



## Memorandum

**TO:** Members of House Commerce & Trade Committee  
**FROM:** Tony Daunt – Executive Director  
**CC:**  
**DATE:** 2-6-18  
**RE:** Vote NO on Senate Bill 363

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I am writing to strongly urge your opposition to Senate Bill 363. This legislation is corporate cronyism at its worst, intentionally increasing costs to taxpayers for road salt by removing fair competition in the bidding process and negatively impacting Michigan small businesses.

As we enter the budget – and pothole! – season here in Lansing, one of the main topics of discussion will be finding ways to maximize our road funding dollars. I doubt your constituents will appreciate their representative voting to INCREASE the costs associated with fixing our roads all so they could give an unfair advantage to one entity, the Detroit Salt Company.

Between 2013 and 2017, the State of Michigan spent an average of \$56 million annually for road salt. Currently, the state receives bids from four qualified road salt vendors. This legislation is targeted to give a sweetheart deal by creating a competition barrier.

This legislation will increase the price of road salt, costing Michigan taxpayers potentially millions of dollars. It distorts the role of government contracting by creating a barrier to fair and open competition, picking winners and losers, and using our tax dollars to reward the politically connected.

For these reasons and more, I urge your opposition to Senate Bill 363.