



Michigan Bankers Association

September 21, 2010

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The Honorable Edward Clemente
PO Box 30014
Lansing MI 48909

Dear Representative Clemente:

Thank you for the opportunity to comment on Senate Bills 437(S-5), 1345-1349 and their counterparts, HB 6358 – 6363 which amend the Michigan Natural Resources and Environmental Protection Act, Part 201. Lenders represent a unique stakeholder in the efforts to revise Michigan's cleanup program. As we have recently seen, disruptions in lending can significantly limit investments in development and redevelopment projects. However, we have also recently seen the consequences of conducting business without prudent considerations of risk. The Michigan Bankers Association seeks a balanced approach to the issues of environmental protection and economic development.

Much of the recent progress made in Michigan in the area of brownfield redevelopment has been the result of our innovative state cleanup program. This program has put contaminated properties back into productive use, increased the prosperity of the local community and created jobs. There is no question that Michigan's economic future is critically dependent on the protection and preservation of our unique natural resources especially the Great Lakes, our other water resources, our farmland and upon our ability to attract and retain world-class talent by continuing to redevelop and revitalize our older towns and cities.

For lenders, the goal of any environmental regulatory program must center on the following principles:

- Clarity
- Transparency
- Predictability
- Balance
- Consistent Implementation

Application of these principles include the willingness of regulated entities to participate in the program and engage with the Michigan Department of Natural Resources and Environment (MDNRE), the continued involvement and review by MDNRE to avoid banks being the de facto administrators of environmental law, and MDNRE's consistent implementation of Part 201 in a manner that maintains Michigan's ability to administer federal law at the state level. By focusing on improvements to the existing programs as viewed through the above programmatic lenses, the program would be

greatly improved and provide tangible benefits to the regulated community, the regulators and the public.

The Michigan Bankers Association worked cooperatively in the Senate on this package of bills to find solutions that balance the goals of environmental protection with those of economic development. The Senate bills currently reflect a few amendments that have bolstered the self-implementation closure process and improved the quality of closures with the addition of various professional requirements for consultants working in the cleanup program.

With these amendments we can support Senate Bills 437 (S-9), 1345 (S-2), 1346 (S-3), 1347 (S -3), 1348 (S-3) and 1349 (S-3) and/or whichever House bills that are chosen to move through the process. We look forward to working with you as this bill and others move through the legislative process.

Sincerely,

A handwritten signature in black ink, appearing to read "Joelle Demand". The signature is fluid and cursive, with a large loop at the end.

Joelle Demand
Policy Director
Michigan Bankers Association

CC: Members of the New Economy and Quality of Life Committee