

10-28



October 27, 2019

House Regulatory Reform Committee  
P.O. Box 3014  
Lansing MI, 48909-7514

Dear Chairman Webber and Committee Members:

The Huron River Watershed Council (HRWC) is requesting your support for HB 4691, offered by Rep. Michael Webber, which authorizes local governments to establish stormwater utilities.

Funding infrastructure – especially underground infrastructure – may be one of the greatest challenges local governments face. Stormwater is one of the largest sources of pollutants going into our state’s precious freshwater resources. All our communities must be much more deliberate in our approach to managing stormwater.

HRWC has helped manage stormwater in southeast Michigan for over 15 years. We currently work with 25 county and local governments in Livingston, Oakland, Washtenaw and Wayne counties to collaboratively address stormwater management regulations, maintain and upgrade stormwater infrastructure, and measure the impact of that management through water quality monitoring. These governments want to maintain and improve their stormwater systems to have the least impact on our waters, but most struggle to fund the often expensive, yet needed improvements using traditional revenue streams.

For decades, communities have funded stormwater systems through water and sewer rates, general funds and, to a large extent, grants from state and federal governments. As environmental stewardship has become a higher priority and regulatory programs have expanded, outdated stormwater infrastructure has continued to age, break down, and many times fail. Cash-strapped general fund budgets cannot sufficiently fund the upkeep of stormwater systems, and the use of drinking water and sewer utilities to fund these systems is not appropriate (nor strictly legal). A number of local governments in Michigan successfully established stormwater utilities to cover these sorely needed investments, but others have been challenged in court. This has created confusion among local governments as to whether stormwater systems can be funded through utility fees, or whether they must be funded through property taxes.

HB 4691 establishes the ability of local governments to create stormwater utilities and clarifies how such utilities can be implemented. The legislation will allow local governments to replace aging infrastructure, implement stormwater treatment systems, and – what may be the biggest challenge of all – reduce localized flooding by building additional capacity to better handle major rain events. In our experience, communities that have successfully implemented stormwater utilities have been better able to repair and upgrade their systems, and we have measured improvements in water quality around these municipalities. This legislation will be critical to local government efforts to improve the quality of our rivers and the Great Lakes.



Last session, the legislature established the Michigan Infrastructure Commission. We all recognize how important it is to coordinate reconstruction projects so that good roads are not destroyed when the underlying infrastructure needs replacement. HB 4691 creates a system that allows communities to align funding sources for infrastructure projects aligned with road projects. It is difficult enough to find funding for roads, sewers, drinking water, and stormwater. It is extraordinarily more difficult to align funding for each of these elements individually.

The passage of HB 4691 will enable Michigan municipalities to manage stormwater systems in a timely manner and allow improved coordination on future above- and below-ground infrastructure projects.

Thank you for your consideration of this legislation. We are also directly copying house members within our watershed to keep them informed about this important legislation.

Respectfully,



Rebecca Esselman  
Executive Director



Ric Lawson  
Watershed Planner and Stormwater Program Manager

Copy: Representative Alex Garza, Michigan House District 12  
Representative Joseph Bellino, Michigan House District 17  
Representative Kristy Pagan, Michigan House District 21  
Representative Darrin Camilleri, Michigan House District 23  
Representative Kathy Crawford, Michigan House District 38  
Representative Ryan Berman, Michigan House District 39  
Representative Ann Bollin, Michigan House District 42  
Representative Matt Maddock, Michigan House District 44  
Representative Hank Vaupel, Michigan House District 47  
Representative Mike Mueller, Michigan House District 51  
Representative Donna Lasinski, Michigan House District 52  
Representative Youseff Rabhi, Michigan House District 53  
Representative Ronnie Peterson, Michigan House District 54  
Representative Rebekah Warren, Michigan House District 55  
Representative Sarah Lightner, Michigan House District 65