



July 2019 Edition

## Welcome to the Policy Pulse!

The Bay Area and Saginaw County Chambers of Commerce have identified the need for policy research, as well as issue advocacy and education, for our members. As a result, we are launching the Policy Pulse, a monthly email publication highlighting impact legislation, local policies and chamber advocacy efforts.

As two of the largest member organizations in the Great Lakes Bay Region, our Chambers represent more than 1,700 regional businesses that employ more than 75,000 residents in our communities. The Bay Area and Saginaw County Chambers of Commerce are excited to work collaboratively on our shared priorities for the benefit of all our members.

This publication will be sent directly to our members' inbox the last Friday of the month.

Sincerely,

A handwritten signature in black ink, appearing to read "Ryan Tarrant".

Ryan Tarrant  
President & CEO  
Bay Area Chamber of Commerce

A handwritten signature in black ink, appearing to read "Veronica L. Horn".

Veronica Horn  
President & CEO  
Saginaw County Chamber of Commerce

## On Point Policy

### **Michigan Talent Investment**

Michigan's future depends on strong talent. Businesses from the Great Lakes Bay Region and across the state rely on schools and skilled trade programs to equip students with the skills needed to succeed in future careers.

At the Bay Area and Saginaw County Chambers of Commerce, we believe it is important to make sure students have access to opportunities to achieve and grow successful careers. We support innovative efforts to grow the skilled trades workforce during the next decade. Programs like Career and Technical Education (CTE) make sure students have strong academic foundations, as well as specific technical skills so they enter the workforce ready to succeed.

Talent and workforce development are vital to the continued growth of our community and economy. Earlier this year, Gov. Whitmer announced her plan to invest in Michigan's talent. The governor's proposed budget invests in skills and career training opportunities to help students prepare for college, technical school, apprentices or jobs right after graduation. An investment in today's talent will help support the growth of our economy for future generations.

We encourage the Legislature and Gov. Whitmer to work together to develop a plan that prioritizes talent development, career training and education. Making an investment in talent will benefit Bay and Saginaw County businesses, the economy and our community for years to come. We applaud the Governor for making talent a top priority in her innovative budget plan.

## LOCAL UPDATES

### BAY AREA

#### **Bay City Bridges**

On Thursday, July 11, the Bay City Commission held a public meeting regarding Bay City's two city-owned bridges, Independence and Liberty. During this meeting, each of the three companies that responded to Bay City's Request for Proposal on a Public Private Partnership were given an opportunity to present their respective bids for Independence and Liberty Bridges.

In the coming weeks, it is anticipated the Commission will continue to review all the proposals before them before asking a final decision. The Bay Area Chamber of Commerce will continue to advocate for a resolution that improves community infrastructure and business access.

To view the companies proposals...

[Click here](#)

### SAGINAW COUNTY

#### **Designation facilitates private investment, improves economic development opportunities**

For their efforts in establishing a solid foundation to attract private investment and further build on municipality assets, the city of Saginaw has been awarded the Redevelopment Ready Communities (RRC) certification, the Michigan Economic Development Corporation (MEDC) announced.

The MEDC formally presented the award on Friday, June 28 at a special event held in the new SVRC Marketplace.

Saginaw joins 32 other Michigan communities that have qualified as "thoroughly prepared" when it comes to planning and zoning to remove traditional barriers and promote opportunities for prospective investors.

Saginaw County Chamber President Veronica Horn praised the City of Saginaw and Saginaw Future Inc, on accomplishing this outstanding designation. The designation sends a message loud and clear that Saginaw is open for business expansion and attracting new business.

## STATE GOVERNMENT UPDATES

### Auto Insurance Reform

On May 30 2019, Governor Whitmer signed SB 001 into law in efforts to lower the state's highest-in-country insurance costs. The bill mandates insurers lower their rates, provide customers choice on personal injury protection (PIP) and stop using certain non-driving factors in rate determination.

To see a synopsis of the fee schedule and mandatory rate roll-backs...

[Click here](#)

## **Infrastructure**

Governor Whitmer's proposal to fix Michigan's roads is a 45 cent gas tax increase. As the Governor continues to travel around the state to rally support for her tax increase, no one in the legislature has committed to pushing her plan forward with a 75% unfavorable rate.

Recently, House Republicans have publicized their plans to fix Michigan's decaying infrastructure. They want to scrap the current 6 cent gas tax and move to a penny-for-penny gas tax or excise tax where every penny spent at the pump in taxes goes into roads. This tax would be approximately 15 cent per gallon and generate \$1 billion for roads

Additionally, Senate Republicans want to move from a tax shift instead of a gas tax with an option for communities to keep money local. Majority Leader Mike Shirkey confirmed that they will put forth a plan that includes refinancing a portion of the state's \$30 billion public teacher pension obligation as a part of their road funding plan. This would be used to back-fill the \$800 billion hole in the School Aid Fund & General Fund that will be created when going from the 6 cent gas tax to a penny-for-penny-gas tax.

Meetings between House and Senate Republican leadership have taken place and will continue until they can come up with a comprehensive plan.

There has been no plans for Michigan's roads publicized by House or Senate Democrats at this time.

**If you want to hear more about plans for Michigan roads join the Saginaw County Chamber of Commerce on August 27th for *On the Record: Road to Progress – Plans to Fix Michigan Roads Legislative Breakfast...***

[Click here to learn more & register](#)

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## **Minimum Wage & Paid Sick Leave**

In August 2018, Michigan voters chose to increase minimum wage and paid sick leave without understanding the repercussions it would have on businesses. The legislature amended PA 368 & 369.

In short, the actions of the legislature have been disagreed with and taken to Michigan Supreme Court in regards to the constitutionality of the adopted changes. As the Supreme Court is currently hearing verbal arguments from groups of interest.

We will report back to members when the Court has arrived at a decision.

To read more about the adopted changes from the Michigan Chamber of Commerce...

[Minimum Wage](#)

[Paid Sick Leave](#)

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## **Recreational Marijuana**

In August 2018, Michigan voters made recreational marijuana legal. Under this legislation, persons 21+ can possess, use and grow marijuana. The sale of recreational marijuana will not be permitted by law until the state adopts rules and regulations for those who chose to engage in the marijuana business. The due date for legislature to develop these rules and regulations is December 2019.

Protections for employers exist – employers do not have the obligation to permit or accommodate conduct in the workplace or on the employer’s property. Employers retain the right to refuse to hire, discharging, disciplining or taking an adverse employment action against a person with respect to hire, tenure, terms, conditions, or privileges of employment if a person is in violation of workplace drug policy.

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## FEDERAL GOVERNMENT UPDATE

### Minimum Wage

This month, the Congressional Budget Office (CBO) released a report detailing the impacts of increasing the hourly federal minimum wage to \$15, \$12 and \$10 by 2025.

The results of this report tell us what many businesses already know. Raising the federal minimum wage to \$15 per hour would have negative impacts on business and the economy that far outweigh any positives. While worker income would see an increase, the report finds that up to 3.7 million jobs would be lost, business income would be reduced, prices would rise and the national output would be reduced slightly due to the smaller workforce.

Despite opposition and concerns, the U.S. House went on to pass the \$15 minimum wage increase last week.

To read the full CBO report...

[Click here](#)

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On behalf of our members, the Bay Area and Saginaw County Chambers of Commerce will continue to monitor public policy that impact our region, our communities and most importantly--your business!

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### Regional Legislative Priorities

The Bay Area and Saginaw County Chambers of Commerce, along with the Midland Business Alliance, have developed legislative priorities to create a stronger collective voice to advocate for our members in the Great Lakes Bay Region. The core goals of these priorities are revitalization, talent attraction and stimulating a robust, diverse economy.

# 2019 BAY AREA, MIDLAND AND SAGINAW COUNTY REGIONAL LEGISLATIVE PRIORITIES

The Bay Area and Saginaw County Chambers of Commerce along with the Midland Business Alliance have worked together to shape public policy positions that will help to revive the area, attract talent and stimulate the economy in the Great Lakes Bay Region.

## BUSINESS CLIMATE

To support and improve our region's businesses, we look to promote policies that ensure their well-being.

- Investments and improvements in tourism
- Strengthen local farms and agribusiness interest in the region
- Growth in technology
- Efforts to maintain open markets and trade for Michigan grown and made products
- Reduce unnecessary government regulation of business in the private sector including business rights, employment and compensation

## HOUSING & REVITALIZATION

Throughout the region, we will work to support streamline programs and incentives that help develop rural areas and rehabilitate housing in our urban cores.

- Downtown Development Authorities (DDA)
- Brownfield Redevelopment programs
- Façade work and downtown revitalization
- Incentives to restore homes in efforts to revitalize the area
- Blight Elimination funding and efforts

## TALENT INVESTMENT

To be competitive in the state, national and global economy we support programs for greater talent attraction and retention.

- Support efforts of the Marshall plan to close Michigan's Talent Gap
- Support Career and Technical Education (CTE) programs
- Funding for higher education and skilled trades programs
- Investment in career readiness and continued education programs
- Efforts to provide an exceptional quality of life, sense of place and health services to promote greater well-being for residents of the region

## STATE WIDE PRIORITIES:

- Minimum Wage and Paid Sick Leave- support the approach of the legislature in December 2018
- Investment in infrastructure improvements, including technology
- The Public Service Commission's successful adoption/implementation of PA 348, the establishment of long-term industrial load rates for public utilities

### BAY AREA PRIORITY:

Improve water quality and access to the Saginaw Bay and its watershed.

### MIDLAND PRIORITY:

Support needed expansion of baseload electric energy capacity on existing sites before the state invests in new energy capacity infrastructure projects.

### SAGINAW PRIORITY:

Saginaw River Deepening Study – to continue efforts to reverse USACE decision not to move forward with the River Deepening Project.

Any questions or concerns contact Director of Government Affairs Madison Clements: [madison@thesaginawbay.com](mailto:madison@thesaginawbay.com)