



SECORD LAKE ASSOCIATION

October 30, 2021

www.secordlakeassociation.org

There are several moving parts making up the overall dam safety and repair initiatives. While these are separate, they are designed to work together. The purpose of this issue of Frequently Asked Questions is to outline the components. If you read this, and think it is complicated, you are right. We provide a simple summary at the end.

Q: In May, this was the headline “Michigan legislation to provide \$500 Million for Dam Repairs and Restoration”. Over the summer we have written letters of support to our elected officials via the www.RestoreTheLakes.org campaign. As we are entering November, is there an update?

A: In May, there were several things presented. These are separate legislative initiatives running in a parallel path. All are important and work together to help accomplish the objective to secure funding to restore the lakes. Here is a summary of our understanding:

A series of House and Senate bills are in committee. These bills can be broken into three high level categories:

- 1) Dam Safety** - - It is critical legislators put updated laws into effect, so the events of May 2020 do not occur to other Michigan families and communities. There is legislation to modernize Michigan’s dam safety programs. Much of the FLTF restoration plans will use the engineering standards expected with the new laws.
- 2) Future Dam Funding** - - creates an annual budget and mechanism to make funds available in the future to dam owners for required repairs. This section tied to dam safety regulations is designed to make sure required repairs are made in a timely manner. Funds could be a loan or grant to be use for dam repair.
- 3) FLTF** - - as the delegated authority for Gladwin and Midland Counties. Legislation will create a mechanism to provide funds to the delegated authority to be used exclusively for the purposes outlined - - - “repair or replace the four failed dams known as Secord, Smallwood, Wixom and Sanford.”

At this point, it is our understanding these bills are still in the appropriate committees. Work is focused to gain consensus at the statewide level on what the new dam safety criteria should be. Input is coming from a variety of constituent organizations to include EGLE, the MI Dam Safety Task Force along with counties, townships, and commissions. As this will reshape Dam Safety laws for all of Michigan, there is a lot of negotiating taking place to create consensus.

We are monitoring the series of bills in both the Senate and the House focused on Dam Safety and Funding (proposed Senate Bills 468, 469, 470, 471; and the proposed House Bills 4903, 4904, 4906, 4907) as well as Senate Bill 565. Here is a link where you can use the bill number to search for and read each one:

[http://www.legislature.mi.gov/\(S\(2iblcgylxpax55pvrvcqtm1\)\)/mileg.aspx?page=Bills](http://www.legislature.mi.gov/(S(2iblcgylxpax55pvrvcqtm1))/mileg.aspx?page=Bills)

Q: What about the funding mentioned of \$500 Million for Dam Repairs and Restoration?

A: There is bipartisan support within the Michigan legislature to provide \$500 Million for Dam Repairs and Restoration. In late September, the Michigan legislature and the administration agreed to a budget for the next fiscal year. The state budget does not include the considerable sum of money for dam repairs. Funds will more than likely come in the approval of a supplemental appropriation from available funds (federal funds allocated to the state of Michigan).

At this point, our understanding is there are ongoing negotiations at the highest levels of the Michigan State Government to determine how to allocate the federal supplemental funds. There are many needs around the state for a portion of this one-time federal funding. We believe the lawmakers will finalize the entire supplemental budget at one time rather than by piece meal. This process may extend into December.

Q: What is Senate Bill 565?

A: The state of Michigan has approximately \$10 Billion available from various federal support funds to allocate to various projects. There are constraints on how this one-time federal funding can be spent. The legislative branch along with the Governors’ office is currently working to determine how these funds are allocated.

From an expectations perspective, we believe this process will take into December to conclude. There are many needs in the state for this one-time federal assistance.

Senate Bill 565 has been introduced in the Senate Appropriations Committee. ***This is a \$2.5 Billion Water Infrastructure Supplemental bill.*** You can read the bill here: <http://www.legislature.mi.gov/documents/2021-2022/billintroduced/Senate/pdf/2021-SIB-0565.pdf>

This supplemental bill (meaning this is one-time spending) focuses on various water infrastructure issues within the state. The table below outlines the items contained in this proposed spending bill:

Clean Water Infrastructure	\$235,000,000
<i>Dam Risk Reduction Revolving Loan Fund</i>	<i>\$650,000,000</i>
Drinking Water Program	\$400,000,000
<i>Emergency Dam Safety Action Fund</i>	<i>\$15,000,000</i>
<i>Emergency Dam Safety Grant Program</i>	<i>\$15,000,000</i>
Failing Septic System Loans	\$35,000,000
Geologic Data Collection	\$15,000,000
Healthy Hydration	\$85,000,000
Lead Line Replacement	\$600,000,000
Michigan Water Use Advisory Council Recommendations	\$5,000,000
PFAS Remediation Grant Program	\$100,000,000
Public Health Risk Reduction Grants	\$20,000,000
Storm Water and Wastewater Program Grants	\$100,000,000
Waste Water - Clean Water Infrastructure Grants	\$200,000,000
Wetland Mitigation Grants	<u>\$10,000,000</u>
	\$2,485,000,000

Some of the language in this supplemental bill requires certain Senate Bills to become law for the funds to be spent or distributed. Senate Bill 470 focused on Dam Safety and Emergency Dam Safety funding is one of the bills specified.

Senate Bill 565 needs to be approved by the Senate Appropriations Committee before going to the full Senate for a vote. From there, the bill goes to the House to be reviewed by the House Appropriations Committee before going to the House floor for a vote. Once passed by the legislative branch, the bill goes to the Governor for her approval for passage.

Q: In her response letter, the Governor proposed \$15 Million for Dam Safety. Recently the state budget was approved with \$19 Million allocated for Dam Safety. What happened to the \$500 Million mentioned in May?

A: The state of Michigan operates on an annual balanced budget. The funding recommendation mentioned by the Governor of \$15 Million and the subsequent state budget allocation of \$19 Million referred to the 2022 State Budget.

In June 2020, Great Lakes Now reported the state of Michigan had a Dam Safety staff of two and a \$348,000 annual budget for 1,100 dams. The increase in funding in the 2022 budget is positive news for Michigan regarding Dam Safety.

Even though the Michigan legislature and the administration have agreed to a budget for the next fiscal year, the \$500 Million mentioned is not part of the Michigan State budget. Funds will more than likely come in the approval of a supplemental appropriation from available funds (federal funds allocated to the state of Michigan).

SUMMARY:

In simple terms, we can summarize three key points:

- 1) The **Michigan Dam Safety and Repair bills** currently in legislative committees **provide the means to update dam safety regulations while providing a mechanism to provide funds for dam repairs and restoration**. This **includes** funding to the delegated authority, the FLTF to “repair or replace the four failed dams known as Secord, Smallwood, Wixom and Sanford.”
- 2) **There is a \$2.5 Billion Water Infrastructure Supplemental bill (Senate Bill 565) introduced in the Senate Appropriations Committee**. This bill provides a recommendation for \$680 Million in combined investment in dam safety and repairs.
- 3) The state of Michigan, in the 2022 fiscal year budget, **allocated \$19 Million toward dam safety and repairs**. This **represents a significant increase versus prior years** and illustrates the bipartisan commitment toward this initiative.

We continue to support the bipartisan pledge to secure \$500 Million from the supplemental funds toward dam safety and repairs. We urge our elected officials to **allocate \$225 million to the repair of the Secord, Smallwood, Edenville, and Sanford dams for the restorations of the Four Lakes in Midland and Gladwin counties**. This will significantly lessen the burden on property owners and ensure a long-term, sustainable future for the dams, lakes, their communities, and ecosystem. This has bipartisan support.

We will continue to monitor and update as we learn more. Please visit www.fourlaketaskforce.com or www.RestoreTheLakes.org for additional information.

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