

Written Testimony on SCR 24

October 21, 2009

Dear Committee Members:

Thank you for the opportunity to comment on the proposed concurrent resolution (SCR 24) which would reject Executive Order No. 2009 – 45 (EO).

MMA represents roughly 2,500 members that operate in the full spectrum of manufacturing industries, and which account for 90% of Michigan's industrial workforce. Manufacturing provides over 600,000 direct jobs in Michigan and is the largest single sector of the economy, accounting for 20% of the gross state product totaling over \$75 billion.

Although department merger was not the first choice of MMA, the EO contains a number of provisions that we support. The most important aspect to any proposed merger for MMA is to have a clear regulatory structure that ends with a Department Director who is accountable to the Governor. We are not supportive of any regulatory structure that ultimately answers to a commission. We believe this approach would lead to greater uncertainty and inefficiency in the regulatory environment.

MMA also supports the language set out on page 6, paragraph 12 of the EO, which recognizes the need for more efficient issuance of permits and the goal of achieving a best-in-class processing time. If Michigan is going to be competitive in attracting job providers, regulatory reforms are essential. Creating an efficient, predictable, and timely environment is key to such reforms.

We are also extremely supportive of the appointment of Bruce Rasher as the transition manager to oversee the merger of the departments and creation of the new Department Natural Resources and Environment. Mr. Rasher's background will bring a keen awareness of the issue that face the regulated community and will serve as an asset as he oversees this transition in an effort to develop a more efficient and effective department.

We understand there is a great deal of hesitancy in accepting the EO due to the provision that eliminates the Agricultural Commission's ability to appoint the Director of the Department of Agriculture. Although MMA understands the agricultural community's concern over this matter; we do not want to have the EO rejected over this point. Rather we would prefer a compromise be met by amending the EO or through legislation reinstating the appointment authority.

MMA embraces any effort to create a more business friendly environment that will make Michigan more attractive to job providers. We believe there are several positive aspects to the EO and we urge you to consider all of them when evaluating it. For these reasons, we ask that you support the EO and reject SCR 24.

Thank you for your time.

Randall Gross
Director of Environmental and Regulatory Policy