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ENVIRONMENTAL INDICATORS

Senate Bill 462 as passed by the Senate First Analysis (11-9-99)

Sponsor: Sen. Ken Sikkema
**House Committee: Conservation and
Outdoor Recreation**
**Senate Committee: Natural Resources
and Environmental Affairs**

THE APPARENT PROBLEM:

The state has spent millions of dollars on environmental matters during the past 30 years. Yet many believe that the legislature has no way of knowing whether this money is being spent wisely, and no means of assessing which of the state's environmental programs are succeeding and which are failing. For example, audits performed from October 1, 1992 through June 30, 1994 of the Department of Natural Resources' (now the Department of Environmental Quality [DEQ]) Surface Water Quality and Waste Management Divisions by the Office of the Auditor General indicated that the divisions' goals were not measurable, and that it had no means of assessing the state's overall water quality nor of determining if the department was achieving its mission of protecting and enhancing the state's surface waters.

At present, the state submits several reports to the federal Environmental Protection Agency (EPA). However, such reports address only the issues of each particular program and do not present a comprehensive overview. The EPA is in the process of developing a system by which each state could measure and evaluate its environmental programs, and thirty-seven states have developed environmental indicator programs that use objective data to report trends in environmental and natural resources quality and to assess each program. Legislation was introduced, but not enacted, during the 1997-98 legislative session to use data that is collected by the DEQ, but that has not previously been organized, to compile an "environmental report" that would be made available to the legislature and to the public (see HLAS analysis of House Bill 4558, dated 8-27-98). The legislation has been reintroduced, with some modifications.

THE CONTENT OF THE BILL:

Senate Bill 462 would add a new section to the Natural Resources and Environmental Protection Act (NREPA) to require that the Department of Environmental Quality (DEQ), in conjunction with the Department of Natural Resources (DNR), biennially prepare an environmental report, which would include an assessment of the overall state of the environment in Michigan, and trends related to that subject. The bill would be repealed December 31, 2005.

Environmental Report. The report would have to be based on environmental indicators identified by the DEQ and the DNR and data obtained through sound scientific methodologies and processes, using the most recent data available. ("Environmental indicator" would be defined to mean a measure of the state of the natural environment that could be derived from empirical data).

The report would have to be submitted to the governor, the legislative standing committees that have jurisdiction over issues primarily related to natural resources and the environment, and the Senate and House Appropriations subcommittees on environmental quality and natural resources. The first report would have to be submitted by October 1, 2001, and subsequent reports by October 1 every other year. The reports would also have to be made available to the public electronically and, upon request, in paper format.

Department Responsibilities. The DEQ and DNR would have to monitor ongoing efforts, nationally and in other states, to establish uniformity among environmental indicators that might be included within the report. In addition, all state agencies would be required to cooperate with the DEQ and DNR in carrying out their responsibilities under the bill.

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FISCAL IMPLICATIONS:

A Senate Fiscal Agency (SFA) report indicates that the bill would result in an indeterminate increase in the Department of Environmental Quality's (DEQ) administrative costs. However, the SFA estimates that the increase would be absorbed within existing department resources. (9-28-99)

ARGUMENTS:

For:

The provisions of the bill would provide an assessment of the overall state of the environment in Michigan, and would close the "information gap" that currently exists between the Departments of Environmental Quality and Natural Resources and the legislature. These departments currently amass an abundance of environmental data, but some people maintain that this information is not analyzed as it should be. For example, the auditor general has reported that the state has no reliable database on the quality of its ground water. It is, therefore, impossible to know whether the state's water quality is improving or deteriorating. As a result of compiling the data specified under the bill, however, the legislature would have the tools to evaluate the state's "environmental progress" and to formulate policy and budget decisions.

Against:

A similar version of the bill that was introduced during the 1997-98 legislative session (House Bill 4558) would have provided for a much more comprehensive environmental report than is proposed under Senate Bill 462. For example, it would have required that the Department of Environmental Quality (DEQ) make recommendations to the legislature on a comprehensive set of performance measures after receiving public testimony on them. The performance measures would have reflected core performance measures -- as agreed to by the Environmental Protection Agency (EPA) and the Environmental Council of the States -- to reflect the state's priorities and goals for its environmental program. In addition, the DEQ would have had to estimate the cost of establishing those measures. House Bill 4558 would also have required that the DEQ develop a comprehensive set of environmental quality indicators for, among other things, air, water, wildlife, forests, waste, energy use, and land use.

The provisions of House Bill 4558 would also have served to draw on public experience and to increase

public awareness of environmental trends, since it would have required that public testimony be incorporated into the proposed environmental report and that it be made available to the public. Also, the DEQ would have been required to convene an advisory committee, consisting mainly of members of the public, to guide the development of the recommendations on comprehensive performance measures. The advisory committee would have drawn on the expertise of experts on environmental matters from universities and the environmental, business, agricultural, and natural resources communities.

Response:

The provisions of House Bill 4558 would have provided the legislature with a means of measuring the DEQ's *programs*, since the indicators in the proposed report would have demonstrated which of the state's environmental programs were succeeding and which were failing, and whether money was being spent wisely. However, the provisions of Senate Bill 462 are intended simply to provide the legislature with a way to evaluate and assess the state's *progress* in protecting the environment.

POSITIONS:

The Michigan Chamber of Commerce supports the bill. (11-5-99)

The Michigan Environmental Council (MEC) supports the bill. (11-5-99)

The Michigan Municipal League supports the bill. (11-8-99)

The Michigan United Conservation Club (MUCC) supports the bill. (11-5-99)

The Michigan Manufacturers Association (MMA) supports the bill. (11-8-99)

Solutia, Inc. a chemical company that was part of the Monsanto Company until two years ago, supports the bill. (11-5-99)

The Department of Environmental Quality (DEQ) has no position on the bill. (11-5-99)

Analyst: R. Young

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.