



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

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Members of the Michigan Legislature:

I write this message, my first Special Message to the Legislature, out of a sense of urgency to protect a key element of Michigan's legacy – our water. The Great Lakes fuel our economy, color our character and literally define the shape of our state. They are our most vital resources; their preservation and protection are too important to approach haphazardly. So today I send to you a comprehensive plan for protecting our great waters, in the hope that we can work in a bi-partisan fashion to protect them from harm. This plan addresses the major concerns facing the Great Lakes today: water withdrawal, invasive species, open water disposal, water discharge permits, a revised sanitary code, wetlands protection, and federal funding for Great Lakes restoration.

On the pages that follow, you will see that I have outlined 6 specific actions that this administration will immediately take to protect and improve our waters. I also propose a number of legislative actions – including the passage of a comprehensive water withdrawal statute – that I respectfully urge you to immediately support and take action upon. I will transmit a copy of this legislation to the newly created Groundwater Advisory Council, asking them for their expedient review and comment, as well.

Our lakes and waters are our children's playgrounds. They are our tourist attractions, our economic development tools and critical cogs in our manufacturing machine. Waves licking at sandy shores are the soundtrack of our summers. Gently bobbing lures are the harbingers of our springs.

Without our waters who would we be? Hopefully, we will never know. But if we do not take action to protect our waters today, we may yet know Michigan as a very different place.

Our waters are more threatened today than perhaps they have ever been. A thirsty country looks to our resources and sees a source of free, clean, fresh drinking water. Pollution and growth continue to threaten their health. Our critical job providers cry out for water to bottle their products, to cool their furnaces and to clean their new cars and trucks.

In the last ten years, global economic forces have changed our world dramatically. In order to survive, we must compete for business. Yet, in the 21st century the old paradigm of business versus the environment is no longer valid. Today, both must flourish. Together, Michigan's astounding natural resources and quality of life are pivotal factors in attracting jobs to our state.

In 2002, the Senate Great Lakes Conservation Task Force, headed by Senator Ken Sikkema, and joined by many legislators we are lucky to still have in the Legislature today including Senator Beverly Hammerstrom and Senator Shirley Johnson and Representative Dianne Byrum, put forth an agenda for action to protect the Great Lakes and all of the state's waters. The then Senator, Ken DeBeaussaert, current director of the Office of Great Lakes also served on the task force. Many of the issues I will address in my plan were identified in the task force report as critical to the future of Michigan's water resources.

It is time for swift action concerning Michigan's waters. We must develop and enact a comprehensive plan – one that addresses our ground water, our lakes and our rivers and our relationship to them – to protect and manage this most precious natural resource. I present to you today such a plan.

The Michigan Water Legacy Act

The cornerstone of this plan is the **Michigan Water Legacy Act**, a comprehensive water withdrawal statute which I will deliver to the Legislature before the end of next month.

Because we are the only state in the Great Lakes basin without a statutory framework, our inability to effectively manage this resource leaves us vulnerable and without legal or moral authority to meet future threats and protect our economy and our environment. A fair and balanced approach to water withdrawal will allow us to protect our water resources while also providing a predictable regulatory climate under which businesses and communities can thrive.

The case involving the Nestle Bottling plant in Mecosta County has the potential to be a pivotal case in terms of influencing and defining our water laws. As I'm sure you are aware, last November the Mecosta County Circuit Court issued an opinion in *Michigan Citizens for Water Conservation v. Nestle Waters North America*, ordering Nestle to terminate all water withdrawals of "spring water" at the plant by December 17, 2003. Nestle sought and was granted an emergency stay from the Michigan Court of Appeals to block the shutdown of the facility while an appellate review of the legal merits of the case could be conducted. This stay enables us to develop a comprehensive set of standards to oversee future withdrawals like Nestle's.

Every day, the pressure for fresh water grows in our region and around the world. Global consumption of water is doubling every 20 years. Today, one billion people lack adequate supplies of fresh water and this number will grow to three billion by 2035. Other states, including Great Lakes states, have growing populations served by increasingly depleted aquifers. If we do not take action to regulate withdrawals of water from the Great Lakes basin, those who are already eyeing our treasured lakes as the solution to their water shortages will begin arriving with their pumps and hoses to take their bounty home.

In 1985, Michigan signed the Great Lakes Charter. In that Charter, Michigan agreed to manage withdrawals of water over two million gallons per day. Almost 20 years later it is an embarrassment that we are the only state that hasn't lived up to its end of the bargain. This legislation proposes that Michigan live up to the promises made in the 1985 Great Lakes Charter.

To ensure sustainable economic growth and protect us from large scale diversions of Great Lakes water, I am also committed to completing the discussions begun by the previous administration to implement Annex 2001 to the Great Lakes Charter. The Agreements envisioned under the Annex with our neighboring Great Lakes states and provinces will be the next critical step toward managing and protecting our waters.

We must start conserving water today so it is here for our grandchildren to swim and boat and fish in tomorrow. We need the Michigan Water Legacy Act. I look forward to the input of the newly created Groundwater Advisory Council and the Legislature on this proposal.

Invasive Species

Water diversion is not the only problem facing the Great Lakes today. Exotic species like the zebra mussel have already infiltrated our waters and changed them forever. Species like the Asian Carp are leaping their way up the Chicago River toward the foot of Lake Michigan in Chicago. The ecological and economic damage caused by these invasive species threatens the livelihood of many communities and businesses in the Great Lakes region.

One report estimates the Great Lakes spend \$12 million a year to control sea lamprey and \$30 million to control zebra mussels. Individual power companies have testified that it costs each of them upwards of \$1 million per year to deal with the zebra mussels on their intake pipes. At the same time, the estimated cost to the Great Lakes fishery from introduction of the ruffe is upwards of \$119 million per year. These are clear example of the health of our water impacting the health of our economy. In 2002, Michigan joined New York, Minnesota and Illinois in filing a brief urging the Environmental Protection Agency (EPA) to regulate ballast water

discharges through the Clean Water Act. In September of 2003, the EPA rejected the request. I am urging our Attorney General to join the lawsuit filed by the Northwest Environmental Advocates, or file a separate lawsuit, to force the EPA to exercise its authority to address this growing national crisis.

We need coordinated action to deal with this problem across the states, however, we are not going to stand idly by and wait for EPA to act. Later this spring, DEQ will complete its study and determine an appropriate standard for ballast water discharges, as was authorized under legislation sponsored by Senator Sikkema in 2002. We will move quickly to finalize and deliver real, technical solutions and we will be proactive in finding a solution to the problems associated with ballast water discharge.

Open Water Disposal

Exotics are not the only threat to the quality of the waters of the Great Lakes. The U.S. Army Corps of Engineers, in fulfilling its responsibility to maintain the navigability of the Great Lakes, has formally proposed to dump contaminated dredge materials into the open waters of Lake Michigan – a practice that is already happening in the Ohio waters of Lake Erie. While Congress considers funding of the Great Lakes Legacy Act to pay for dredging and removal of contaminated sediment from the Great Lakes, the Army Corps is proposing to dump that same contamination right back into the lakes. They call this “Open Water Disposal.” I call it unacceptable.

Today I will sign an Executive Directive prohibiting state agencies from approving the open water disposal of contaminated dredge materials in Michigan waters. I am also calling for legislation to permanently ban open water disposal of these same dredge materials and I will call on the Governors of other states to do the same. When I look out on the Great Lakes I want to see people pulling out steelhead and walleye, not watching barges dumping contaminated sediment.

National Pollution Discharge Elimination System

We cannot talk about the lakes without talking about the beautiful beaches that cover over 3,228 miles of the Great Lakes shoreline. Every year over 23 million people visit our beaches. We wait all winter for those great summer days when we can head out to the beach and go for a swim, sip our coffee as the sun comes up over Lake Huron, or wander along feeling the sand between our toes.

However, all too often people reach the beach only to be told that it is closed for the day or weekend due to pollution. One beach on Lake St. Clair was closed 37 times last year and 36 times in 2002 because of e.coli bacteria in the water. In a state that depends on tourism for our livelihood, we must be able to guarantee our visitors that the beaches they visit are clean, safe, and free from pollution and contaminants.

In order to address the problem of pollution in our lakes and streams, we must adequately fund programs such as the National Pollution Discharge Elimination System (NPDES). In last year's budget, I proposed a series of fees that would take the burden off the taxpayers and replace it with a fee for service. The bills to enact these fees remain in conference committee. Each day they languish, our water and our economy are in danger. It is essential that we enact this legislation and make whole the budget to protect Michigan's water. I am asking that the Legislature act quickly to resolve outstanding issues and present a package of bills to enact and fund the enforcement of groundwater and stormwater discharge permits.

Revised Sanitary Code

We must also support our local communities and help them eliminate sewer overflows by updating our statewide septic code. What we allow to flow into our groundwater is as important as the amounts of water we eventually allow to be withdrawn. Michigan is the ONLY state in the nation without a statewide sanitary code for septic systems. This threatens the integrity of ground water, beaches and streams, poses serious health threats to our citizens, and negatively impacts our economy.

Lack of an updated sanitary code costs our state precious federal dollars. Without an updated sanitary code, full federal funding of the Coastal Zone Management Program is seriously threatened. Michigan has more coastline than any other state, save Alaska, and yet we are our own impediment to greater federal assistance for managing and protecting that coastline.

Coastal Zone Management grants can be used for many projects, from beach stabilization to helping to fund a recreation attraction. Every year, the Department of Environmental Quality (DEQ) receives many millions of dollars of requests, but can only fulfill \$2.1 million worth of projects. Leaving these federal dollars on the table is fiscally and environmentally irresponsible, especially in such challenging economic times.

The bi-partisan Land Use Leadership Council that finished its work last year identified this issue as critical, as well, and I have now asked the DEQ to work with appropriate constituencies on this and to draft and deliver a suggested sanitary code for your consideration within 90 days.

Wetlands Protection

As we think of our costal areas and the vast and varied habitats in Michigan, we cannot forget our wetlands. Over the years, Michigan has lost over 50 percent of its wetlands, totaling over an estimated five million acres. Wetlands filter our water, provide wildlife habitats, and keep our roads and communities from flooding. Michigan led the charge across the nation to help protect wetlands in the past, but our work here is not done.

We are still losing wetlands and all the benefits they provide. Specifically, we are losing some critical, small, isolated wetlands across the state. Through Executive Directive, I am asking the Michigan Department of Environmental Quality to promulgate a rule to protect from harm critical, isolated wetlands on State land.

Securing Federal Funding for Great Lakes Restoration Projects

Finally, we must be vigilant in securing federal funds to protect and restore the Great Lakes. It cannot be the sole responsibility of the states to protect these national treasures.

Last May, a report from the U.S. General Accounting Office (GAO) found that despite federal spending of more than \$1.7 billion on 33 restoration activities since 1992 in the Great Lakes, the federal government's efforts lack adequate coordination to assure Great Lakes restoration. The report also found that the Great Lakes states provide the majority of financial support for existing restoration activities.

For example, during fiscal year 2001, the Great Lakes states secured a special federal allocation of \$30 million in *Great Lakes Coastal Restoration Grants*. These dollars, administered through the National Oceanic and Atmospheric Administration (NOAA) were matched with more than \$42 million from the states. In Michigan, we matched our \$7 million allocation with close to \$17 million in state commitments.

The past few Congresses and Presidential administrations have focused billions of dollars on the restoration of the Everglades, the Chesapeake Bay and most recently there has been a renewed Congressional focus on Gulf of Mexico coastal erosion. The Great Lakes have not received the same bold level of attention.

However, during the second half of 2003 there was significant renewed federal attention to Great Lakes restoration needs. Following the release of the GAO report and after a Senate hearing on the need for a coordinated strategic plan between the federal, state and provincial governments, legislation was introduced in the U.S. House and Senate to invest significant new federal resources and assure better interagency coordination and strategic focus.

Specifically, S. 1398, introduced by Senator Mike DeWine (R-OH) and our own Senators Levin and Stabenow would provide up to \$6 billion over the next decade, while coordinating existing federal agency efforts and requiring the development of common indicators for monitoring water quality and related Great Lakes environmental factors. As Governor, I have joined with the seven other Great Lakes Governors in commenting on this legislation and similar legislation introduced in the U.S. House of Representatives. Through the Council of Great Lakes Governors, Ohio Governor Bob Taft deserves significant credit for his actions as Council Chairman to organize and focus the Great Lakes' Governors efforts to help bring national attention to the issue.

However, in the current federal and state budgetary climate, much work remains to be done to see this much-needed federal legislation enacted into law. To see our Great Lakes vision enacted in a manner that reflects the gains made in the Everglades and Chesapeake Bay, presidential leadership is needed. That is why I am asking President Bush to support this bipartisan Congressional rescue effort with his endorsement of the multi-billion-dollar Great Lakes restoration programs contained in S. 1398 and H.R. 2720. For the short-term, I urge him to include a significant boost in Great Lakes restoration funding in his 2005 budget request to Congress. The Great Lakes serve 8 states. They deserve at least as much attention as the Everglades – a single critical entity in a single state – have recently been afforded.

Conclusion

A hundred generations ago, a sea of ice receded, drawing the shapes of two familiar peninsulas and leaving behind five lakes that would shape not only our land, but our character as well. Our connection to our waters and our land is no accident, nor is our mandate to protect them.

The protection of our waters is more than just an issue; it's more than just another cause with its own set of acronyms and cast of characters and media spin. It is part and parcel of who we are in this state – it is part of our character as a people.

To protect our waters, to ensure that our children know them as we know them, to ensure that they will continue to be part of our character and our economy, we must act now to protect them. We need to take action not just because it is the right thing to do as environmental stewards; it is also the right thing to do as economic stewards. We need to conserve our water quantity and protect its quality and integrity so the Great Lakes will continue to thrive. Our lakes are often the reason people come to Michigan to visit, to live, to work, to start a business, and to raise a family.

We are at a crossroads in determining the future of the Great Lakes. We can choose to take action and ensure for future generations of Michigianians crystal blue water, brook trout, clear, babbling brooks, and green, productive fields. Or, we can choose to wait. Wait for another state or another country to determine the future of *our* Great Lakes for us. I choose to act and take the future into our hands. I know you will too.

I leave you today with the words of a highly unlikely water advocate. In 2000, while serving as the president of a global non-profit working to foster a sustainable future, Mikhail Gorbachev wrote for the magazine of the U.S. Library of Congress, that “water, not unlike religion and ideology, has the power to move millions of people. Since the very birth of human civilization, people have moved to settle close to water. People move when there is too little of it; people move when there is too much of it. People move on it. People write and sing and dance and dream about it. People fight over it. And everybody, everywhere and every day, needs it. We need water for drinking, for cooking, for washing, for food, for industry, for energy, for transport, for rituals, for fun, for life. And it is not only we humans who need it; all life is dependent upon water for its very survival.”

We in Michigan have always known the value of our water, both economically and spiritually. We all want to protect this most precious resource and many of you have been leaders in this cause throughout your careers. I look forward to working with all of you to craft a plan that will protect and preserve our Great Lakes.

Respectfully,

/s/

Jennifer M. Granholm
Governor