

MEMO

To: The Michigan House Legislature

Regarding: Senate Bills 385, 386, 387, 391, 392 AND 393

This coalition of business and community development organizations wishes to express its' strong opposition to Senate Bills 385, 386, 387, 391, 392 and 393. If passed, they would take Michigan back decades to a system of draconian regulations that will upend brownfield redevelopment. Many of our communities rely on urban revitalization. Yet these bills would make it so expensive and burdensome to re-develop properties that it could put the entire state's brownfield redevelopment vision at risk.

Despite being described as "polluter pay" legislation, the bills actually increase the burden on innocent owners and operators. Under the bills, innocent owners and operators of contaminated property that have not polluted will be subject to increased investigation, reporting, and liability, along with penalties for non-compliance.

Michigan has benefited tremendously through the Brownfield Redevelopment program since it was reformed in 1995, generating over a \$1 billion annually in private investments and creates thousands of jobs across Michigan. According to a 2024 report by the Michigan Auditor General, a majority of sampled brownfield redevelopments had increased their taxable value by over 600%. The report also concluded the program is effective in meeting redevelopment and cleanup standards.

This success is not just limited to manufacturing and industrial sites. In addition to creating more affordable housing opportunities, brownfield redevelopments have helped eliminate blight, support place making, and inspired other new community investments. The bills also give the government sweeping control over even minor cleanup activities on private property, which will lead to facility operations slow-downs, and properties taking much longer to cleanup.

Further, the bills will require overly aggressive cleanup activity that does not take into account any cost/benefit analysis or real world economic impacts. This will create more orphan sites and would be a disincentive for manufacturing companies thinking of moving to Michigan, or push them into developing on greenspace. Less cleanups and investment, not more.

Finally, the bills eliminate transparency for the department while significantly increasing new reporting requirements for owners and developers. The bills require property owners and developers to share an unnecessary and unprecedented amount of information publicly. But at the same time, the bills remove the requirement for the department to develop cleanup criteria through the rule process and delete most of the standards and processes for creating cleanup criteria, leaving that process largely to EGLE's discretion without stakeholder input.

This legislation hurts Michigan's economy, residents, and tragically our environment and natural resources as well. We urge you to consider the severe negative impacts this legislation will have on our state and oppose changes to Michigan's Brownfield Redevelopment program.



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