

RETIRED ENGINEER TECHNICAL ASSISTANCE PROGRAM

House Bill 4849 (Substitute H-2) First Analysis (10-28-97)

Sponsor: Rep. James Middaugh
Committee: Conservation, Environment and Recreation

THE APPARENT PROBLEM:

Almost every state has a program that provides on-site waste reduction assistance to smaller businesses. In Michigan, a pilot program -- the Retired Engineer Technical Assistance Program (RETAP) -- was introduced in 1994 that used retired engineers and other professionals to aid businesses in adopting programs that would reduce the volume or toxicity of waste that each releases into the environment. During this pilot phase, RETAP personnel have performed pollution prevention assessments at facilities and developed recommendations to improve energy efficiency. According to the Department of Environmental Quality (DEQ), the program is now an important part of its efforts to institute waste reduction practices throughout the state. Recommendations from RETAP have proven practical and have provided new approaches to conserve materials and prevent the generation of waste. They have also resulted in considerable savings for the companies involved. This, and the fact that the extensive business experience of RETAP professionals has also been well received by Michigan businesses, has shown that the policy deserves to be established as a permanent program. Consequently, legislation has been introduced that would establish the program in statute and create a RETAP Fund to support it.

THE CONTENT OF THE BILL:

The bill would amend Parts 143 and 145 of the Natural Resources and Environmental Protection Act (NREPA), concerning waste minimization and waste reduction assistance, to establish the Retired Engineer Technical Assistance Program (RETAP) within the Department of Environmental Quality (DEQ). Under the program, retired engineers, scientists, and other qualified professionals would participate in providing and supporting technical assistance on waste reduction to business and industry.

Department Responsibilities. Under the bill, the DEQ would replace the Office of Waste Reduction within the Department of Natural Resources (DNR). The DEQ

could contract with public or private corporations to conduct one or more RETAP activities. The director of the department could establish priorities for RETAP assistance, based on demand, the funds available for the service, and the needs of the applicants, taking into consideration the most effective use of the service.

RETAP Fund. The Retired Engineer Technical Assistance Program Fund would be created within the state treasury, and used by the department, upon appropriation, to administer and operate the RETAP. The fund would not be allowed to exceed \$10 million. In addition, \$700,000 would be transferred and appropriated from fees assessed on hazardous waste disposal to capitalize the RETAP fund. Money in the fund at the close of the fiscal year would remain in the fund and would not lapse to the general fund. The state treasurer would be required to report annually to the legislature on the amount of money in the fund.

Repealer. The bill would repeal current waste reduction provisions that established the Waste Reduction Assistance Service within the Department of Natural Resources (DNR) and the Waste Reduction Advisory Committee within the Department of Commerce, as well provisions that established department liaisons between the Waste Reduction Assistance Service in the Department of Commerce and the Office of Waste Reduction in the DNR. Instead, the bill would specify that the DEQ would incorporate waste reduction goals within its regulatory and permit programs. (Note: These provisions reflect Executive Orders 1995-7 and 1995-18, which transferred waste reduction responsibilities to the DEQ.)

MCL 324.14301 et al.

FISCAL IMPLICATIONS:

The House Fiscal Agency (HFA) reports that the bill would result in increases in state revenues and in costs to the state. The 1997-98 fiscal year appropriations bill for

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the Department of Environmental Quality (DEQ) includes \$300,000 for the RETAP program. In addition, the bill would transfer \$700,000 from fees assessed on hazardous waste disposal. (10-23-97)

ARGUMENTS:

For:

The RETAP program focuses on reducing waste at the source by providing on-site technical assistance to businesses to identify waste reduction. This has led to increased environmental protection, as well as significant cost savings, with a minimum use of state funds. According to the Department of Environmental Quality (DEQ), the pilot program, which started in 1994, has demonstrated that the program is a highly effective method of providing needed technical assistance to small- and mid-sized Michigan businesses and institutions. Approximately one hundred waste reduction assessments have been conducted by retired engineers and other professionals with positive results: businesses have reduced chemical inventories, energy consumption, and their environmental reporting requirements. By establishing the RETAP program as a permanent program and creating a funding source, the bill will assure that this successful program reaches more businesses.

POSITIONS:

The Department of Environmental Quality (DEQ) supports the bill. (10-24-97)

The Michigan United Conservation Clubs supports the bill. (10-24-97)

The Michigan Environmental Council supports the bill. (10-23-97)

The Michigan Chemical Council supports the bill. (10-24-97)

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