

Local preemption is pro-growth strategy

By Wendy Block - Detroit Free Press - November 5, 2023

Special interests in Lansing, including several major labor unions seeking new leverage over job providers, continue to push lawmakers to pass legislation that would unleash Michigan's 1,800+ local governments (7th most in the country with 1,200 townships, 535 cities and villages, and 83 counties) to create their own confusing patchwork of employment laws and regulations.

However, the writer of a recent Free Press guest column ("Rick Snyder took power from Michigan cities. This Legislature must restore it," Detroit Free Press, Oct. 24) argued the proposal is simply about "restor[ing] local government rights", claiming it could even "benefit local businesses." Others have gone even further to mask the impact of their proposal by promoting it while wearing silly costumes, long before Halloween.

Regardless of how proponents attempt to downplay economic dangers contained in this proposal, the reality is thousands of small businesses in the membership of the Michigan Chamber of Commerce and several other pro-growth advocacy organizations are very concerned about its negative impact on job growth.

Our opposition isn't about politics. It's about economic realities, like an employer's ability to afford mandated benefits, or their capacity to administer multiple layers of regulations on impactful issues like minimum wage, staffing levels or mandatory paid leave. Small businesses could be forced into making hard choices about funding mandates or cutting jobs.

Simply put: We cannot make Michigan the best place to start a career and grow our population if we enact policies that make it harder to create jobs.

Our opposition also isn't about whether employers should offer a fair wage or any other particular benefit. Rather, it is about who should make these decisions. We support decision-making at both the state and federal level to avoid a complex web of vastly varying rules and regulations governing private employers' relationships with their employees. Doing anything else will create inconsistency, future uncertainty, and a bureaucratic, red-tape nightmare for job providers – and employees, who will ultimately suffer those consequences.

Finally, our opposition is grounded in concerns about runaway politicians, who could make some areas of our state "high-cost islands," limiting community access to jobs and necessities, and, ultimately, discouraging population and economic growth in our state.

Lost in this conversation is the fact that Michigan is not alone in giving the state sole authority to create a uniform set of regulations regarding private employment policies. In fact, 44 states have moved to set fair and understandable statewide labor laws, a trend that has picked up significantly since 2013.

Changing this now would make Michigan an outlier, and further hamper our state's ability to compete with other states for new jobs and investment. This is because companies are not likely to make substantial capital investments in a state where any local governments could at any time change the rules of the game.

If Michigan is serious about boosting our economy and population, we cannot afford to roll the dice with this policy change. Resurrecting a failed, risky era when Michigan had high unemployment and decreasing workers' wages is not what Michigan needs to compete and ensure we're the place to work, do business, live and play. In fact, it's a recipe for disaster.

The writer is senior vice president of business advocacy at the Michigan Chamber of Commerce and a member of the Great Lakes Growth Coalition, along with the Michigan Manufacturers Association, Detroit Regional Chamber, Grand Rapids Chamber, Michigan Bankers Association, and West Michigan Policy Forum, which supports pro-growth economic policies