

Date: April 20, 2018

To: Members of the House Committee on Michigan Competitiveness

From: Kara Cook, Government Affairs Manager | Nick Occhipinti, Government Affairs Director

Re: Opposition to Senate Bills 652, 653, and, 654

The Michigan League of Conservation Voters (LCV) is the non-partisan, political voice for Michigan's land, air, and water. On behalf of our statewide membership and our Board of Directors, Michigan LCV expresses our opposition to Senate Bills 652, 653, and, 654. Michigan LCV reserves the right to score in favor of NO votes on Senate Bills 652, 653, and, 654.

SB 652: Creates an Environmental Rules Review Committee | Sponsor, Sen. Casperson

This bill would create an environmental rules review committee to oversee all rule-making within the Department of Environmental Quality (DEQ). A majority of members (six) of the environmental rules review committee can vote to prevent rulemaking from going forward, can vote to make changes to a rules package, has final approval over rules, and can even prevent a public hearing during their rules amendment process. Granted a voting majority, the committee would be stacked in favor of industry and private economic interests. Moreover, the industry representatives on the Rules Committee and the groups they represent could benefit directly from lax enforcement or modification of environmental rules.

All stakeholders, including private citizens and interest groups, deserve an opportunity to engage policy, permitting, and rule-making processes. It is good governance to build a process that includes all interested parties in a just and measured way, but these bills go too far by granting interested parties Administrative authority of the executive branch of Government.

SB 653: Creates a Permit Appeal Panel within the DEQ | Sponsor, Sen. Booher

This bill would establish a permit appeal panel that would have the authority to overturn, amend, or approve permitting decisions made by the DEQ. An applicant who is aggrieved by a DEQ permit decision can appeal that decision to an appeals panel by submitting a petition to the Director of the DEQ. The panel would have final decision making authority on all permits brought before it.

Michigan LCV recognizes the frustration that some applicants face while applying for environmental permits. However, the Governor's most recent DEQ performance indicators demonstrate that during FY 2016, out of 8,882 permits reviewed by the DEQ only 20 were denied; over 99.7% of DEQ permits were approved. The same pattern continued in 2017 when only 37 permits were denied. Michigan LCV acknowledges that a portion of these permits may have taken time and many are modified throughout the permit approval process, but that process is exactly when the balancing of property rights, individual business needs, and protecting the environment is accomplished.

Finally, the Administration's DEQ scorecard indicated that in FY 2016, 97% of customer survey respondents reported "excellent customer service." These scorecard indicators provide evidence that the DEQ permitting process is not overly stringent or difficult to navigate in a large or systemic way. Michigan LCV has not seen evidence that makes a systematic case for a regulatory bypass of DEQ Executive authority.

SB 654: Creates an Environmental Science Advisory Board | Sponsor, Sen. Robertson

This bill would create an environmental science advisory board. The board can advise the Governor on issues affecting the protection of the environment or the management of the natural resources of the state, but the board cannot review or advise on any application, recommendation, or decision regarding a permit, license, or environmental impact statement. The advice the board can provide is limited to the specific advice requested by the Governor.

Subverting the decision making of DEQ scientists and subject matter experts, familiar working within the precise details of state and federal law, undermines the important preventative and protectionary functions of the department. Michiganders have seen what happens when budgetary and financial interests take precedence over environment and health concerns; these bills double down on that approach.

Alternative Solutions.

Michigan LCV is not inherently opposed to the idea of an oversight body to ensure stakeholder and public engagement, and increased accountability of the DEQ. A well-designed group or process could provide an engagement tool for impacted citizens and communities, and Michiganders who care about environmental protection. In past years, Michigan LCV has been supportive of bills that would create a DEQ oversight commission. Those bills would allow for further stakeholder engagement on permits and rules, and give Michiganders a direct connection to the DEQ to allow them to express their concerns. Other solutions addressing this issue were recommended by the bipartisan Joint Select Committee on Flint including the establishment of a State Employee Ombudsman to encourage the reporting of governmental misconduct and strengthening the Legislature's oversight role over the Executive branch.

Summary

Granting regulated industries and private, economically interested parties authority over Michigan's environmental rules is fundamentally reckless when it comes to protecting the health of Michigan families and our natural resources from environmental harm and pollution. Environmental protections does not prohibit economic growth, in fact, the data demonstrates the opposite and shows that states with strong environmental protections and a healthy environment have the highest quality of life, good jobs, and thriving economies.

Michigan LCV respectfully request that members of the Michigan Competitiveness Committee oppose SB 652-654. Michigan LCV reserves the right to score a vote on SB 652-654 on our Legislative Scorecard.

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