



Corporation

3200 ENTERPRISE DRIVE / SAGINAW, MICHIGAN 48603
PHONE (989) 799-4850
FAX (989) 799-9672

HEATING & AIR CONDITIONING
VENTILATION
CUSTOM SHEET METAL WORK



January 14, 2025

Subject: Support for HB 4002 to Address Challenges in the ESTA

Dear House of Representatives,

I am writing to you as a representative of US Sheet Metal, a construction contractor employing about 35 individuals. Our business significantly contributes to the state's economy through our projects and manhours.

I urge you to support the recently introduced HB 4002, which aims to mitigate the adverse effects of the Michigan Supreme Court decision on paid leave and make its implementation more feasible for both employers and employees.

Some provisions in the Earned Sick Time Act (ESTA) present severe challenges, including:

- **Skilled Workforce Shortage:** As a construction contractor, we are already facing a shortage of skilled workers. The ESTA will exacerbate this issue, especially with the no notice/no call for three days, causing extreme disruption to our projects. We are under contracts to complete projects that cannot be revised.
- **Collective Bargaining Agreement (CBA) Exemption:** The workforce covered under a CBA should remain exempt from the ESTA. One size does not fit all, and the transit workforce under a CBA has work conditions collectively bargained between parties. Our employees work for many different employers throughout the year, making the ESTA requirements difficult to track and adding a burden to an already regulated work environment. The law is clear that the ESTA won't go into effect until the CBA expires, but recent opinions from the Leo Office and Attorney General contradict this. HB 4002 should exclude any workers covered under a CBA from the ESTA.
- **No Exemptions for Small Businesses:** All employees, including full-time, part-time, seasonal, temps, and independent contractors, must be covered, placing a significant burden on small businesses.
- **Intermittent Leave Without Notice:** The 72 hours of mandatory leave can be used intermittently and without advanced notification, exacerbating staffing shortages.
- **Unlimited Sick Leave Rollover:** All unused sick leave at the end of the year must roll over to the next year, with no cap on the number of hours that can be rolled over.
- **Limits on Absence Control Policies:** The ESTA severely limits employers' ability to address abuses by specifying that an employer's absence control policy shall not treat earned sick time taken under this act as an absence that may lead to or result in retaliatory personnel action.
- **Litigation Risks:** The ESTA creates a litigation nightmare, allowing employees to sue businesses and automatically assuming the employee's side for unfavorable personnel actions via a rebuttable presumption. This puts employers in the position of defending

their HR decisions in court, creating a disincentive to hiring and entrepreneurship in Michigan.

I am asking for your help to make these requirements more reasonable. We are not asking for the status quo, but changes must be made to the ESTA to benefit everyone.

Without a legislative fix, my business – and many others across your district and our state – will be forced to make drastic and costly changes. I am worried about the impact this will have on employees, workplace culture, the Michigan economy, and more.

I hope I can count on your support for finding a better alternative and saving the Michigan economy for everyone.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Chris J. Stockwell". The signature is written in a cursive, flowing style.

Chris Stockwell
President
US Sheet Metal
(989) 799-4850