

RATIFY GREAT LAKES WATER COMPACT

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 212 (Substitute S-8)

Sponsor: Sen. Patricia L. Birkholz

House Committee: Great Lakes and the Environment

Senate Committee: Natural Resources and Environmental Affairs

Complete to 6-18-08

A SUMMARY OF SENATE BILL 212 AS PASSED BY THE SENATE 5-14-08

The bill would add a new Part 342 to the Natural Resources and Environmental Protection Act to ratify the Great Lakes-St. Lawrence River Basin Water Resources Compact (Compact) and a new Section 32730 dealing with the relationship between the Compact and Michigan law. In its current version, the bill appears to be identical to House Bill 4343 (Rep. Ebli), as passed the House on May 14, 2008.

In the United States, all eight Great Lakes states must ratify the Compact through legislation and the U.S. Congress must consent to it. In Canada, the provinces of Ontario and Québec must adopt provincial laws in accordance with the Agreement, but no federal approval is required. Of the eight states required to ratify the Compact, only Michigan, Pennsylvania, and Ohio have not yet done so.

A compact ratification bill has passed both chambers in Ohio and is expected to be signed by the Ohio governor by the end of the month. In Pennsylvania, House Bill 1705, was passed the House in January and is being considered by the Senate Appropriations Committee, after having been passed unanimously by the Environmental Affairs Committee which first considered it. (In Pennsylvania, by law, bills with a fiscal impact are recommended by standing committees and are then referred to the Appropriations Committee for a fiscal analysis.)

Key features of the Compact include:

- A ban on new diversions of water from the Great Lakes basin, with limited exceptions for community public water supply purposes.
- The use of consistent standards by the states and provinces to review proposed uses of Great Lakes water.
- The development of regional goals and objectives for water conservation and efficiency, to be reviewed and updated every five years.
- The development and implementation of state water conservation and efficiency programs (voluntary or mandatory).
- Greater collection and sharing of data to improve water management decision making.
- The encouragement of economic development through sustainable use and responsible management of basin waters.

- A commitment to ongoing public involvement.

For a detailed summary of the Compact's provisions, see the following:

<http://www.legislature.mi.gov/documents/2007-2008/billanalysis/House/pdf/2007-HLA-4343-1.pdf>

The proposed new Section of Part 327 of NREPA (Section 32730) concerns the effect of the Compact on Michigan law and the authority of the Council created by the Compact with respect to Michigan law. Specifically, that section would state:

- Except as specifically provided in Part 327, water withdrawals originating within Michigan would be regulated exclusively under Part 327.
- A proposed use for which a water withdrawal permit is issued under Section 32723 would be considered to satisfy the requirements of Section 4.11 of the Compact.
- The 2008 amendments to Parts 327 and 328 of NREPA and the 2008 amendments to Sections 4 and 17 of the Safe Drinking Water Act are intended to fully implement the Compact in Michigan. For purposes of Section 9.1 of the Compact, all acts and parts of acts that were inconsistent with the Compact on the bill's effective date have been modified, as necessary, to be consistent with the Compact, and therefore Section 9.1 does not repeal any acts or parts of acts.
- If the Council proposes a revision to the standard of review and decision under Sections 3.1 and 3.3 of the Compact, the governor would notify the standing committees of the Legislature relating to natural resources and the environment.
- A regulation adopted under Compact Sections 3.1 and 3.3 amending the standard of review and decision would not be deemed duly adopted in Michigan unless approved by the Michigan Legislature and enacted into law.

Senate Bill 212 is tie-barred to Senate Bill 723 (Water Resources Conservation Advisory Council), Senate Bill 727 (Withdrawals by Bottled Water Producers), Senate Bill 858 (Waterworks Systems), Senate Bill 859 (Court Enforcement and Penalties), and Senate Bill 860 (Regulation of Water Withdrawals).

FISCAL IMPACT:

The bill does not refer to dues or other commitments to the Compact. There may be some expenses if the state participates fully in all activities of the Council and its programs (for example, attending meetings and supporting Council projects), but the level and timing of DEQ budgetary requirements are difficult to estimate.

Legislative Analyst: Shannan Kane
Fiscal Analyst: Kirk Lindquist

■ 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.