

**12-3711. Same; sewage disposal treatment fund; deposit and use of bond proceeds; loans to political subdivisions of state; sewer service charges for repayment of loans, assessment and collection; disposition of moneys collected; powers of secretary of health and environment.** All moneys received from the issuance of revenue bonds under the provisions of this act shall be deposited in the sewage disposal treatment fund which is hereby established in the state treasury, except that moneys sufficient to pay interest on such revenue bonds for one (1) year after the issuance thereof and to provide a reserve of not more than the maximum amount required to pay principal and interest on such revenue bonds for any year following the issuance of such bonds may be deposited in such special funds or accounts as may be provided by the secretary of health and environment in the resolution providing for the issuance of such revenue bonds or in the trust agreement securing the same. The secretary of health and environment may make sewage treatment construction grants to any city, county, township, or other political subdivision of the state, and any city, county, township, or other political subdivision of the state, subject to the provisions of this act, may accept any such grant when authorized by its governing body. Any such grant shall be for a term of not to exceed twenty (20) years and shall provide that the secretary of health and environment will pay to the city, county, township, or other political subdivision of the state, from the sewage disposal treatment fund an amount not less than twenty-five percent (25%) and not more than thirty percent (30%) of the cost of any sewage disposal facilities for which the environmental protection agency of the federal government agrees to grant not less than fifty percent (50%) of the cost thereof. In order to retire bonds issued under the provisions of this act, the secretary of health and environment after consultation with the officials of any city, county, township, or other political subdivision of the state, which receives a sewage treatment construction grant under this section, shall adopt sewer service charges to be levied against users of the sewerage system receiving such grant. The sewer service charges shall remain in effect until the bonds issued for the grant have been paid. The sewer service charges shall, insofar as is practical, be equitably assessed and shall include consideration of the quantity and quality of waste discharged. The officials of any city, county, township or other political subdivision of the state, which receives a grant hereunder shall collect sewer service charges as established by the secretary of health and environment and shall deposit the moneys collected therefrom with the secretary of health and environment in accordance with procedures established by such secretary of health and environment. The secretary of health and environment may make commitments to the federal environmental protection agency relative to providing grants and may provide for other administrative procedures as may be appropriate to carry out the intent of this act.

**History:** L. 1973, ch. 69, § 2; L. 1975, ch. 77, § 2; April 11.