

## U-Chem Scenario

*In this scenario, students will read about an environmental crisis affecting a small town.*

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## Local Company Faces Environmental Crisis as Inspection Lapses Lead to Water and Soil Contamination

By: A Local Reporter

### A Community Raises Concerns

Nearly twelve months ago, neighbors in a local suburban town, Midtown, began reporting troubling environmental developments in their community. After major rainfall, oily sheens appeared on puddles, gardeners reported unnatural smells after digging more than about a foot in their yards, and a suspicious green substance was reported in ditches along Midtown Highway.

Citizens have attended town council meetings to report what they've seen, reached out to elected officials, and even organized a group called Midtown Concerned Citizens (MCC). Their complaints seem to have fallen upon deaf ears at the local level, however, as their concerns have been met with unreturned phone calls, silence from town officials, and months of inaction.



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Citizens have attended town council meetings to report what they've seen, reached out to elected officials, and even organized a group called Midtown Concerned Citizens (MCC). Their complaints seem to have fallen upon deaf ears at the local level, however, as their concerns have been met with unreturned phone calls, silence from town officials, and months of inaction.

In a shocking turn of events, U-Chem Innovations, a prominent chemical manufacturing company, is now under intense scrutiny as the possible source of the environmental problems. The company, once heralded for its innovation and contributions to the local economy, now finds itself at the center of a brewing crisis that threatens both its reputation and the well-being of the surrounding community.



*The warehouse owned by U-Chem Innovations, which has been closed since 2018, is now under investigation for improper storage of hazardous materials.*

The company has long been a cornerstone of the region's economic growth. However, recent revelations suggest that lax monitoring and other negligence have allowed hazardous substances to escape into the environment, raising alarms among residents and environmental agencies alike.

The current focus is on the massive U-Chem Innovations Warehouse that sits upon several acres of land along Midtown Highway, serves as a company storage site with thousands of barrels of chemical waste, and has essentially been shuttered since 2018. State Environmental Agency officers, finally responding to concerns from MCC, were able to track the leaks of green goo beside the highway to the property.

Sources within the agency now indicate that U-Chem Innovations failed to conduct required annual inspections of its warehouse between 2013 and 2023, violating environmental safety protocols. Those failures allegedly allowed the release of harmful chemicals from

leaking storage barrels into the ground and water, causing potential health risks for nearby residents.

U-Chem Innovations, which specializes in the production of various industrial chemicals, paints, and solvents, has been a major employer in the region for decades. The company's failure to comply with inspection requirements for its warehouse storage site and its inadequate storage of dangerous chemical wastes has not only jeopardized the environment but has also raised questions about its commitment to safety and corporate responsibility.

Residents living in the vicinity of U-Chem's Midtown facility expressed growing concern over the potential health impacts of the contamination. Chris Jones, a long-time resident, and president of MCC, said, "We've always trusted that the company was taking the necessary precautions to keep us safe. It's disheartening to hear about years of storage and inspection failures, and now we're worried about the health of our families and the environment."

Pat Avila, a founding member of MCC, states, "We are concerned that no one knew they (U-Chem) were so far behind on their inspections and that chemicals have been leaking into the groundwater for possibly a decade – residents should have been warned."

### **U-Chem's Response**

In response to the allegations, U-Chem Innovations issued a public statement expressing regret for the warehouse leaks and pledging full cooperation with regulatory authorities. The company's CEO, Casey Thompson, stated, "We take these allegations very seriously and are committed to addressing the situation promptly. Our top priority is the safety of our employees, the community, and the environment."

The company claims to have already initiated corrective actions, including conducting an immediate inspection of the entire warehouse, sealing or removing leaking barrels, and investing in technology to monitor and control future emissions. Thompson added, "We understand the gravity of the situation and are taking all necessary steps to protect our neighbors." At the time of publication, media were not allowed onto the property and could not confirm that a clean-up process was underway at the Midtown site.

Despite the company's assurances, environmental activists and concerned citizens are demanding greater accountability and transparency. The Midtown Concerned Citizens organization has asked for a special town hall meeting to address the community's worries and obtain assurances that U-Chem will be held accountable for any adverse health effects resulting from the contamination.

The affected community continues to anxiously await answers regarding the long-term consequences of the contamination and whether the company can regain the trust it has lost.

### **A Community Left Behind**

MCC members are also asking why this is happening to them. The neighborhoods surrounding the U-Chem facility are working class. The majority of the residents identify as either black or Hispanic, and the community struggles with poverty and access to resources. "It's like the state forgot we were living here," says Avila. Another resident who asked not to be named said, "A lot of us work at U-Chem. Is this going to lead to job losses? Or to U-Chem leaving the state? I'm worried about that."

### **A Growing Problem**

Midtown is far from alone in its exposure to dangerous chemical leaks. In the first seven weeks of 2023, more than 30 incidents of chemical contamination in the United States were recorded by the Coalition to Prevent Chemical Disasters, roughly one every day and a half. In 2022, the coalition recorded 188 incidents, up from 177 in 2021. The group has tallied more than 470 incidents since it started counting in April 2020. The incidents logged by the coalition range widely in severity, but each involves the unintended release of chemicals deemed to pose potential threats to human and environmental health.

The precise number of hazardous chemical incidents occurring nationwide is hard to determine because the U.S. has multiple agencies involved in response, but the Environmental Protection Agency (EPA) reported that over the past 10 years, it has "performed an average of 235 emergency response actions per year, including responses to discharges of hazardous chemicals or oil." The agency said it employs roughly 250 people devoted to the EPA's emergency response and

removal program. In addition, EPA runs the Superfund Program which identifies industrial pollution sites nationwide, determines responsibility for environmental contamination, and uses industry and taxpayer funds to work with states to conduct emergency and long term clean-ups. The coalition has counted 10 rail-related chemical contamination events over the last two and a half years; however, most incidents occur at the thousands of facilities around the country where dangerous chemicals are used and stored. One in three people in the U.S. lives within the danger zone of a hazardous chemical facility.

In response to the growing controversy, the state legislature's oversight committee has decided to investigate the situation and hold hearings. Stay tuned for further coverage as the committee members work together to determine what happened and what to do about it.

## **Witness Summaries for Students**

### **Witness: Michigan Attorney General**

*What is the job function of the Attorney General?*

As Attorney General, you represent Michigan in cases involving the state's interests, provide legal defense to state officials or agencies in court, prepare and review contracts and agreements involving the state, and provide formal legal advice to state officials on constitutional and legal questions. You do not make or recommend policy.

*What is the Office of the Michigan Attorney General?*

The Office of the Michigan Attorney General employs approximately 500 staff members. The agency provides legal representation to the State of Michigan; advises elected officials on state statutes, policies, and procedures; and provides comprehensive oversight of state and federal litigation for Michigan.

### **Witness: Director, Michigan Department of the Environment, Great Lakes, and Energy (EGLE)**

*What is the job function of the Director of EGLE?*

As the director of EGLE, you manage the day-to-day functions of the Department. You oversee EGLE's \$1 billion budget and supervise the 1,400-person team dedicated to protecting Michigan's environment and public health through managing the state's air, water, land, and energy resources.

*What is the MI Department of the Environment, Great Lakes, and Energy (EGLE)?*

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) was created in 1995 (originally named the Department of Environmental Quality). The Department safeguards Michigan's environment while supporting the economic growth and development crucial for Michigan's future. EGLE is comprised of nine divisions and six individual offices.

As part of providing expert technical and pollution prevention assistance to businesses and individuals, EGLE annually performs approximately 30,000 site visits and inspections. EGLE employs more than 1,400 scientists, engineers, geologists, toxicologists, inspectors, technicians, managers, lawyers, biologists and support staff across the state.

### **Witness: Environmental Justice Public Advocate**

*What is an Environmental Justice Public Advocate?*

As the Public Advocate, you are the leader of the Office of Environmental Justice in the State of Michigan. You oversee the office, guide the staff, and make decisions about the office's projects. You work collaboratively with other state agencies and offices across the state to advance environmental justice and equity concerns in Michigan, including by leading the state's Interagency Environmental Justice Response Team and the Michigan Advisory Council on Environmental Justice.

*What is the Office of the Environmental Justice Public Advocate?*

The Office of the Environmental Justice Public Advocate was created by Governor Whitmer's Executive Order 2019-06 to serve as an external and internal advocate and catalyst for ensuring environmental justice and equitable environmental programs and operations throughout the state. The Office establishes and implements processes and reporting for environmental justice complaints and helps resolve issues. According to the Executive Order, "environmental justice" is the equitable treatment and meaningful involvement of all people, regardless of race, color, national origin, ability, or income and is critical to the development and application of laws, regulations, and policies that affect the environment, as well as the places people live, work, play, worship, and learn."

**Witness: Co-Executive Director of the Michigan Environmental Justice Coalition**

*What is the job function of the Co-Executive Directors?*

As one of two Co-Executive Directors of the Michigan Environmental Justice Coalition, you are responsible for managing the coalition's operations. You engage in strategic planning, set the coalition's priorities, work with the board of directors to fundraise, and promote the coalition and its objectives to raise public awareness.

*What is the Michigan Environmental Justice Coalition?*

Membership of The Michigan Environmental Justice Coalition currently includes: Breathe Free Detroit, Craft: Citizens' Resistance at Fermi Two, Ecology Center, Environmental Transformation Movement of Flint, Flint Rising, Great Lake Environmental Law Center, GreenDoor Initiative, Midwest Building Decarbonization Coalition, MI Welfare Rights Organization, NAACP, Soulardarity, We The People MI, and We Want Green Too. The MEJC works to achieve a clean, healthy, and safe environment for all Michigan residents, especially those most affected by inadequate environmental policies. One of the current projects administered by MEJC is the MI Alliance for Justice in Climate, which is the state member of the federal Green New Deal Network. The MEJC performs research, releases reports, develops environmental justice policies and processes, and creates training for community organizers and policy makers.

**Witness: Chris Jones, President of Midtown Concerned Citizens (MCC)**

*What is Midtown Concerned Citizens?*

Midtown Concerned Citizens is a 501(c)3 nonprofit organization that was created in 2023 in response to environmental concerns emerging in the Midtown neighborhood. MCC is concerned about potential groundwater and soil contamination caused by toxic chemicals leaking from storage containers in the warehouse owned by U-Chem. MCC is seeking local, state, and federal assistance in identifying the leaked chemicals, measuring the resulting pollution, and explaining possible health effects on residents. In addition, MCC is seeking assistance to ensure that U-Chem will stop the warehouse leaks, clean up the existing contaminants, and provide financial support for residents of the Midtown neighborhood needing treatment for any health impacts. MCC is considering whether to ask for the warehouse to be added to the Superfund Program. Because the population of the Midtown neighborhood is largely made up of residents of color who live at or below the state poverty line, MCC feels strongly that the lack of local and state assistance is racially motivated, that their concerns have not been taken seriously, and that public commitments need to be made to remedy the environmental contamination.

**Witness: Casey Johnson, CEO of U-Chem Innovations**

*What is the job function of the CEO of U-Chem Innovations?*

As the chief executive officer (CEO), you are the company's highest-ranking executive. You are responsible for managing the company's overall operations. Your duties include developing business strategies to reach long-term goals such as increasing the company's growth, profits, stock price, and return-on-investment. You report to the company's board of directors. You're also responsible for the company's reputation and relationships with local, state, and federal policymakers and regulators, and with residents of the communities where the company operates. Casey Johnson has been U-Chem's CEO for seven years and receives about \$10 million in compensation per year.

*What is U-Chem Innovations?*

U-Chem Innovations is a privately-owned, profitable, and prominent chemical manufacturing company that operates in multiple states across the country. U-Chem Innovations, which specializes in the production of various industrial chemicals, paints, and solvents, has been a major employer in the region for decades. UCI employs more than 5,000 workers in the state and more than 20,000 nationwide. It is overseen by federal and state agencies that regulate the

chemical industry and has a generally good record of environmental compliance. It has significant operations in the Midtown area where it employs hundreds of workers.

**Witness: Sandy Smith, EGLE Inspector**

*What function does an EGLE Inspector perform?*

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) was created in 1995 (originally named the Department of Environmental Quality). The Department safeguards Michigan's environment while supporting the economic growth and development crucial for Michigan's future. EGLE is comprised of nine divisions and six individual offices.

As part of providing expert technical and pollution prevention assistance to businesses and individuals, EGLE annually performs approximately 30,000 site visits and inspections. EGLE employs more than 1,400 scientists, engineers, geologists, toxicologists, inspectors, technicians, managers, lawyers, biologists and support staff across the state. Sandy Smith is one of EGLE's most experienced inspectors, with special expertise on storage facilities for toxic substances.

**Witness: Alex Rogers, President of Midtown Chamber of Commerce**

*What is the Midtown Chamber of Commerce?*

The Midtown Chamber of Commerce is a membership organization of more than 200 businesses and organizations working to strengthen the local economy and the vibrancy of the Midtown business community. The Chamber focuses on promoting business opportunities, attracting new businesses, improving business regulation, and providing a convenient gateway for networking, professional development, government advocacy, and community connections. Alex Rogers, president of Midtown Community Bank, is an enthusiastic booster of local businesses and has been a leader of the Midtown Chamber of Commerce for ten years.



## Your Role: Attorney General, State of Michigan

### Background Information

*What is the job function of the Attorney General?*

The Attorney General represents the State of Michigan in cases involving the state's interests; brings and defends lawsuits on behalf of the state; prepares formal legal opinions requested by state officers, legislators and county attorneys on legal issues; provides legal advice to the governor of Michigan and to most state agencies; enforces environmental, consumer protection and civil rights laws, among others; and prosecutes criminals.

*What is the Office of the Michigan Attorney General?*

The Office of the Michigan Attorney General employs approximately 500 staff members in a wide variety of professional, clerical, and technical positions. Those employees assist the Michigan Attorney General in providing legal representation to the State of Michigan and advising elected officials on state statutes, policies, and procedures.

### Goals for Testimony

You have two primary goals if you are called to testify:

- 1) Present accurate information to legislators about laws and expectations regarding hazardous waste disposal, inspection, and management.
- 2) Explain the bills and enrolled acts that regulate hazardous waste, land management, and the rights of individuals living near potentially dangerous businesses.

Below you will find information to help you achieve these goals. Legislators may or may not ask about some of this information. Remember that it is okay to not know the answer to legislators' questions. If this happens, simply tell the legislators that you will look into the issue and follow up with them.

### **How does the state of Michigan work to keep hazardous waste locations safe for the surrounding community?**

Control of hazardous wastes in Michigan is accomplished through a set of interrelated actions. They include managing the generation, treatment, storage and disposal of hazardous wastes, licensing and regulating hazardous and liquid industrial by-products<sup>1</sup> (formerly liquid industrial waste) transportation, and informing individuals of the opportunities for proper disposal of hazardous and harmful wastes generated in the home.

Staff from the Hazardous Waste Program Section review construction and operating license applications and make recommendations for the approval or denial of permits and operating licenses for treatment, storage and disposal facilities accepting hazardous waste. Field staff inspect generators of hazardous waste and facilities that treat, store, or dispose of hazardous waste. In Michigan, there are ten district offices including the main EGLE office located in Lansing. These district offices each have a staff that includes an inspection team. Each district office covers several Michigan counties ranging from the smallest (three counties) to the largest (servicing all 15 counties of the Upper Peninsula).

The Environment, Natural Resources and Agriculture (ENRA) Division's primary client agencies are the Department of Environment, Great Lakes, and Energy; the Department of Natural Resources; and the Department of Agriculture and Rural Development. The division serves as general counsel to the three agencies, advising and representing them in matters that include environmental protection laws, fish and game and other natural resources regulation, management of public lands, including mining and oil and gas, and agriculture programs and regulations.

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<sup>1</sup> <https://www.michigan.gov/egle/about/organization/materials-management/hazardous-waste/liquid-industrial-byproducts>



The division also represents various state agencies in matters involving American Indian law, including treaty issues, gaming, and tax. It represents the Department of Licensing and Regulatory Affairs regarding Land Division Act matters. Division management also advises State Police on emergency management and homeland security issues<sup>2</sup>.

### **What laws govern the issues raised by this hearing?**

Two main federal laws dictate the handling and control of chemical substances. These laws are regulated by the Environmental Protection Agency and have state level components and reporting that must be conducted. If companies disregard or fail to adhere to these laws, they are potentially liable at both the federal and state levels.

- The Toxic Substances Control Act (TSCA)<sup>3</sup> addresses the manufacturing, processing, distribution, use, and disposal of commercial and industrial chemicals.
- The Pollution Prevention Act (PPA)<sup>4</sup> establishes pollution prevention as the national policy for controlling industrial pollution at its source.

Additionally, Section 112(r) of the Clean Air Act Amendments<sup>5</sup> requires the EPA to publish regulations and guidance for chemical accident prevention at facilities that use certain hazardous substances. These regulations and guidance are contained in the Risk Management Program rule, which requires facilities that use extremely hazardous substances to develop a Risk Management Plan which:

- identifies the potential effects of a chemical accident,
- identifies steps the facility is taking to prevent an accident, and
- spells out emergency response procedures should an accident occur.

In Michigan, the Hazardous Waste Management Program and its administration rules is created by the Natural Resources and Environmental Protections Act of 1994.<sup>6</sup> These rules explain the process by which a company needs to gain licensing for hazardous waste, the disposal expectations, the duties of the Department of Energy, Great Lakes, and the Environment (EGLE), and the possible lawsuits that the Attorney General can pursue if someone violates these rules. Violations of a permit, license, or rule from this program can result in a \$250,000 fine or up to two years in prison if their conduct “manifests an unjustified and inexcusable disregard for human life.”

### **What role does the Attorney General play in this issue and what are some possible solutions?**

It is not unprecedented for the Attorney General to be involved with an issue involving land management or waste disposal, especially because of the way in which this case has inflicted harm on a local community. In the past, the Attorney General’s office has taken action against contractors who inappropriately dealt with asbestos removal,<sup>7</sup> has

<sup>2</sup> <https://www.michigan.gov/ag/about/bureaus-and-divisions/environment-government-operations-ureau/environment-natural-resources-agriculture-division>

<sup>3</sup> 15 U.S.C. §2601 et seq. (1976) <https://www.epa.gov/laws-regulations/summary-toxic-substances-control-act>

<sup>4</sup> 42 U.S.C. §13101 et seq. (1990) <https://www.epa.gov/laws-regulations/summary-pollution-prevention-act>

<sup>5</sup> <https://www.epa.gov/rmp>

<sup>6</sup> 451. MI. §324.101 et seq. (1994)

[https://www.legislature.mi.gov/\(S\(hdbe1f2mh3ehkuki3pqc1nmz\)\)/mileg.aspx?page=GetObject&objectname=mcl-Act-451-of-1994](https://www.legislature.mi.gov/(S(hdbe1f2mh3ehkuki3pqc1nmz))/mileg.aspx?page=GetObject&objectname=mcl-Act-451-of-1994)

<sup>7</sup> <https://www.michigan.gov/ag/news/press-releases/2023/12/04/attorney-general-takes-action-against-contractors-for-mishandling-asbestos>

been involved with ongoing litigation against Enbridge Energy and its potentially dangerous pipeline,<sup>8</sup> and has ongoing programming to battle PFAS contamination in Michigan water.<sup>9</sup>

The Attorney General's office would like to see improved communication between local, state, and federal agencies that deal with environmental protections so that there are proactive plans in place, instead of dealing with crises. They would also like to see an increased power for local or county institutions to pursue litigation against those that violate regulations.

If asked if the office will prosecute U-Chem, you can say it is too early in the process to announce a decision; that the facts are troubling and require additional investigation; or that you have initiated a criminal investigation, depending on how forceful you want to be.

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<sup>8</sup> <https://www.michigan.gov/ag/news/press-releases/2023/07/21/federal-court-of-appeals-grants-nessel-request-to-review-line-5-case>

<sup>9</sup> <https://www.michigan.gov/ag/initiatives/pfas-contamination>

## **Your Role: Director, Michigan Department of the Environment, Great Lakes, and Energy (EGLE)**

### **Background Information**

*What is the job function of the Director of EGLE?*

The Director of EGLE manages the day-to-day functions of the Department, oversees EGLE's \$1 billion budget, and supervises the 1,400-person team dedicated to protecting Michigan's environment and public health through managing the state's air, water, land, and energy resources.

*What is the MI Department of the Environment, Great Lakes, and Energy (EGLE)?*

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) was created in 1995 (originally named the Department of Environmental Quality). The Department safeguards Michigan's environment while supporting the economic growth and development crucial for Michigan's future. EGLE is comprised of nine divisions and six individual offices.

As part of providing expert technical and pollution prevention assistance to businesses and individuals, EGLE annually performs approximately 30,000 site visits and inspections. EGLE employs more than 1,400 scientists, engineers, geologists, toxicologists, inspectors, technicians, managers, lawyers, biologists and support staff across the state.

### **Goals for Testimony**

You have three primary goals if you are called to testify:

- 1) Present accurate information regarding the role that EGLE plays in hazardous waste management and inspection.
- 2) Defend EGLE against attacks that it is weak or incompetent, while announcing next steps on U-Chem.
- 3) Request that legislators consider additional funding to help EGLE employ more inspectors, catch up on out of date projects, and build preventative programs.

Below you will find information to help you achieve these goals. Legislators may or may not ask about some of this information. Remember that it is okay to not know the answer to legislators' questions. If this happens, simply tell the legislators that you will look into the issue and follow up with them.

### **What is the relationship between EGLE and the EPA?**

EGLE is a Department of the State of Michigan, and as such is not directly under the authority of the EPA. However, as both the EPA and EGLE share a mission of protecting Michigan's environmental resources and Americans' health, they are important partners. EGLE is committed to following all State and Federal laws regarding environmental protection.<sup>1</sup>

As it pertains to the issue at hand, EGLE would like to point out that EGLE maintains a list of environmental consultants that businesses can use. It is the responsibility of Michigan businesses to remain aware of all state and federal regulations, and to conduct self-audits to ensure that the business remains in compliance with all applicable laws.

The due care obligation in cases such as Midtown fall squarely on the property owner, in this case, U-Chem Innovations. U-Chem had an obligation to make at least annual inspections of its warehouse property to ensure the toxic waste stored there was secure. In addition, "[t]he owners and operators of property that is contaminated are required to take actions to ensure that the contamination does not cause unacceptable exposures and assure the safe use of the

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<sup>1</sup> <https://www.michigan.gov/egle/about/mission>

property.<sup>2</sup> U-Chem indicated in its past environmental reports that its toxic waste was securely contained, that it was conducting required inspections, and that the site incorporated required toxic waste safeguards.

EGLE does not have the resources to proactively inspect toxic waste storage facilities that are operated by businesses in good standing with no record of environmental violations and where there are no reported problems. EGLE operates under the good faith assumption that businesses are operating within the law. When it comes to the attention of EGLE that a business is out of compliance, the business is warned and given the opportunity to correct the issue.

As soon as the situation involving possible toxic leaks from the U-Chem warehouse was reported to the State, EGLE conducted a site inspection, discovered the leaks, and initiated discussions with U-Chem to correct the problems. Until now, U-Chem has had a good record of compliance with the law.

### **How does Michigan rank nationally in terms of hazardous waste accidents and spills?**

According to the latest data available (2021), Michigan ranks second in the nation when it comes to fines issued within the last five years for incorrect disposal of hazardous waste.<sup>3</sup> Michigan has even gone so far as to send an offending business owner to prison for violation of federal hazardous waste storage laws.

In 2023, the last year for which 12 months of data is available, 234 incidents in Michigan alone were reported to the EPA's National Response Center, roughly 75 percent of which pertained to possible violations from private enterprises.<sup>4</sup> At the state level, EGLE maintains a Waste Data System (WDS), which according to EGLE "tracks activities at sites regulated by the Solid Waste, Scrap Tire, Hazardous Waste, and Liquid Industrial Waste programs. WDS can provide information on ownership and operation of the site; the status of any required permits, licenses, registrations, or certifications; compliance status; authorized transporters; shipments of hazardous waste (manifest); and user fees."<sup>5</sup> The WDS is accessible to the public, and any business unclear about the status of their site, is free to make use of the database.

As of 2023, Michigan has the sixth highest number of Superfund sites (65 out of a total 1,303) in the United States, demonstrating it makes active use of the Superfund program.<sup>6</sup>

### **What preventative measures have proven successful for land and hazardous waste management?**

In instances where the EPA and EGLE have been made aware of storage violations, the justice system has proven an effective avenue for forcing cleanup of the affected site.<sup>7</sup> EGLE is also empowered to proactively warn businesses that are storing waste improperly. Any citizen or entity is able to report spills and environmental violations directly to the federal EPA and petition for the agency to conduct a preliminary assessment.<sup>8</sup> Persons can also report spills and environmental violations to EGLE, which is what happened here, and EGLE personnel can respond by conducting an inspection.

Involving the EPA and petitioning for use of federal Superfund site money to initiate time-sensitive cleanup efforts has also proven effective, if costly to the taxpayer. EGLE is in favor of additional funding for enforcement, and for additional legislation empowering EGLE to be more proactive at examining potentially contaminated sites.

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<sup>2</sup> <https://www.michigan.gov/egle/about/organization/remediation-and-redevelopment/due-care>

<sup>3</sup> <https://greenssteel.com/blogs/news/us-states-with-the-worst-hazardous-waste-violations-1>

<sup>4</sup> <https://nrc.uscg.mil/FOIAFiles/CY23.xlsx>

<sup>5</sup> <https://www.egle.state.mi.us/wdspi/Home.aspx>

<sup>6</sup> <https://www.epa.gov/cleanups/cleanups-my-community>

<sup>7</sup> <https://www.justice.gov/opa/pr/michigan-company-and-its-owner-sentenced-illegally-storing-hazardous-waste>

<sup>8</sup> <https://www.epa.gov/pesticide-incidents/how-report-spills-and-environmental-violations>

If asked about next steps, you can say that U-Chem is taking action to inspect all of the toxic waste barrels at the warehouse, repair any leaks, cleanup the spills, and conduct analysis to determine the extent of soil and groundwater contamination. You can also say that EGLE is consulting with EPA to determine the extent of any health threats to residents and appropriate testing protocols and will be issuing more information soon to Midtown residents.

If asked for recommendations for legislators, you could suggest they enact legislation to require toxic waste storage facilities to file at least annual safety inspection reports with EGLE, and to require EGLE, if provided adequate funding, to set up a report database for toxic waste storage facility safety inspection reports and include an automated alert to the EGLE inspection team when a required report is overdue. The inspection team can then follow up on the failure to file and decide whether to inspect the relevant storage facility.

## Your Role: Environmental Justice Public Advocate

### Background Information

#### *What is an Environmental Justice Public Advocate?*

The Public Advocate is the leader of the Office of Environmental Justice in the State of Michigan. The Public Advocate oversees the Office, guides the staff, and makes decisions about the Office's projects. The Public Advocate works collaboratively with other state agencies and offices across the state to advance environmental justice and equity concerns in Michigan including by leading the state's Interagency Environmental Justice Response Team and the Michigan Advisory Council on Environmental Justice.

#### *What is the Office of the Environmental Justice Public Advocate?*

The Office of the Environmental Justice Public Advocate was created by Governor Whitmer's Executive Order 2019-06 to serve as an external and internal advocate and catalyst for ensuring environmental justice and equitable environmental programs and operations throughout the state. The Office establishes and implements processes and reporting for environmental justice complaints and helps resolve issues. According to the Executive Order, "environmental justice" is the equitable treatment and meaningful involvement of all people, regardless of race, color, national origin, ability, or income and is critical to the development and application of laws, regulations, and policies that affect the environment, as well as the places people live, work, play, worship, and learn."<sup>1</sup>

### Goals for Testimony

You have three primary goals if you are called to testify:

- 1) Explain the role of the Environmental Justice Public Advocate's Office and how to interact with the full department.
- 2) Explain how the Midtown experience with U-Chem toxic contamination exemplifies environmental injustice problems and requires forceful action to stop toxic exposures and protect residents' health.
- 3) Ask legislators to invest appropriate funding in environmental justice advocacy and community education efforts.

Below you will find information to help you achieve these goals. Legislators may or may not ask about some of this information. Remember that it is okay to not know the answer to legislators' questions. If this happens, simply tell the legislators that you will look into the issue and follow up with them.

### **How is the role of the Environmental Justice Public Advocate different than work done at EGLE?**

Although the Office of the Public Advocate is under the direction of the Michigan Department of Environment, Great Lakes, and Energy, the purpose of the position is to create proactive and integrated solutions to Environmental Justice issues. Although the office is still relatively young, its intention is to work collaboratively across state agencies to engage communities within environmental justice work and address complaints as they arise.<sup>2</sup> Some critics of EGLE and other similar state departments argue that they are too focused on processes, reports, and measurements, without creating solutions and programs that actually work for citizens. Public Advocate Strong says, "Government is process-oriented and data-driven while advocacy is about impact. The challenge is to move the needle on impact within a government system that is bound by procedures, regulations, and laws."<sup>3</sup>

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<sup>1</sup> <https://www.michigan.gov/egle/about/organization/environmental-justice>

<sup>2</sup> <https://content.govdelivery.com/accounts/MIDEQ/bulletins/240e810>

<sup>3</sup> <https://www.greatlakesnow.org/2021/05/environmental-justice-michigan-goal-national-leader/>

### **How does the Office of the EJ Public Advocate interact with Michigan communities?**

One major program of the Office was the development of MiEJSCREEN. MiEJScreen is an interactive mapping tool that identifies Michigan communities that may be disproportionately impacted by environmental hazards. The map allows users to explore the environmental, health, and socioeconomic conditions within a specific community, region, or across the entire state. These data sets can be viewed individually or combined into a final MiEJScreen score that allows users to understand how communities experience environmental justice impacts relative to others. These results are depicted in the form of maps so that different communities can be compared to one another.<sup>4</sup> Use the MiEJSCREEN system to map U-Chem facilities and poor communities.

Half of all people within the United States who live less than two miles from a hazardous waste facility are people of color.<sup>5</sup> Michigan ranks number one in this disparity and has for decades without much improvement.<sup>6</sup> These statistics are alarming and the establishment of this Office will hopefully cut down on inefficiency and bureaucratic hold-ups throughout the system.

### **What are some possible solutions to the issues raised during this case?**

- Immediate, coordinated state action to address the Midtown contamination, test for health impacts, and experiment with new ways to ensure more environmental justice;
- Increased EGLE staffing and funding to inspect facilities in BIPOC, low-income communities;
- Major push for community education on environmental justice concerns so that communities can learn to advocate for themselves, evaluate the risks of their environment, and demand action when their health is in jeopardy.

If asked whether the Public Advocate is willing to conduct an in-person meeting with Midtown residents, say yes and offer to act as a liaison with EGLE and EPA to assist the community.

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<sup>4</sup> <https://www.michigan.gov/egle/Maps-Data/miejscreen>

<sup>5</sup> <https://news.umich.edu/targeting-minority-low-income-neighborhoods-for-hazardous-waste-sites/>

<sup>6</sup> <https://planetdetroit.org/2021/05/the-dream-and-reality-of-environmental-justice-on-display-in-michigan/>



## Your Role: Co-Executive Director of the Michigan Environmental Justice Coalition

### Background Information

*What is the job function of the Co-Executive Directors?*

The two Co-Executive Directors of the Michigan Environmental Justice Coalition are responsible for managing the coalition's operations. They engage in strategic planning, set the coalition's priorities, work with the board of directors to fundraise, and promote the coalition and its objectives to raise public awareness.

*What is the Michigan Environmental Justice Coalition?*

Membership of The Michigan Environmental Justice Coalition currently includes: Breathe Free Detroit, Craft: Citizens' Resistance at Fermi Two, Ecology Center, Environmental Transformation Movement of Flint, Flint Rising, Great Lake Environmental Law Center, GreenDoor Initiative, Midwest Building Decarbonization Coalition, MI Welfare Rights Organization, NAACP, Solidarity, We The People MI, and We Want Green Too.<sup>1</sup> The MEJC works to achieve a clean, healthy, and safe environment for all Michigan residents, especially those most affected by inadequate environmental policies. One of the current projects administered by MEJC is the MI Alliance for Justice in Climate, which is the state member of the federal Green New Deal Network. The MEJC performs research, releases reports, develops environmental justice policies and processes, and creates training for community organizers and policy makers.

### Goals for Testimony

You have three primary goals if you are called to testify:

- 1) Explain the intersection of race, poverty, and environmental injustice in Michigan.
- 2) Demand more oversight and investigation of companies that endanger the environment.
- 3) Increase the MEJC's influence in future policymaking.

Below you will find information to help you achieve these goals. Legislators may or may not ask about some of this information. Remember that it is okay to not know the answer to legislators' questions. If this happens, simply tell the legislators that you will look into the issue and follow up with them.

### **What type of work does the MEJC do across the state to promote environmental justice?**

Our organization operates within an understanding that the root causes of climate change are racism, capitalism, and the hetero-patriarchy with the impact of these oppressive systems falling on BIPOC (Black, Indigenous, People of Color) and low-income communities. With that in mind, the MEJC involves itself in policy advocacy through community education and outreach efforts, as well as research partnerships with institutions like the University of Michigan.

Currently the MEJC is involved in several advocacy initiatives to move the needle on environmental justice:

- TMEJC runs the Clean Air Youth Council<sup>2</sup> for southeast Michigan residents aged 13-17. The goal of the program is to help young people explore the intersections of environmental justice and climate justice while equipping them with the skills needed to become leaders in their communities. For those over 18, they offer the Movement School, which aims to build the capacity and power of Environmental Justice movements in Michigan

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<sup>1</sup> <https://www.michiganej.org/>

<sup>2</sup> <https://www.michiganej.org/cayc>

through education, narrative shifting, policy advocacy, electoral engagement, community organizing and direct action.

- MEJC has also created the MEJC Action 501(c)(4)<sup>3</sup> with a goal of bringing together diverse BIPOC communities that work together to engage in electoral politics with a bold climate agenda for Michigan.

**How can citizens demand more transparency for their neighborhoods and communities if they are living near potentially dangerous businesses?**

The MEJC offers access to a staff attorney who can help citizens to know their rights. Midtown residents and MCC can work with MEJC to understand state and federal laws that may be able to help them deal with the U-Chem toxic contamination.

**What are some potential solutions to issues raised within this hearing?**

- Stronger accountability for large, waste-producing companies that goes beyond paying a fine and requires action to protect local residents' health.
- A central and public reporting process for citizens to identify local environmental concerns and for EGLE to respond to concerns. A public reporting system would ensure that neighbors know when an issue has been reported and if there has been any agency follow up.
- Funding for additional county and local inspectors to ensure greater compliance and implementation of existing environmental regulations.
- Increased community education efforts from the state regarding environmental protection and justice that includes and prioritizes input from marginalized and vulnerable communities.

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<sup>3</sup> <https://www.mejcaction.com/>

## Your Role: Chris Jones, President of Midtown Concerned Citizens (MCC)

### Background Information

#### *What is Midtown Concerned Citizens?*

Midtown Concerned Citizens is a 501(c)3 nonprofit organization that was created in 2023 in response to environmental concerns emerging in the Midtown neighborhood. MCC is concerned about potential groundwater and soil contamination caused by toxic chemicals leaking from storage containers in the warehouse owned by U-Chem. MCC is seeking local, state, and federal assistance in identifying the leaked chemicals, measuring the resulting pollution, and explaining possible health effects on residents. In addition, MCC is seeking assistance to ensure that U-Chem will stop the warehouse leaks, clean up the existing contaminants, and provide financial support for residents of the Midtown neighborhood needing treatment for any health impacts. MCC is considering whether to ask for the warehouse to be added to the Superfund Program. Because the population of the Midtown neighborhood is largely made up of residents of color who live at or below the state poverty line, MCC feels strongly that the lack of local and state assistance is racially motivated, that their concerns have not been taken seriously, and that public commitments need to be made to remedy the environmental contamination.

### Goals for Testimony

You have three primary goals if you are called to testify:

- 1) Demand that legislators hold U-Chem Innovations and EGLE accountable for the toxic leaks, inspection failures, and lack of transparency.
- 2) Demand that U-Chem provide funding to treat any Midtown residents' health injuries.
- 3) Request additional state and local funding and community education for Midtown residents to ensure environmental justice and an in-person visit by the Public Advocate.

Below you will find information to help you achieve these goals. Legislators may or may not ask about some of this information. Remember that it is okay to not know the answer to legislators' questions. If this happens, simply tell the legislators that you will look into the issue and follow up with them.

### **How has MCC fought for the Midtown neighborhood? What have been the challenges and successes?**

Midtown Concerned Citizens (MCC) is responsible for initially contacting EGLE<sup>1</sup> regarding the soil and groundwater contamination concerns. Since that time, it has been instrumental in helping initiate a public pressure campaign on U-Chem Innovations to explain the leaks and lapses in safety inspections that led to the chemical mess in the first place. MCC has been in contact with Midtown's state representative and state senator and is working with the Environmental Protection Agency regarding the possibility of adding the U-Chem facility to the Superfund program.<sup>2</sup>

MCC has run into several issues, including neglect and inadequate funding, and sadly, a sense that race and economic inequity issues have come into play.<sup>3</sup> Ignoring toxic releases in poor communities is all too common; in a small Alabama community, for example, human fecal matter and toxic waste was dumped for years, despite numerous complaints and an EPA finding that certain regulations had not been strictly adhered to.<sup>4</sup> In Michigan, the state civil rights commission

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<sup>1</sup> <https://www.michigan.gov/egle/about/organization/environmental-justice>

<sup>2</sup> <https://www.epa.gov/superfund>

<sup>3</sup> <https://www.epa.gov/newsreleases/epa-report-shows-disproportionate-impacts-climate-change-socially-vulnerable>

<sup>4</sup> <https://www.theguardian.com/us-news/2019/apr/15/were-not-a-dump-poor-alabama-towns-struggle-under-the-stench-of-toxic-landfills>

unanimously found that pollution of one of the state's major rivers, Flint, occurred in no small part due to race and racism against the Flint community which has a large, low-income BIPOC population, much as Midtown does.<sup>5</sup>

### **What are the health risks of living near toxic or contaminated land?**

For millions of people across the United States, the location of their homes jeopardizes their health. One in six Americans lives within three miles of a toxic waste site—often unknowingly. Scattered across the country, some sites are visible, but others, such as abandoned industrial facilities, can be inconspicuous.

The Environmental Protection Agency (EPA) found these hazardous sites house some of the most harmful pollutants and levels of contamination for human health. The EPA has identified, assessed, and committed to cleaning up some of the most contaminated sites under the federal Superfund program. Regardless of whether a site has received designation as a Superfund site, the cleanup of hazardous waste sites is often arduous and lengthy leaving nearby communities to grapple with extended exposure to toxins and the resulting serious environmental and health consequences.

Inaction on toxic waste sites poses the greatest threat to communities of color. For nearly a century, discriminatory laws and policies have situated polluting industries near low-income communities of color and have led to subsidized and affordable housing being located on or close to Superfund sites. According to a 2007 follow-up to a landmark 1987 study on racial disparities in environmental conditions, little to no progress had been made on the issue in the intervening twenty years.<sup>6</sup> Today, Black Americans are 75 percent more likely to live near waste-producing facilities, or within fenced-lined communities, than an average American. Further, the US Department of Housing and Urban Development (HUD) owns, operates, or subsidizes 18,158 properties located within one mile of Superfund sites. The majority of HUD tenants are households of color.<sup>7</sup>

### **What are some potential solutions to the issues raised by this hearing?**

- Monetary compensation from U-Chem for the injuries suffered by the community and residents (including a trust fund for injuries which may arise in the coming years);
- A public commitment from U-Chem to remove all toxic waste from inactive facilities in Midtown;
- U-Chem public release of its Risk Management Plan for the warehouse and a list of the chemicals and health hazards associated with the toxic releases, as required by Section 112(r) of the Clean Air Act;<sup>8</sup>
- Convening of public health professionals to examine Midtown residents for possible health impacts;
- Public Advocate, EGLE and EPA community meeting with Midtown residents to ensure that all voices are being heard;
- Public Advocate and EGLE assistance with a Superfund application;
- Funding and legislation requiring toxic waste storage facilities to file at least annual safety inspection reports and enabling EGLE to conduct more proactive inspections of toxic waste storage facilities; and
- Stronger environmental civil rights legislation with a greater emphasis on protecting communities with significant BIPOC and low-income populations.

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<sup>5</sup> <https://www.michigan.gov/mdcr/-/media/Project/Websites/mdcr/mcrc/reports/2017/flint-crisis-report-edited.pdf?rev=4601519b3af345cfb9d468ae6ece9141>

<sup>6</sup> <https://news.umich.edu/toxic-waste-and-race-report-confirms-no-progress-made-in-20-years/>

<sup>7</sup> <https://housingmatters.urban.org/articles/millions-americans-live-near-toxic-waste-sites-how-does-affect-their-health>

<sup>8</sup> <https://www.epa.gov/regulatory-information-topic/regulatory-information-topic-emergency-management#rmp>

## **Your Role: Casey Johnson, CEO of U-Chem Innovations**

### **Background Information**

*What is the job function of the CEO of U-Chem Innovations?*

The chief executive officer (CEO) is the company's highest-ranking executive and is responsible for managing the company's overall operations. The duties include developing business strategies to reach long-term goals such as increasing the company's growth, profits, stock price, and return-on-investment. The CEO reports to the company's board of directors. The CEO is also responsible for the company's reputation and relationships with local, state, and federal policymakers and regulators, and with residents of the communities where the company operates. Casey Johnson has been U-Chem's CEO for seven years and receives about \$10 million in compensation per year.

*What is U-Chem Innovations?*

U-Chem Innovations is a privately-owned, profitable, and prominent chemical manufacturing company that operates in multiple states across the country. U-Chem Innovations, which specializes in the production of various industrial chemicals, paints, and solvents, has been a major employer in the region for decades. UCI employs more than 5,000 workers in the state and more than 20,000 nationwide. It is overseen by federal and state agencies that regulate the chemical industry and has a generally good record of environmental compliance. It has significant operations in the Midtown area where it employs hundreds of workers.

### **Goals for Testimony**

You have three primary goals if you are called to testify:

- 1) Defend your company from allegations of negligence or intentional wrongdoing, noting your company's good environmental record and years of good standing in Michigan and Midtown.
- 2) Assure the legislators that U-Chem is willing to comply with clean up requirements but must consider costs and timelines to avoid damaging the company and its employees.
- 3) Delay decisions about U-Chem's paying health costs due to the possible enormous expense.

Below you will find information to help you achieve these goals. Legislators may or may not ask about some of this information. Remember that it is okay to not know the answer to legislators' questions. If this happens, simply tell the legislators that you will look into the issue and follow up with them.

### **How does the work of U-Chem Innovations benefit society and the people of Michigan?**

U-Chem Innovations has been a leader for years in the production of various industrial chemicals, paints, and solvents that support the auto industry and other manufacturing in the state, producing 5,000 good-paying union jobs statewide with hundreds in the Midtown area. U-Chem has also invested generously in the Midtown community over 15 years, administering popular apprentice and other training programs for workers, offering a micro-lending program for women and minorities, supporting local sports teams and the local United Way chapter, and creating a profit-sharing program with the local school district in which U-Chem donated 1 percent of its local profits over the last 10 years toward High School building improvements.

U-Chem has also been a leading developer of important industrial solvents, paints, and chemicals that have reduced housing production costs regionally by 25 percent in the last 25 years. Specifically, U-Chem's revolutionary "Blackest Black" paint color, introduced in 1984, has helped create more green housing through its unique heat retention properties.

The company has been a good neighbor with an outstanding environmental record, never once incurring an environmental violation in the Midtown area. We have been seen as an excellent employer and want to keep that reputation.

**Did U-Chem Innovations fail to establish safety protocol and inform its neighbors about the potential dangers of its products?**

First of all, we deeply regret the situation causing such fear and concern among Midtown residents. We are still trying to understand what happened, but we think the key issue was one of poor communication by government officials regarding safety expectations and poor communication of those expectations throughout the organization. As you know, U-Chem has always taken its environmental responsibilities seriously and has an outstanding safety record in Michigan.

To the best of our knowledge, we complied with all applicable laws regarding environmental reporting and materials storage throughout the operational lifetime of the facility. When the warehouse closed in 2018, we informed the state, classified it as “inert” in our database, and was not informed of an annual inspection requirement. In addition, we had no idea there were any leaks and are still investigating when they started and how.

As soon as we were informed of the problem, we initiated corrective actions, including conducting an immediate inspection of the entire warehouse, sealing or removing any leaking barrels we found, and investing in technology to monitor and control future emissions.

While we deeply regret the pain this has caused the Midtown community, we are determined to prove to Midtown that U-Chem is a responsible steward of the environment, and that this lapse in no way reflects the values and beliefs of our company. U-Chem cares deeply about all the residents of Midtown.

**What are some possible solutions to issues raised in this hearing?**

- Allow U-Chem to complete the cleanup and remediation of the warehouse and analysis of the extent of soil and groundwater contamination. Once we have more information, we can decide on next steps.
- We are willing to meet with MCC and the Public Advocate to hear the community’s concerns and suggestions.
- If asked about paying for health costs, you can indicate that there is currently no indication of any health impacts, and the company has to wait for more information. You can indicate that the company has to be careful of costs to avoid damaging the company, its employees, and the benefits it offers to Midtown.

## Your Role: Sandy Smith, EGLE Inspector

### Background Information

*What function does an EGLE Inspector perform?*

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) was created in 1995 (originally named the Department of Environmental Quality). The Department safeguards Michigan's environment while supporting the economic growth and development crucial for Michigan's future. EGLE is comprised of nine divisions and six individual offices.

As part of providing expert technical and pollution prevention assistance to businesses and individuals, EGLE annually performs approximately 30,000 site visits and inspections. EGLE employs more than 1,400 scientists, engineers, geologists, toxicologists, inspectors, technicians, managers, lawyers, biologists and support staff across the state. Sandy Smith is one of EGLE's most experienced inspectors, with special expertise on storage facilities for toxic substances.

### Goals for Testimony

You have three primary goals if you are called to testify:

- 1) Accurately describe what you saw at the U-Chem warehouse.
- 2) Express your opinion that the extent of contamination is unclear and requires more analysis.
- 3) Emphasize that EGLE is understaffed and under-resourced and needs support from the state to ensure that they are doing their job properly and safely.

Below you will find information to help you achieve these goals. Legislators may or may not ask about some of this information. Remember that it is okay to not know the answer to legislators' questions. If this happens, simply tell the legislators that you will look into the issue and follow up with them.

### How did you track the toxic chemicals to the U-Chem warehouse and what did you see there?

You can explain that, after receiving reports about a suspicious substance in ditches along the Midtown Highway, you and two fellow inspectors traveled to the area and were able to follow a clear trail of the substance uphill to the warehouse. When you arrived at the warehouse, it was locked, but three U-Chem personnel quickly responded to a phone call and let the inspection team into the facility. You can explain that you found a very large warehouse facility about three-quarters full of barrels in orderly rows. Almost all of the barrels appeared to bear labels describing their content and when they were filled and had been placed on raised platforms. However, in at least three areas, the team found barrels that were placed directly on the warehouse floor near outside walls, and they appeared to have been exposed to rainwater and snow melt, which caused rusting and leaks<sup>1</sup>. About 30 barrels were identified as leaking; about 5 appeared to be virtually empty.

You can explain that when the team asked for paperwork documenting past inspections of the warehouse by company personnel, you were told that no such reports existed. The warehouse personnel seemed to be unaware of any obligation to perform annual inspections.

You can also explain that the warehouse appeared to be quiet and without a regular working crew. The warehouse personnel said that new shipments of 1-5 toxic waste barrels occurred each month, adding to the inventory of what appeared to be thousands of barrels already stored at the facility. The warehouse personnel said that when a new shipment arrived, they were notified, traveled to the warehouse, logged in the barrels, and placed them in available

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<sup>1</sup> <https://cleanmanagement.com/blog/how-to-store-hazardous-waste-in-the-workplace/>



spaces. The warehouse personnel said they had been unaware of any leaks and speculated that any leaks were fairly recent, though they offered no evidence to support that description.

### **What is the extent of the toxic contamination of soil and groundwater?**

The 30 barrels identified as having leaks have been removed from the warehouse and either sent to a landfill or repaired. Additional inspections are taking place to determine if any other barrels are leaking. In addition, testing is needed to gauge exactly what chemicals were involved.

Work has yet to begin to determine the extent of soil and groundwater contamination. That work will require various drills and laboratory tests which could take several weeks. We need to analyze the ditch running along Midtown Highway, examine neighboring properties, look into complaints about unidentified substances and unfamiliar odors, and map out the affected areas.

The bottom line is that the extent and nature of the contamination are unclear right now. It will take at least a couple of weeks to identify the affected area and the nature and severity of the hazardous substances associated with the leaks.

### **What are some potential solutions to the issues raised by this hearing?**

- It would be helpful if the legislature were to enact a law requiring all toxic waste storage facilities to file at least annual safety inspection reports with EGLE. Right now, those inspection reports are best practice, but not required.
- The legislature could also require EGLE, if sufficient funding is available, to set up a report filing system to store toxic waste storage facility inspection reports and, if a report is overdue, to automatically alert the EGLE inspection team about the failure to file. EGLE could then follow up.
- Also helpful would be additional resources to enable EGLE to perform more proactive inspections of facilities holding toxic wastes, particularly in poor communities to meet Michigan's environmental justice objectives. EGLE currently has ten district offices<sup>2</sup> dedicated to Remediation and Redevelopment of dangerous sites (including Superfund sites). Within these offices, 6-10 inspectors work to cover their geographic district. There are only seven enforcement officers for the entire state.

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<sup>2</sup> <https://www.michigan.gov/egle/-/media/Project/Websites/egle/Documents/Org-Charts/RRD.pdf?rev=8b380c03a2b7432ca7a29af824bee2e6&hash=CFCFF0E1089008DF3DE4BDC305489F9A>

## **Your Role: Alex Rogers, President of Midtown Chamber of Commerce**

### **Background Information**

*What is the Midtown Chamber of Commerce?*

The Midtown Chamber of Commerce is a membership organization of more than 200 businesses and organizations working to strengthen the local economy and the vibrancy of the Midtown business community. The Chamber focuses on promoting business opportunities, attracting new businesses, improving business regulation, and providing a convenient gateway for networking, professional development, government advocacy, and community connections. Alex Rogers, president of Midtown Community Bank, is an enthusiastic booster of local businesses and has been a leader of the Midtown Chamber of Commerce for ten years.

### **Goals for Testimony**

You have two primary goals if you are called to testify:

- 1) Urge quick action to analyze the extent of contamination from the U-Chem toxic releases, clean up the environmental problems, and minimize negative portrayals of Midtown.
- 2) Caution against imposing costly demands on U-Chem which is the area's largest employer, a source of hundreds of good-paying jobs, and Midtown's most important taxpayer.

Below you will find information to help you achieve these goals. Legislators may or may not ask about some of this information. Remember that it is okay to not know the answer to legislators' questions. If this happens, simply tell the legislators that you will look into the issue and follow up with them.

### **How should EGLE and EPA handle the U-Chem toxic releases?**

The Midtown Chamber of Commerce is concerned about Midtown's being portrayed as contaminated by toxic chemicals when the contamination appears to be confined to a limited area around the warehouse and may not be extensive. Negative descriptions can cause business and property values to fall. It is important for EGLE and EPA, working with U-Chem, to map out the contamination, complete the cleanup as quickly as possible, and address possible health impacts to the community.

### **What are the business impacts of the U-Chem toxic releases?**

The most important business impact is on U-Chem, Midtown's largest employer, our best producer of good-paying jobs, and our most important taxpayer. U-Chem is one of the biggest investors in the Midtown community, running great apprenticeship and training programs for workers, offering a vital micro-lending program for women and minority-owned small businesses, supporting the Midtown baseball and soccer teams, donating significant sums to the local United Way charity, and operating a profit-sharing program with Midtown high school in which U-Chem donates 1% of its local profits toward improving the school's infrastructure and career counseling programs. Those kinds of contributions to a community really make a difference and must be protected. As we all know, U-Chem has been a good corporate citizen and has not caused environmental problems in the past. For those reasons, we need to protect U-Chem from unfair attacks and unreasonable financial demands while it completes the cleanup and takes steps to ensure a safe future.

Businesses with just *one* negative article online risk losing up to 22% of prospective customers. And this number increases quickly – businesses with four or more negative articles can experience a loss of up to 70% of prospective customers.<sup>1</sup>

Should this tragedy result in U-Chem’s pulling back from Midtown, it would pile one disaster on top of another. A second set of concerns is to protect Midtown’s own reputation, its property values, and its business community while the cleanup takes place. We don’t want to become known as an unsafe place to live so everyone should be careful not to exaggerate the problem.

**What are some potential solutions to the issues raised by this hearing?**

- Support U-Chem in its cleanup efforts.
- Consult with EGLE and EPA experts to get a better understanding of the nature and extent of the problem.
- Ask the Public Advocate, EGLE, and EPA to meet with residents and get them the help they need to determine if there are any health problems to address.
- The Chamber of Commerce should acknowledge the balance between protecting U-Chem’s financial contributions to the Midtown economy with the health and economic risks of negligence. They are thankful and supportive of this investigation so that a struggling community is not further damaged by the media.

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<sup>1</sup> <https://moz.com/blog/new-data-reveals-67-of-consumers-are-influenced-by-online-reviews>