

**NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)**  
**Act 451 of 1994**

**324.5401 Definitions; A to C.**

Sec. 5401.

As used in this part:

- (a) "Act 399" means the safe drinking water act, 1976 PA 399, MCL 325.1001 to 325.1023.
- (b) "Annual user costs" means an annual charge levied by a water supplier on users of the waterworks system to pay for each user's share of the cost for operation, maintenance, and replacement of the waterworks system. These costs may also include a charge to pay for the debt obligation.
- (c) "Assistance" means 1 or more of the following activities to the extent authorized by the federal safe drinking water act:
  - (i) Provision of loans for the planning, design, and construction or alteration of waterworks systems.
  - (ii) Project refinancing assistance.
  - (iii) The guarantee or purchase of insurance for local obligations, if the guarantee or purchase action would improve credit market access or reduce interest rates.
  - (iv) Use of the proceeds of the fund as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by this state, if the proceeds of the sale of the bonds will be deposited into the fund.
  - (v) Provision of loan guarantees for sub-state revolving funds established by water suppliers that are municipalities.
  - (vi) The use of deposited funds to earn interest on fund accounts.
  - (vii) Provision for reasonable costs of administering and conducting activities under this part.
  - (viii) Provision of technical assistance under this part.
  - (ix) Provision of loan forgiveness for certain planning costs incurred by overburdened communities.
- (d) "Authority" means the Michigan municipal bond authority created in the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1077.
- (e) "Capitalization grant" means the federal grant made to this state by the United States Environmental Protection Agency, as provided in the federal safe drinking water act.
- (f) "Community water supply" means a public water supply that provides year-round service to not less than 15 living units or that regularly provides year-round service to not less than 25 residents.
- (g) "Construction activities" means any actions undertaken in the planning, designing, or building of a waterworks system. Construction activities include, but are not limited to, all of the following:
  - (i) Engineering services.
  - (ii) Legal services.
  - (iii) Financial services.
  - (iv) Preparation of plans and specifications.
  - (v) Acquisition of land or structural components, or both, if the acquisition is integral to a project authorized by this part and the purchase is from a willing seller at fair market value.
  - (vi) Building, erection, alteration, remodeling, or extension of waterworks systems, providing the extension is not primarily for the anticipation of future population growth.
  - (vii) Reasonable expenses of supervision of the project activities described in subparagraphs (i) to (vi).

**History:** Add. 1997, Act 26, Imd. Eff. June 17, 1997 ;-- Am. Act 132, Imd. Eff. June 30, 2022

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