

Testimony on HB 6318 (Elsenheimer) before the Senate Economic Development, Small Business and Regulatory Reform Committee

11/29/06

Mr. Chairman and Committee Members,

I appreciate the opportunity to be here today to support HB 6318. As you know, MMA represents about 3,000 manufacturers who employ about 90% of Michigan's industrial workforce.

When the question about whether applicants would have standing in an administrative action challenging an application came up recently, I can tell you it sent ripples of concern through the MMA membership. While it has been generally the case that applicants have been granted standing in administrative challenges, when it became clear that there are circumstances in which standing might be denied, we became very concerned.

When manufacturers file permit applications with the state, they often have millions and even hundreds of millions of dollars at stake. We cannot think of any circumstance in which a company would not want to have the opportunity to respond to administrative or legal challenges to their applications or permits. We believe the law ought to remove any doubt about whether applicants should have standing in these situations.

MMA has filed amicus briefs in the recent mining case and identified the issue of standing in our filings. Last Thursday, the Court of Appeals reversed the Circuit Court decision. However, this is just one case. We believe the broader question of applicant standing raised during the case remains.

We view this as a business climate issue. One of the major criteria for manufacturers when considering making an investment is the question of certainty in the regulatory process. That is, once substantial financial resources are committed to a state, how certain are they that they will see a financial return in an expected period of time. Left unresolved, the uncertainty created by the open question of standing would be viewed by manufacturing investors as an additional bureaucratic barrier, a negative mark in the analysis of Michigan's business climate. Passage of this bill will remove that uncertainty.

MMA supports HB 6318 and would hope to see quick passage by the end of this year.

Mr. Chairman, thank you for the opportunity to speak in favor of this bill.