLISH A WETLAND MITIGATION BANK FUNDING
- 7 PROGRAM THAT PROVIDES GRANTS AND LOANS TOTALING NOT MORE THAN
- 8 \$10,000,000.00 TO ELIGIBLE MUNICIPALITIES. OF THE MONEY EXPENDED
- 9 UNDER THIS SUBSECTION, UP TO \$500,000.00 MAY BE USED FOR GRANTS.
- 10 FUNDING MAY BE USED FOR THE PURPOSE OF THIS SUBSECTION AS LONG AS
- 11 FUNDS REMAIN AVAILABLE.
- 12 (2) GRANTS AWARDED UNDER THE WETLAND MITIGATION BANK FUNDING
- 13 PROGRAM SHALL PROVIDE ASSISTANCE TO MUNICIPALITIES TO COMPLETE LOAN
- 14 APPLICATION REQUIREMENTS FOR FUNDING FROM THE WETLAND MITIGATION
- 15 BANK FUNDING PROGRAM OR TO COMPLETE LOAN APPLICATION REQUIREMENTS
- 16 FOR OTHER SOURCES OF FINANCING. GRANTS FOR WETLAND MITIGATION BANKS
- 17 ARE SUBJECT TO THE FOLLOWING:
- 18 (A) GRANTS SHALL NOT COVER MORE THAN 90% OF THE COSTS INCURRED
- 19 BY A MUNICIPALITY TO COMPLETE AN APPLICATION FOR LOAN ASSISTANCE.
- 20 (B) GRANT FUNDING MAY BE USED FOR THE FOLLOWING PURPOSES:
- 21 (i) DEVELOPING AN APPROVABLE WETLAND MITIGATION BANKING
- 22 PROPOSAL.
- 23 (ii) NOTIFYING AFFECTED LOCAL UNITS OF GOVERNMENT AND ADJACENT
- 24 PROPERTY OWNERS OF THE PROPOSED WETLAND MITIGATION BANK, AND
- 25 WORKING TO RESOLVE OBJECTIONS TO THE PROJECT.
- 26 (iii) PLANNING AND DESIGNING THE WETLAND MITIGATION BANK.
- 27 (iv) COMPLETING THE WETLAND MITIGATION BANK FUNDING PROGRAM

- 1 LOAN APPLICATION OR LOAN APPLICATION REQUIREMENTS FOR OTHER SOURCES
- 2 OF FINANCING.
- 3 (C) THE 10% LOCAL MATCH IS NOT ELIGIBLE FOR LOAN ASSISTANCE
- 4 FROM THE WETLAND MITIGATION FUNDING BANK PROGRAM.
- 5 (D) GRANT FUNDS SHALL NOT BE USED FOR GENERAL LOCAL GOVERNMENT
- 6 ADMINISTRATIVE ACTIVITIES OR ACTIVITIES PERFORMED BY MUNICIPAL
- 7 EMPLOYEES THAT ARE UNRELATED TO DEVELOPMENT OF THE WETLAND
- 8 MITIGATION BANK LOAN APPLICATION.
- 9 (E) APPLICATIONS FOR GRANTS FROM THE WETLAND MITIGATION
- 10 FUNDING BANK PROGRAM SHALL BE MADE ON A FORM PROVIDED BY THE
- 11 DEPARTMENT AND SHALL CONTAIN THE INFORMATION REQUIRED BY THE
- 12 DEPARTMENT AND THE AUTHORITY. GRANT APPLICATIONS MAY BE MADE AT ANY
- 13 TIME.
- 14 (F) THE DEPARTMENT SHALL ESTABLISH A REVIEW PROCESS FOR
- 15 CONSIDERING GRANT APPLICATIONS UNDER THIS SUBSECTION. THE
- 16 DEPARTMENT SHALL NOTIFY THE APPLICANT IN WRITING WHETHER THE
- 17 APPLICATION IS APPROVED OR REJECTED. IF THE DEPARTMENT APPROVES A
- 18 GRANT UNDER THIS SECTION, THE DEPARTMENT AND THE AUTHORITY SHALL
- 19 ENTER INTO A GRANT AGREEMENT WITH THE RECIPIENT PRIOR TO
- 20 TRANSFERRING FUNDS.
- 21 (G) THE GRANT AGREEMENT SHALL CONTAIN TERMS ESTABLISHED BY THE
- 22 DEPARTMENT AND THE AUTHORITY AND A REQUIREMENT THAT THE GRANT
- 23 RECIPIENT REPAY THE GRANT, WITHIN 90 DAYS OF BEING INFORMED TO DO
- 24 SO, WITH INTEREST AT A RATE NOT TO EXCEED 8% PER YEAR, TO THE
- 25 AUTHORITY FOR DEPOSIT INTO THE FUND IF ANY OF THE FOLLOWING OCCUR:
- 26 (i) THE APPLICANT FAILS TO SUBMIT AN ADMINISTRATIVELY COMPLETE
- 27 LOAN APPLICATION FOR ASSISTANCE FROM THE WETLAND MITIGATION BANK

- 1 FUNDING PROGRAM OR OTHER SOURCE OF FINANCING FOR THE PROJECT WITHIN
- 2 1 YEAR OF THE DATE ON WHICH THE GRANT EXPIRES.
- 3 (ii) THE APPLICANT DECLINES THE LOAN ASSISTANCE FOR 2
- 4 CONSECUTIVE YEARS UNLESS THE APPLICANT PROCEEDS WITH FUNDING FROM
- 5 ANOTHER SOURCE.
- 6 (iii) THE APPLICANT IS UNABLE TO ENTER INTO A SIGNED WETLAND
- 7 MITIGATION BANKING AGREEMENT WITH THE DEPARTMENT WITHIN 2 YEARS OF
- 8 THE DATE ON WHICH THE GRANT EXPIRES.
- 9 (iv) THE APPLICANT IS UNABLE TO OR DECIDES NOT TO PROCEED WITH
- 10 CONSTRUCTING THE PROJECT.
- 11 (3) LOANS UNDER THE WETLAND MITIGATION BANK FUNDING PROGRAM
- 12 SHALL PROVIDE ASSISTANCE TO MUNICIPALITIES TO ESTABLISH A WETLAND
- 13 MITIGATION BANK. LOANS SHALL BE SUBJECT TO THE FOLLOWING:
- 14 (A) LOANS UNDER THE WETLAND MITIGATION BANK FUNDING PROGRAM
- 15 SHALL BE FOR 1 OR MORE OF THE FOLLOWING:
- 16 (i) COMPLETE AND EXECUTE THE WETLAND MITIGATION BANKING
- 17 AGREEMENT WITH THE DEPARTMENT.
- 18 (ii) COMPLETE ENGINEERING AND DESIGN FOR THE WETLAND MITIGATION
- 19 BANK.
- 20 (iii) PURCHASE LAND FOR THE WETLAND MITIGATION BANK.
- 21 (iv) CONSTRUCT THE WETLAND MITIGATION BANK.
- 22 (v) CONDUCT MONITORING AND MAINTENANCE NECESSARY TO ENSURE
- 23 THAT THE PERFORMANCE STANDARDS ARE OR WILL BE MET.
- 24 (vi) IN ADDITION, THE DEPARTMENT MAY APPROVE THE USE OF LOAN
- 25 FUNDS FOR OTHER ACTIVITIES NEEDED TO ESTABLISH A WETLAND MITIGATION
- 26 BANK UPON A DEMONSTRATED NEED BY THE MUNICIPALITY.
- 27 (B) APPLICATIONS FOR LOANS FROM THE WETLAND MITIGATION BANK

- 1 FUNDING PROGRAM SHALL BE MADE ON A FORM PROVIDED BY THE DEPARTMENT
- 2 AND SHALL CONTAIN THE INFORMATION REQUIRED BY THE DEPARTMENT AND
- 3 THE AUTHORITY. LOAN APPLICATIONS MAY BE MADE AT ANY TIME.
- 4 (4) THE DEPARTMENT SHALL ESTABLISH A REVIEW PROCESS FOR
- 5 CONSIDERING LOAN APPLICATIONS UNDER THIS SUBSECTION. THE DEPARTMENT
- 6 SHALL NOTIFY THE APPLICANT IN WRITING WHETHER THE LOAN IS APPROVED
- 7 OR REJECTED. PRIOR TO RELEASING A LOAN, THE AUTHORITY IN
- 8 CONSULTATION WITH THE DEPARTMENT SHALL ENTER INTO A LOAN AGREEMENT
- 9 WITH THE LOAN RECIPIENT.
- 10 (5) FOR EACH YEAR IN WHICH THE DEPARTMENT RECEIVES GRANT OR
- 11 LOAN APPLICATIONS UNDER THIS SECTION, THE DEPARTMENT SHALL REPORT
- 12 BY OCTOBER 1 TO THE STANDING COMMITTEES OF THE SENATE AND THE HOUSE
- 13 OF REPRESENTATIVES WITH PRIMARY JURISDICTION OVER ISSUES PERTAINING
- 14 TO NATURAL RESOURCES AND THE ENVIRONMENT AND TO THE SENATE AND
- 15 HOUSE APPROPRIATIONS COMMITTEES ON THE UTILIZATION OF FUNDS UNDER
- 16 THIS PART THAT WERE RECEIVED FROM THE GREAT LAKES WATER QUALITY
- 17 BOND FUND CREATED IN SECTION 19706. THE REPORT SHALL INCLUDE, AT A
- 18 MINIMUM, ALL OF THE FOLLOWING:
- 19 (A) THE NUMBER OF GRANT AND LOAN APPLICATIONS RECEIVED UNDER
- 20 THIS SECTION.
- 21 (B) THE NAME OF EACH MUNICIPALITY APPLYING FOR A GRANT OR
- 22 LOAN, OR BOTH.
- 23 (C) THE AMOUNT OF LOCAL MATCH FOR EACH GRANT AWARDED.
- 24 (D) THE INDIVIDUAL AND ANNUAL CUMULATIVE AMOUNT OF GRANT AND
- 25 LOAN FUNDS AWARDED, INCLUDING AN IDENTIFICATION OF THE PURPOSE OF
- 26 EACH GRANT AND LOAN AWARDED.
- 27 Enacting section 1. This amendatory act does not take effect

- 1 unless all of the following bills of the 96th Legislature are
- 2 enacted into law:
- (a) House Bill No. 5674. 3
- (b) House Bill No. 5675.
- (c) House Bill No. 5676. 5