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Great Lakes and Environment  
and  
Environmental Quality of the Standing Committee on Appropriations

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Chairwoman Rebekah Warren, Chairman Doug Bennett, Ranking Minority Members, and Members of the Committee, good afternoon. Thank you for this opportunity to testify on the future of the Michigan Wetland Protection Program. My name is Marc Smith and I work for the National Wildlife Federation's Great Lakes Office.

Since 1936, the National Wildlife Federation has sought greater protection and restoration of our wetlands in Michigan, across the Great Lakes Basin, and across the nation.

Wetlands are a crucial component of the broader Great Lakes Ecosystem and surrounding region, serving a number of key functions. They provide critical habitat for fish and wildlife (thus providing unmatched hunting, fishing and recreational opportunities), they stabilize water flows, help filter contaminants entering waters, and are important as carbon sinks and climate stabilizers. Yet the Great Lakes region has lost between 50 and 70 percent of its wetlands, and some coastal areas of the Great Lakes have seen 95 percent declines.

Here in Michigan: of its 11 million acres of pre-settlement wetlands (which represented about 30% of its landcover), Michigan has lost approximately 50 percent. As the state is located almost entirely within the Great Lakes Basin, all wetland losses in the state can have implications for the Great Lakes.

It is a privilege to live in a state that offers so many vast natural resources such as the Great Lakes, numerous cold water streams, vast tracks of forestland, and incredible wetland resources. Therefore, it is an honor that Michigan is only one of two states (other being New Jersey) that has assumed authority to administer the Section 404 permitting program under the federal Clean Water Act. Assumption of this authority followed adoption of the Wetland Protection Act of 1979, later codified in Part 303 of Michigan's environmental code – and administered by the Michigan Department of Environmental Quality (MI DEQ).

National Wildlife Federation commends the MI DEQ for its record in administering this program. While we may have suggestions for improvement to strengthen the program, we certainly feel the MI DEQ does have the expertise necessary to provide adequate protection for Michigan's wetlands.

Therefore, National Wildlife Federation has numerous concerns with the recent proposal by Governor Granholm to relinquish Michigan's 404 authority back to the U.S. Army Corps of Engineers. Specifically, we have the following concerns:

- 1) This proposal would leave roughly 900,000 acres of isolated wetlands (which the U.S. Army Corps of Engineers do not regulate – but Michigan’s current program largely does) in the state unprotected;
- 2) This proposal would impact businesses or homeowners required to seek permits for activities in wetland areas to face a much longer permitting process that could hinder economic development (Michigan’s typically turns around a permit within roughly 60-90 days as required by the law. The U.S. Army Corps of Engineers does not have a timeframe and thus results in cases where permits were held up to 18 months);
- 3) Wetland protection would be in the hands of regional federal employees instead of state and local staff with more expertise on Michigan wetlands;
- 4) Potential loss of wetland preservation. The MDEQ has over 20,000 acres of wetlands held in conservation easements. This proposal could jeopardize the permanent protection of these wetlands, and or wetlands in pending mitigation and enforcement cases;
- 5) The cost savings (approximately estimated at \$2million) that would be realized from this proposal is not telling the entire truth. If this proposal is sent back to the U.S. Army Corps of Engineers, Michigan will need to develop and expand a 401 certification program required by the federal law that was previously incorporated into the state 404 review process. This means additional staff and fiscal resources for the state. Furthermore, additional workload for federal employees would involve increased federal expenses; though the proposed federal budget has increased allocations for some environmental programs, this is not guaranteed over the long term.

This proposal translates into de-investing in one of Michigan’s most sustainable economic drivers – our unmatched vast and diverse natural resources. Rather than cutting spending on natural resources (Michigan ranks 47<sup>th</sup> nationally in per capita conservation spending), the state should ensure that vital resources like wetlands get adequate protection.

We certainly understand the economic realities that are facing Michigan. However, given this precarious situation we are in, National Wildlife Federation strongly advocates for keeping Michigan’s Wetland Program here in Michigan. As such, we would like to propose the following immediate alternatives to sending Michigan’s 404 authority back to the federal government.

- 1) Conduct a rapid assessment of current MI DEQ programs that are duplicative of what the federal government has jurisdiction over. This review should ensure identification of programs that are truly duplicative, rather than complimentary or otherwise needed to protect resources.
- 2) Conduct a rapid assessment of other government departments to find cost savings to make up for the approximately \$2 million required to administer the Wetlands Program. Again, the amount of funding needed to keep Michigan’s Wetlands Program is pocket change and represents such a small investment that returns hundreds of millions of dollars to the state in hunting and fishing and recreational dollars each year. As we celebrate St. Patrick’s Day today, my advice is to find another pot-o-gold to sustain this vital program.

While we seek to fix this issue in the short-term, we need to look at what Michigan can do to sustain its Wetland Protection program into the future. Therefore, National Wildlife Federation encourages this Committee to consider the following:

- 1) Review and build upon the current tools that MI DEQ and the MI DNR have to assess our water resources in the state. For example, MI DEQ's Rapid Assessment Model (MIRAM) seeks to identify wetland types and functions and could serve as a more efficient tool to help the regulatory workers carry out their functions. We should also consider having discussions with the MI DNR and others in looking at the science and data used to assess the current water withdrawal assessment tool that the legislature passed last summer to help regulate water withdrawals in accordance with the Great Lakes Compact. Both of these tools could help administer the Wetlands Protection Program – as long as they adhere to the following principles: based on sound science; provide better data for restoration and mitigation; and are more efficient.
- 2) Review the outcomes of what a potential MI DNR and MI DEQ merger would mean for administering the Wetlands Protection Program.
- 3) Encourage the MI Legislature to work with the Obama Administration to provide funding to implement Michigan's 404 program.
- 4) Finally, the U.S. Congress should formally restore Clean Water Act protections for isolated wetlands and other waters left by the Supreme Court decisions over the past decade.

In conclusion, thank you again for this opportunity to testify with our concerns over the future of the Michigan Wetland Program. National Wildlife Federation is committed and ready to work with Members of this Committee, the MI DEQ, the Governor and all related stakeholders in finding common ground and solutions to fix this problem. Michigan's wetlands are simply too important to not invest in. Alternative solutions exist to protect Michigan's wetland resources and the economy at the same time.

