

Michael Alaimo

Michigan Chamber Strongly Supports Senate Bills 429-431

Chair Calley and Members of the House Local Government Committee,

Thank you for allowing me to come before you in support of SB 429, SB 430 and SB 431, legislation that will promote aggregate mining and reinforce private property rights in Michigan.

We first want to thank Senator Ananich for his leadership in sponsoring this important legislation, Senator Shirkey for his support in helping to pass the bills out of the Senate, and the Governor for indicating her support and willingness to sign them upon reaching her desk.

In response to activist local governments continuing to deny mining permits for baseless reasons, the Michigan Chamber and other business groups have worked with labor unions on this package that removes aggregate mining permit authority from local governments and places it in the hands of the state's environmental protection agency, the Department of Environment, Great Lakes and Energy (EGLE).

By moving the permitting authority for new aggregate mining locations out of the Michigan Zoning Enabling Act and into the hands of EGLE, the legislation will help break the statewide stalemate on new sand and gravel mine permits. This change follows the precedent of other major extractive industries, which follow a similar process. This includes sectors such as copper, nickel and iron ore mining, and the oil and gas industry.

It is no secret that Michigan's roads and infrastructure are in dire condition. While it is certainly positive news that the state will be directing unprecedented levels of funding towards our roads and bridges, the unfortunate reality is that inflation and cost increases caused by supply chain disruptions will largely eat away at those funding increases. This challenge is exacerbated under current Michigan law, as local control around permitting for aggregate material within the state further constrains the market, resulting in an inefficient and costly approach to sourcing this much needed material. Before billions of additional funding are spent on our roads, let's first make sure we are doing so the most cost effective way possible.

Michigan faces a dramatic shortage of aggregate material which has driven up the cost of construction and road repair. As permits continue to be denied near Michigan's major markets, and existing mines strain under demand and diminishing reserves, aggregates must be hauled from longer distances to job sites. Each time the distance aggregates must be hauled doubles, the cost of transporting the materials doubles—or more. Containing costs for taxpayer funded projects like road repair is important to consider and must be done to the greatest extent possible to ensure government is good steward of taxpayer dollars.

In addition for the reasons already outlined, the Michigan Chamber has always been a major proponent of private property rights and the ability for property owners to maximize the beneficial use of their property. Curtailing those rights, explicitly for one industry sector, is an erosion of one of the most important and fundamental principals of the American dream. If a property owner wants to harvest crops, drill for oil, or mine for material on their land, they should not be denied this right if within the laws and boundaries reasonably placed on the use of one's property.