



LEGISLATIVE ALERT

MI-AWWA Water Utility Committee

**Proposed Water Withdrawal Legislation
Update - May 1, 2008**

The MI-AWWA Water Utility Committee March 13, 2008 Legislative Alert summarized legislation currently under consideration related to water withdrawal regulation associated with the Great Lakes-St. Lawrence River Basin Compact (Compact), and a push within the Great Lakes region to adopt this agreement to move toward a comprehensive regional (Great Lakes States) water management structure.

As of the date of this alert, it appears that the Legislature is intent on passing a final comprehensive package, not only adopting the Compact, but also providing implementing legislation of the Compact provisions, prior to the Legislature's summer break (by June 26, 2008). This process appears to be happening through negotiation within the Legislature to come to a compromise between the Senate and House legislative proposals.

The Michigan Section of the American Water Works Association (MI-AWWA) supports the adoption of the Compact (as presently proposed by Senate Bill 212 and House Bill 4343) as a means of maintaining control of the Great Lakes water resource within the basin and avoiding certain diversions outside of the basin. However MI-AWWA has strong concerns with the associated implementing legislation that is under consideration. Refer to the March 13, 2008 for details on the proposals.

With the current process of negotiation within the Legislature, and with the target deadline for passing a compromise package, there is likely limited opportunity for meaningful input by stakeholders to the final package. It is likely that continuing concerns of MI-AWWA, as well as other stakeholder groups, on the implementing legislation will not be addressed if the implementing legislation is enacted into law as targeted by the Legislature. Therefore, consistent with the position of MI-AWWA, public water supplies (PWS) and our membership are urged to contact their legislators to voice continuing concern with the details of the Compact implementing legislation, and recommending removing the tie bars between the Compact adopting legislation and Compact implementing legislation. This approach allows Michigan to live up to its commitment to support the proposed Great Lakes water management structure and allow the Compact to move forward for ratification by the U.S. Congress – therefore maintaining control of the Great Lakes water resource within the Great Lakes basin – while allowing continuing concerns with the details of the implementing legislation to receive the attention they deserve without concern for a looming artificial deadline.

Below are additional details on the above recommended approach:

Recommendation: Pass Compact adopting legislation only at this time – The Compact adopting legislation (SB 212 and HB 4343) is currently tie barred to several

other related bills (Compact implementing legislation) that are not required to simply adopt the Compact. As of the date of this advisory, four of the Great Lakes states have passed Compact adopting legislation into law, while similar legislation has passed one chamber in another three of the Great Lakes states. None of the other Great Lakes states have attempted to pass Compact implementing legislation along with the Compact adopting legislation. Michigan remains the laggard of the Great Lakes states in enacting Compact adopting legislation. If this continues, Michigan will be the state responsible for continued delays in the U.S. Congress being able to ratify the Compact, thereby delaying the strengthened protection of the Great Lakes water resource provided by the Compact. Continued delay in adopting the Compact due to a desire to prematurely enact implementing legislation is inexcusable.

Recommendation: Allow reasonable time for continued discussion on Compact implementing legislation – The Compact provides a timeline upon which implementing legislation is to be enacted, and the various bills tie barred to SB 212 and HB 4343 accomplish this years in advance of the schedule required by the Compact. The implementing legislation currently proposed includes provisions of serious concern to PWS, including how adverse resource impacts are defined in water withdrawal permitting, and in the water withdrawal assessment tool that is proposed for use in determining such impacts.

Summary

MI-AWWA is in support of adopting the Compact. However, MI-AWWA cautions against the enacting of implementing legislation ahead of the timeframes required by the Compact, and urges careful consideration of negative impacts to PWS in the development of any implementing legislation.

Michigan has for many years had a strong and effective regulatory framework in place for PWS. The current system has proven successful in allowing for appropriate future planning and in maintaining a safe supply of water to the 7 million Michigan citizens that rely upon public water supply for the protection of their health, welfare and safety,

Additional information is available at www.mi-water.org.