



124 West Allegan, Ste. 620
Lansing, MI 48933

517-485-3409
nfib.com

To: Honorable Members of the House Committee on Natural Resources,
Environment, Tourism, and Outdoor Recreation
From: Tim Langholz, Assistant State Director
Date: January 25, 2024
RE: Oppose SBs 393 and 394 DEGLE Rules Oversight

On behalf of over 10,000 small business owners in Michigan, NFIB is writing to express its opposition to SB 393 and 394. These bills would remove accountability and oversight of the rule-making process within the Department Environment, Great Lakes, and Energy.

In the preceding decade, Michigan made great strides in reforming the regulatory burdens on job providers in our state. The creation of the environmental rules committee, permit review, and science advisory board ensured that permits and rules were not subject to the political whims of whichever party held power. These boards were set up to be bipartisan with representatives from the business community, labor and environmental groups in order to make sure that all voices were heard. They allowed for a more user-friendly appeals process on permits where issues in dispute can be negotiated toward a solution as well as making sure that Michigan is taking a more science and data-based approach to regulation. Unfortunately, this legislation, along with HB 4826, would eliminate this important oversight tool, taking power away from Michigan citizens and their duly elected representatives.

Federal regulations alone on small businesses (firms that employ fewer than 50 people) averaged \$12,000 per employee in 2017 – up from \$10,585 in 2010 (latest data available). This amount is even higher for manufacturing businesses. The amount per employee continues to increase as more state-specific regulations are added. Eliminating these boards removes an essential public input step in the regulatory process.

Finally, it is important to point out that this fall, even Governor Whitmer called for legislation that would make permitting in Michigan easier for businesses. These bills would seem to contradict that sentiment.

For all these reasons, we would ask you to oppose Senate Bills 393 and 394.