

MEMO

TO: Michigan House Committee on Labor

FROM: David Q. Worthams, Director – Employment Policy

DATE: June 15, 2023

Re: HB 4237 – Opposition

On behalf of the over 1,700 members of the Michigan Manufacturers Association (MMA), covering both sides of the Bridge, I write to express our concerns with House Bill 4237, introduced by State Representative Andrews, a bill that repeals the *Local Government Labor Regulatory Limitation Act*, also known as Act 105.

MMA's membership covers the full spectrum of manufacturing industries and ranges from small manufacturers to some of the world's most impactful corporations. Over 85% of our members are proudly small businesses with less than 100 employees. It is important that Michigan's laws protect these vital members of so many communities from the potential of facing a patchwork of local workplace mandates. This issue is of such a great importance to our members that MMA is treating the votes on this bill as key-votes.

Forty-four states, including Michigan, have taken steps to prevent situations that drive jobs and economic opportunities out of their states. Allowing local units of government to craft a patchwork of employment conditions will lead to administrative nightmares that make it impossible for employers to successfully comply.

We believe, especially for a small employer who has multiple locations across the state, that it is critical for the Legislature to take preemptive action to make sure there is consistency in managing facilities and ensure that manufacturers have the ability to stay competitive here, nationally and internationally. Your colleagues who served here previously in the 98th Michigan Legislature wisely took this action. We ask that you allow that decision to stand.

As our members strive to provide high wage jobs (which are typically 24% higher than other industries) and the benefits that employees seek, it is important that you defend this Act and resist the temptation to repeal it. Employment decisions are best kept between employers and employees. That is the best way to find the balance between the needs of the employee and the ability of the employer to stay competitive. That is the way that Michigan will be able to have a foundation of consistent employment policies that the state's efforts to find, develop, and keep the talent that we need to move the Great Lakes state forward to a bright future will be built upon.

MMA stands opposed to the repeal of Act 105 and we urge you to vote against moving House Bill 4237 out of your committee to the full House of Representatives.