



A2Y Regional Chamber Statement Opposing Senate Bills 652, 653 and 654

April 26, 2018

A legislative package in the Michigan Legislature could have very detrimental business and environmental impacts. This package (Senate Bills 652, 653 and 654) purports to streamline the Michigan Department of Environmental Quality's (MDEQ) regulatory process. A closer look reveals these bills would allow for regulated industries to self-regulate in a way that jeopardizes fair competition, accountability, and environmental safety.

This legislative package would create an eleven member panel which could veto MDEQ rules. This panel would give an undue amount of power to the appointees, which can be made up of companies (including foreign companies) and lobbying entities, perhaps to their competitive advantage over other similar private entities. This panel would be appointed by the Governor, but not subject to oversight by the Michigan Legislature. It could easily use government to pick the winners and losers of private enterprise. While business input in the regulatory process is needed, this package tips the balance unfairly to the six politically connected entities picked to write the rules.

This legislative package is a solution looking for a problem. There is broad consensus that Michigan's environmental regulatory structure should provide its basic purposes of environmental protection in the least burdensome fashion possible. This will allow business growth and keep the state competitive. In FY 16 99.7% of permits requested from MDEQ were approved. Of the 8,862 requested, only twenty were denied. Numerous business advisory panels already exist at MDEQ, and they are capable of informing the agency on business related concerns. These bills could create large problems while trying to streamline an already streamlined process.

There could be unintentional environmental impacts from these bills which will cost everyone money. Outdoor recreation accounts for over \$26B in economic benefit for our state, largely to the benefit of small businesses. The Great Lakes are directly related to around 800,000 Michigan jobs and home to over one fifth of the world's fresh water supply. According to data from the Michigan Economic Development Corporation, in 2016 three of the top five reasons people traveled to or within Michigan for overnight trips were for "Beach/Waterfront," "Swimming," and "National/State Park." With the state already suffering water quality perception issues from Flint, Michigan cannot afford any detrimental impact to its environmental health or perception. Allowing a few specific companies or entities to veto environmental regulation could lead to that negative perception, or worse, environmental harm.

The A2Y Chamber urges the Michigan Legislature not to act on this package. Even if well intended, it could create an unfair advantage for less than one percent of the state's businesses while seeking to address a problem which does not exist. All of this could hurt the economic success we see from our natural environment and possibly lead to new environmental or public health problems.