



May 18, 2011

House Regulatory Reform Committee  
Lansing, Michigan

Re: HB 4240, HB 4326, HB 4573, HB 4500 - Regulatory Oversight

Dear Senators,

The Michigan Environmental Council supports the effort to streamline government regulation and deliver services to Michigan residents and businesses as efficiently as possible. To achieve that end, MEC believes this package should be striving to accomplish the following:

- Encourage state agencies to update obsolete rules and design programs to take advantages of best practices known to the agency.
- Design programs to achieve the desired outcomes as cost effectively as possible.
- Design programs to encourage the use of stakeholder groups and maximize the use of a consensus seeking process to achieve program outcomes.

Unfortunately, the proposed legislation discourages updating obsolete rules, exposes the state to costly and time consuming lawsuits and limits the ability of executive branch to protect the Great Lakes. The end result of the package is government employees spending more time on paper work and less on delivering government services.

House Bill 4573 adds to the numbers of reports and comparisons a state agency must compile before promulgating or updating an administrative rule – that list now stands at 27 different reporting requirements, including comparisons with the seven other Great Lakes states (this report alone could take an additional week of effort by agency staff).

House Bills 4573 and HB 4240 compound the problem by subjecting the state to lawsuits by any business that thinks the studies conducted by the agency are not “accurate”. The accuracy of the report will be a question of fact for a jury significantly increasing the litigation costs of the state. If a company shows the department did not “accurately” predict the impact it allows the business to collect ten times it permit fees plus attorney fee and expert witness costs. Under these conditions, we can expect state agencies to end the practice of updating rules due to potential liability concerns for their agency.

A number of the bills also limit Michigan from promulgating rules stricter than federal standards. This law would strip the Governor of Michigan of the power to independently protect the Great Lakes. We think this abrogation of rights to the federal government is

unwise, especially as it pertains to protecting the Great Lakes and the “Pure Michigan” we advertise across the country.

The end results of this package are increases in paperwork, government agencies being less efficient and a waste of taxpayer’s money. Michigan elected our new Governor on a promise to run government like a business – this package is a major step in the wrong direction. Instead, we should focusing on improving our current manner of governing and encouraging the innovation necessary to the complex problems that we face today. We request members oppose this package as written.

Sincerely,

A handwritten signature in black ink, appearing to be 'J. Clift', with a long horizontal stroke extending to the right.

James Clift, Policy Director