

SAFE DRINKING WATER ACT (EXCERPT)
Act 399 of 1976

325.1010 Approval of privately owned public water supply; escrow account to correct deficiencies in public water supply; compliance with subsections (1) and (2) by private purchaser.

Sec. 10.

(1) The department shall not approve a privately owned public water supply that serves a group of living units, unless by resolution of its governing body the city, village, or township in which the water supply is to be located refuses to accept ownership and operational responsibility of the public water supply.

(2) If a local governmental agency does not accept ownership and operational responsibility of a public water supply that serves a group of living units, the department may issue a construction permit or other approval for an acceptable project requiring as a condition of the permit an appropriate amount, but not more than \$50,000.00, based on the size, type, and complexity of the waterworks system, to be placed in escrow by the developer or private owner. The department may remove funds from this escrow account to cause deficiencies to be corrected if the public water supply is not operated, maintained, and expanded as necessary to protect the public health. If it is necessary for the department to withdraw funds from an escrow account, the funds shall be replaced within 90 days by the developer, private owner, or organization then responsible for the public water supply.

(3) The department may reduce or eliminate any escrow account established under this section after 5 years of operation and maintenance considered satisfactory by the department.

(4) Before the transfer of ownership of a privately owned public water supply, a private purchaser shall comply with subsections (1) and (2) of this section.

History: 1976, Act 399, Imd. Eff. Jan. 4, 1977 ;-- Am. 1993, Act 165, Imd. Eff. Sept. 16, 1993