

**SUBSTITUTE FOR  
HOUSE BILL NO. 5898**

A bill to amend 1976 PA 399, entitled  
"Safe drinking water act,"  
by amending the title and sections 11a and 11d (MCL 325.1011a and  
325.1011d), the title as amended by 1998 PA 56 and sections 11a and  
11d as added by 1993 PA 165, and by adding section 11e.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1

TITLE

2

An act to protect the public health **AND THE ENVIRONMENT**; to

3

provide for supervision and control over public water supplies; **TO**

4

**PROVIDE FOR THE PROTECTION OF WATER RESOURCES**; to prescribe the

5

powers and duties of the department of environmental quality; to

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provide for the submission of plans and specifications for

7

waterworks systems and the issuance of construction permits

1 therefor; to provide for capacity assessments and source water  
 2 assessments of public water supplies; to provide for the  
 3 classification of public water supplies and the examination,  
 4 certification and regulation of persons operating those systems; to  
 5 provide for continuous, adequate operation of privately owned,  
 6 public water supplies; to authorize the promulgation of rules to  
 7 carry out the intent of the act; to create ~~the water supply fund;~~  
 8 ~~to~~ **CERTAIN FUNDS AND** provide for ~~the~~ **THEIR** administration; ~~of the~~  
 9 ~~water supply fund;~~ **TO PROVIDE FUNDING FOR CERTAIN WATERWORKS**  
 10 **SYSTEMS, SEWER SYSTEMS, AND STORMWATER MANAGEMENT SYSTEMS;** and to  
 11 provide penalties.

12       Sec. 11a. (1) The department shall impose an annual fee on  
 13 each community supply provider in accordance with the following fee  
 14 schedule:

15	Number of Residents Served	Annual Fee
16		
17	More than 500,000	\$ 83,800.00
18	100,001 - 500,000	\$ 17,400.00
19	50,001 - 100,000	\$ 11,000.00
20	25,001 - 50,000	\$ 6,500.00
21	10,001 - 25,000	\$ 3,500.00
22	5,001 - 10,000	\$ 1,900.00
23	1,001 - 5,000	\$ 800.00
24	401 - 1,000	\$ 500.00
25	101 - 400	\$ 400.00
26	25 - 100	\$ 250.00

27       (2) The annual fee ~~in this section~~ **PROVIDED IN SUBSECTION (1)**

1 shall be adjusted on October 1 each year following ~~the effective~~  
2 ~~date of this section~~ **SEPTEMBER 16, 1993**, by applying a percentage  
3 adjustment using the Detroit ~~consumer price index~~. **CONSUMER PRICE**  
4 **INDEX**. The fee may also be adjusted as the result of increased  
5 federal funding or a reduction in actual costs, as determined by  
6 the department.

7 (3) Each community supply provider shall pay the annual fee  
8 **UNDER SUBSECTION (1), AS ADJUSTED PURSUANT TO SUBSECTION (2)**, by  
9 November 30 each year. Failure to submit timely payment will result  
10 in assessment of a penalty of 9% per annum until the fee and  
11 ~~assessment~~ **PENALTY** are paid in full. The department of treasury  
12 shall collect each penalty.

13 (4) **BY SEPTEMBER 1, 2019 AND EACH SUBSEQUENT JANUARY 1, EACH**  
14 **COMMUNITY SUPPLY PROVIDER THAT SERVES 1,000 OR MORE RESIDENTS SHALL**  
15 **PROVIDE TO THE DEPARTMENT AND TO THE WATER ASSET MANAGEMENT COUNCIL**  
16 **AN INVENTORY OF THE NUMBER OF ACCOUNTS ASSOCIATED WITH EACH METER**  
17 **SIZE, FOR BOTH RESIDENTIAL AND NONRESIDENTIAL ACCOUNTS.**

18 Sec. 11d. (1) The ~~water supply~~ **REBUILD MICHIGAN** fund is  
19 created in the state treasury and shall be administered by the  
20 department. The **REBUILD MICHIGAN** fund ~~is capitalized by~~ **SHALL**  
21 **RECEIVE** revenues collected pursuant to sections 11a, 11b, and 11c.  
22 The **REBUILD MICHIGAN** fund shall additionally receive money as  
23 otherwise provided by law, and shall receive any gift or  
24 contribution to the **REBUILD MICHIGAN** fund.

25 (2) The state treasurer shall retain money in the **REBUILD**  
26 **MICHIGAN** fund at the close of the fiscal year, and shall not return  
27 that money to the general fund.

1 ~~— (3) The department shall expend 75% of money in the fund at~~  
2 ~~the close of the fiscal year to offset, on a pro rata basis, each~~  
3 ~~fee described in sections 11a, 11b, and 11c for the following year.~~

4 (3) ~~(4)~~The department shall expend money in the water supply  
5 **REBUILD MICHIGAN** fund only to implement this act and the  
6 administrative rules promulgated under this act.

7 **SEC. 11E. (1) THE DEPARTMENT OF TREASURY SHALL ESTABLISH A**  
8 **WATER ASSISTANCE GRANT PROGRAM TO PROVIDE FUNDING FOR COMMUNITY**  
9 **SUPPLY PROVIDERS TO CREATE OR ENHANCE A PROGRAM THAT PROVIDES WATER**  
10 **ASSISTANCE TO ELIGIBLE LOW-INCOME HOUSEHOLDS.**

11 (2) **AS USED IN THIS SECTION:**

12 (A) **"ELIGIBLE LOW-INCOME HOUSEHOLD" MEANS A HOUSEHOLD WITH A**  
13 **HOUSEHOLD INCOME OF NOT MORE THAN 150% OF THE FEDERAL POVERTY**  
14 **GUIDELINES.**

15 (B) **"FEDERAL POVERTY GUIDELINES" MEANS THE POVERTY GUIDELINES**  
16 **PUBLISHED ANNUALLY IN THE FEDERAL REGISTER BY THE UNITED STATES**  
17 **DEPARTMENT OF HEALTH AND HUMAN SERVICES UNDER ITS AUTHORITY TO**  
18 **REVISE THE POVERTY LINE UNDER 42 USC 9902.**

19 (C) **"WATER ASSISTANCE" MEANS ASSISTANCE TO LOW-INCOME**  
20 **HOUSEHOLDS IN MEETING THEIR RESIDENTIAL WATER COSTS FOR THEIR**  
21 **PRIMARY RESIDENCE THROUGH PAYMENT OR PARTIAL PAYMENT OF BILLS.**

22 Enacting section 1. This amendatory act takes effect 90 days  
23 after the date it is enacted into law.