

2023 Year-End

Legislative Report

Year-in-Review
2024 Priorities

 Michigan[®]
Retailers
Association



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EXECUTIVE LETTER



In Challenging Times, MRA Continues to Fight

William J. Hallan
President and CEO
Michigan Retailers Association

While the political makeup may change at the Capitol, one thing that doesn't change is MRA's commitment to protecting retailer's interests both at the legislature and in offering cost-effective services like workers' compensation insurance, credit card processing, and group health insurance plans. Our Michigan-based team is always ready to help answer your regulatory or legislative questions through our Ask Us First program (email askusfirst@retailers.com or call 800.366.3699), or to offer customer service assistance on the products and services we offer. This report details the work we did on the legislative and regulatory front in 2023, so you can stay focused on running and growing your business. On page 8, you'll find a table detailing all of the legislation impacting retailers that saw movement in 2023.

Overall, MRA was successful in advocating for retail's best interests despite a tough environment. Challenges remain ahead in 2024 and we appreciate your trust in our ability to continue acting as the sword and shield for the retail industry in Michigan.

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LEGISLATIVE FOCUS

MRA REVIEWED
2,381 BILLS AND
RESOLUTIONS
DURING THE 2023 YEAR

1,389
HOUSE
BILLS

681
SENATE
BILLS

311
RESOLUTIONS

MRA TRACKED
255 BILLS
DURING 2023

36
SIGNED

0
VETOED

1
RESOLUTION
ADOPTED

COMMUNICATIONS FOCUS

14 GOVERNMENT AFFAIRS
EMAILS SENT



12 FOOD eNEWS
UPDATES SENT TO
GROCERY
DIVISION MEMBERS

ACKNOWLEDGEMENTS

Thank you to the sponsors of our annual
Legislative Reception and Capitol Day:

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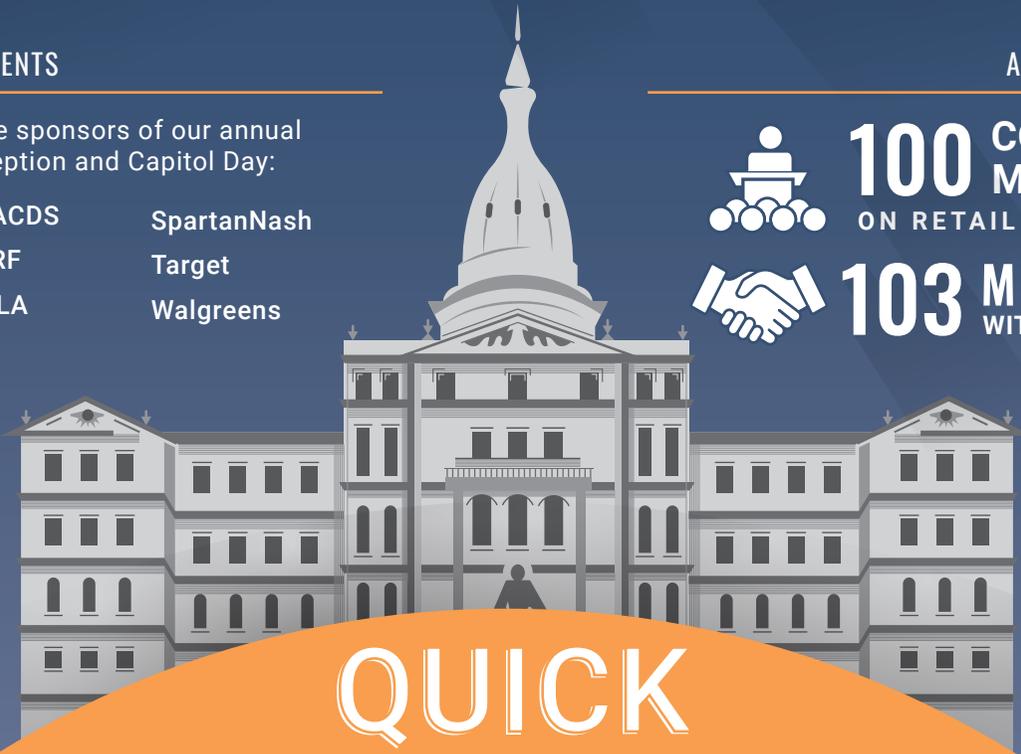
ADVOCACY FOCUS



100 COMMITTEE
MEETINGS
ON RETAIL LEGISLATION



103 MEETINGS
WITH LEGISLATORS



QUICK
STATS

FROM THE 2023 LEGISLATIVE YEAR



2023 Year-In-Review

Playing Effective Defense

Some years success is marked by proactive policy changes and other years it's in playing effective defense. The past year was marked primarily by the change in legislative demographics from a Republican-controlled legislature under a democratic governor to a democratic trifecta. While some laws MRA supported were overturned, the association was largely successful in protecting the industry from major, harmful policy changes and even managed to get federal pharmacy flexibilities codified into state law.

2023 was focused mostly on protecting existing laws MRA had previously lobbied for and preventing new harmful policies from being adopted. On the protective front, MRA was successful in preventing repeal of 2015 and 2016 laws giving retailers certainty on both employment policies and packaging laws that ensure only the state has authority to regulate those matters. Repeal of the laws would have opened up these policies to the whims of Michigan's 1,800 local governments and created a patchwork of confusing local rules to follow as we see in states like California and Massachusetts.

MRA was also successful in protecting retailers from a number of harmful proposed policy changes including:

- A state-run paid family leave mandate for all employees funded by payroll taxes
- Complicated data privacy regulations requiring retailers to get customers to opt-in instead of opting out
- A proposal to make nearly all independent contractors direct employees
- Attempts to require strict two-week scheduling with very limited flexibility to make changes without time and a half pay
- Efforts to expand the state's bottle deposit law

The legislature did repeal a 2018 law preventing rules stricter than federal standards unless a compelling reason existed. It also repealed a 2012 law that made Michigan a "Right to Work" state, making Michigan the first state to repeal such a law in 58 years. Just before lawmakers adjourned (early) for the year, they passed an ambitious clean energy standard that would require the use of 100% clean energy sources by 2040. The "MI Clean

Energy Future Plan" phases out coal-fired electricity generating plants by 2030 and requires utilities to make progress toward the elimination of greenhouse gas emissions from power generation by 2035.

On the more positive, proactive front, Gov. Whitmer signed SB 219 into law in July to codify certain federal vaccine and test and treat provisions allowed during COVID-19. Public Act 97 of 2023 ensures pharmacies can continue offering the convenient services Michigan residents became used to enjoying at their local pharmacy. This continues MRA's efforts to allow pharmacies to fill the provider shortage gap and offer additional, value-add services to patients.

While we had hoped to tackle some improvements to the ever-frustrating Bottle Deposit law, changes in the legislative makeup and bills introduced to expand the law caused us to focus instead on educating new legislators. For that reason we decided to pause on introducing competing legislation. The fear with asking for changes that would benefit retailers is the risk of being forced to trade off on changes the industry cannot support. Thankfully, the expansion effort is unlikely to see movement as any changes to the law require a three-quarters super majority vote since it was originally approved by voters as an initiative in 1976.

Heading into 2024, there are several policies that have stalled out that we'll continue watching closely. This includes monitoring all of the items we played defense on in 2023 as they continue to remain active through 2024, as well as consumer protection expansion to all licensed entities that are currently exempt, potential expansive changes to workers' compensation, a proposed retail tobacco license, and a Michigan Supreme Court decision on paid sick leave and minimum wage laws that could revert back to original 2018 ballot language and impact employers of all sizes. The association will also continue to look for opportunities to further strengthen laws curbing organized retail crime and allow retailers to provide additional services like EV-charging stations, enhanced pharmacy benefits, and more.



Legislative Wins

Codifying the Federal PREP Act

SB 219, Public Act 97 of 2023 (took effect 7/18/23)

Legislation that codified the expiring Federal Public Readiness and Emergency Preparedness Act (PREP Act) and granted pharmacists independent authority to order and administer vaccines to individuals ages three and older and certain CLIA-waived tests for respiratory illnesses was approved by Gov. Whitmer in July. The new law ensures pharmacists can continue dispensing direct treatment for COVID-19 and influenza based on the pharmacy-administered test results and that they can delegate some of these tasks to pharmacy technicians.

While the original draft went further to include administering all CLIA-waived testing and subsequent treatment based on test results, as allowed during the COVID-19 emergency, the legislation was pared back to respiratory illnesses in order to be approved. During our 2023 effort, it became apparent that more education was needed for lawmakers to combat some of the fears raised by physicians and health plans. MRA intends to revisit this language in the future to include more direct authority for pharmacists to include tests regularly done at the pharmacy

under physician-approved collaborative practice agreements. Our hope is to include additional CLIA-waived tests, these tests must be simple and have a low risk for erroneous results. Examples include ovulation, blood glucose, urine tests for UTIs etc., flu, rapid strep tests, and more.

In 2024, we intend to work again with the sponsor of SB 219, Senator Sylvia Santana (D-Detroit), to further clarify that pharmacies must be adequately reimbursed by a patient's health insurance plan for the services they provide and medications they dispense. Some legislators in the House are also interested in working to allow pharmacists to prescribe and dispense certain treatments without specific delegated authority from a physician, which MRA supports. Pharmacists could prescribe and dispense hormonal contraception (currently allowed via delegated authority), as well as HIV prevention methods for high risk, HIV-negative individuals including Pre-Exposure Prophylaxis (PrEP) and Post-Exposure Prophylaxis (PEP).

Continued on page six...



Photos from MRA's Capitol Day and Legislative Reception on April 26, 2023



Strengthen our efforts by contributing to MRA's Advocacy Fund

MRA's Advocacy Fund enhances MRA's lobbying efforts to support retail in Michigan.



Amy Drumm, MRA's Senior Vice President of Governmental Affairs, testifies on behalf of Michigan's retailers.

TO CONTRIBUTE

Contributions to the fund can be made from business accounts and written off as a business expense. To contribute, please send a check made payable to "MRA." In the notes line, indicate "MRA Advocacy Fund." Contributions should be sent to Amy Drumm's attention.

Legislative Wins Cont.

Holding Off Preemption Repeal

Wage and benefits: SB 171 and HB 4237
Bags and containers: SB 228 and HB 4359

On the protective front, MRA was successful in preventing repeal of 2015 and 2016 laws giving retailers certainty on both employment policies and packaging rules that ensure only the state has authority to regulate those matters. Repeal of the laws would have opened up these policies to the whims of Michigan's 1,800 local governments and created a patchwork of confusing local rules to follow as we see in states like California and Massachusetts. The 2015 and 2016 laws were efforts MRA was particularly proud to work on, ensuring private employment policies and employee benefits are handled exclusively at the state level, and preventing local bans or taxes/fees on plastic bags or other to-go containers.

Both chambers held hearings on repealing the 2015 law that grants the state sole authority on private employment policies and employee benefits. MRA testified in the spring before both the House and Senate Labor Committees in opposition to the repeal efforts. Only the Senate Labor Committee moved to

report SB 171 to the Senate floor this fall where it did not see further movement, but both chambers saw lawmakers use these bills in their negotiation to trade their vote on other hot topics.

Similarly, the 2016 law related to local bans or taxes/fees on plastic bags and other to-go containers received a hearing in the House Natural Resources Committee. Once again, MRA testified in opposition on behalf of the retail industry, expressing strong concerns over the surprisingly complicated nature of these local rules, the need for carefully worded definitions, and general confusion that occurs when multiple jurisdictions have the ability to set different rules to follow. In addition, MRA noted the unintended impact on low-income individuals, particularly those utilizing food assistance benefits. HB 4359 was amended to only apply to bags and reported from the committee but saw no further movement on the House floor.

MRA will remain diligent on both issues going into 2024 and continues to educate lawmakers on the challenges repeal would place on retailers, retail employees, and customers.

Sales Tax Clarifications On Delivery and Installation Charges

HB 4039 and HB 4253, Public Acts 20-21 of 2023 (took effect 4/26/23)

A bipartisan negotiation resulted in legislation to clarify the previously complicated rules around delivery and installation fees and the application of the state's sales and use taxes. Prior to passage of HB 4039 and HB 4253, the timing of when someone took possession of a product dictated the taxability. In order for it to be tax exempt, retailers had to separately invoice for delivery and installation services. Including it on the same receipt, even as a separate line item was not sufficient and ensured it remained taxable. After several audits by the Michigan Department of Treasury highlighted the confusion as some taxpayers owed back taxes, legislation was introduced to more fully exempt delivery and installation entirely from the state's use tax. Now, under P.A. 20-21 of 2023, there is no longer tax owed on delivery and installation charges so long as those fees are separately stated on the invoice or receipt.



2024 Legislative Priorities

Our 2024 legislative priorities look largely similar to those we set in 2023 as the makeup of the legislature necessitates the Association play more of a defensive role than offensive one.

Seeking Opportunities, Where Possible

It would be a mistake to get distracted by being overly ambitious when our primary focus, unfortunately, needs to be mostly playing defense. That said, where there are opportunities to improve laws and regulations to help retailers, MRA will continue to push uphill until those are completed. As MRA members have seen, good policy takes time and laying the groundwork for future support is critical in order to eventually have bills pass each chamber and get signed into law.

In our efforts to defend against harmful policies, we regularly suggest alternatives the industry can support and cite the challenges retailers face to help lawmakers see the full picture. Some areas we continue to see opportunity in are to further strengthen laws curbing organized retail crime by adding language on gift card and rewards program theft, allowing retailers to provide additional services like EV-charging stations, enhancing pharmacy benefits and ensuring adequate reimbursement for pharmacy services, and revising laws that give retailers headaches, like the bottle deposit law. Some of these require us to tread very carefully and spend a lot of time focused on education before we can see results. Please know MRA is always looking for ways to improve state laws and does so in a deliberate and meaningful way to best protect retailers like yourself.

Continuing to Protect Good Policy

Over the years, MRA has successfully secured many legislative victories for retailers that make it easier to do business in Michigan. Some of the major accomplishments we achieved and will continue to protect include: modernizations to the state's costly and burdensome item pricing law, efforts to ensure private employment policies and employee benefits are handled exclusively at the state level, and preventing local product bans or local taxes on plastic bags, food, and beverages. Several of these policies were under threat in 2023 and remain a top priority for MRA to prevent negative changes to, or repeal of, these laws.

[1] Examples of EPR policies include deposit laws, manufacturer and retailer-funded product stewardship/recycling take-back programs, and excise tax programs like Paint Care that requires a fee be charged on each gallon of paint sold.

Continue to defend against California-type policies

We remain concerned that the 2023-2024 legislative session will consider more progressive policies that are costly and difficult for businesses to implement like those frequently adopted in California and on the East Coast. Many of the labor and HR issues that MRA monitors have received committee hearings and consideration under the democratic-controlled legislature. Issues like paid family leave, restrictive scheduling, generous unemployment laws, and workers' compensation changes are all on the table for consideration. Extended producer responsibility (EPR) ^[1], potential tax increases, data privacy regulations, and more environmental and licensing regulations with stricter penalties are all also likely to receive debate in the new year.



Support

**Michigan
Retailers PAC**
and protect your interests.

Contact Amy Drumm at
517.372.5656
800.366.3699
or download a contribution
form online here:



Bills Impacting Retail That Saw Movement in 2023

BILL #	BILL SUBJECT/ DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION	
GROCERY/CONVENIENCE						
ALCOHOL	SB 141	Drinks to-go: A bill that eliminated the Jan. 1, 2026 sunset on the temporary law allowing on-premises licensees to offer drinks to-go for off-premises consumption.	Passed Senate 37-1 on 3/22/23	Passed House 103-5 on 6/28/23	P.A. 95 of 2023 took effect on 7/18/23	Monitored
	HB 4865	Inventory threshold for gas station license: Legislation that would remove the \$250,000 inventory threshold requirement (in product other than alcohol or fuel) to obtain a liquor license at a location with fuel pumps.	Amended, Passed House 107-2 on 10/25/23	Referred to Senate Reg. Affairs		Monitoring
	HB 4561	Electronic rebate coupons: A bill that modifies the law on manufacturers or suppliers offering electronic rebate coupons to clarify that the product cannot be offered for free and that it is permissible to allow the purchase of another product to receive the rebate.	Passed House 100-9 on 6/28/23	Passed Senate 36-2 on 10/19/23	P.A. 183 of 2023 took effect on 11/7/23	
	SB 247	University venues: A bill that allows the Michigan Liquor Control Commission to issue liquor licenses to sporting venues located at public universities.	Amended, Passed Senate 36-2 on 6/14/23	Passed House 85-23 on 6/27/23	P.A. 96 of 2023 took effect on 7/18/23	Monitored
FOOD	SB 35	Asset test for food assistance: Eliminates the asset test for food assistance program eligibility and instead allows the state to accept a client's statement of assets.	Passed Senate 25-13 on 3/9/23	Passed House 56-53 on 6/27/23	P.A. 53 of 2023 takes effect 2/13/24	Monitored
OTHER	HB 4061	Kratom products: A bill that would regulate the sale of food products represented to be kratom products by creating a kratom consumer protection act.	Hearing in House Reg. Reform on 4/13/23			Under Review
	HB 4359	Plastic bag preemption repeal: Legislation that would repeal the current preemption of local ordinances banning or taxing plastic bags and other containers.	Amended and Reported by House Natural Resources on 11/9/23			
HUMAN RESOURCES						
BENEFITS	HB 4071	Insurance coverage for oral chemotherapy: A bill that requires insurance companies to cover oral chemotherapy treatments the same as other chemo treatments by either applying the same financial requirements for the two methods or setting a maximum co-pay on the oral medication.	Amended, Passed House 70-37 on 5/24/23	Amended, Passed Senate 36-2 on 10/11/23	P.A. 170 of 2023 takes effect 2/13/24	Monitored
HIRING	HB 4960	Criminal history: Legislation to make it illegal for an employer (or landlord) to request information related to an expunged misdemeanor offense or a charged offense if it did not result in a conviction.	Passed House 57-53 on 10/31/23	Referred to Senate Civil Rights		Monitoring
OTHER	SB 4	Civil rights protections: Amends the civil rights act to extend protections to include sexual orientation and gender identity or expression.	Passed Senate 23-15 on 3/1/23	Passed House 64-45 on 3/8/23	P.A. 6 of 2023 takes effect 2/13/24	Neutral
	SB 90	Racial hair traits/crown act: The bill, referred to as the "Crown Act" would prohibit workforce discrimination based on traits historically associated with race such as natural hair textures and styles including braids, locks, and twists.	Amended, Passed Senate 33-5 on 5/23/23	Passed House 100-7 on 6/8/23	P.A. 45 of 2023 took effect on 6/15/23	Monitored
	HB 4932 & HB 4962	Minor employee - violations and penalties: Legislation that would severely increase the max penalties for violating the youth employment act or rules and adds felony jail time if a minor dies from a work injury.	Amended and Reported by House Labor on 10/19/23			Monitoring with concerns
	HB 4237	Repeal local preemption on labor benefits: Legislation that would repeal the local government labor regulatory limitation act, 2015 PA 105, which prohibits local jurisdictions from adopting labor and benefit requirements stricter than state law.	Hearings in House Labor on 6/15/23 and 6/22/23			
	SB 171	Repeal local preemption on labor benefits: Legislation that would repeal the local government labor regulatory limitation act, 2015 PA 105, which prohibits local jurisdictions from adopting requirements stricter than state law.	Reported by Senate Labor on 9/21/23			
	SB 34	Right to Work repeal: A bill that would restore previous (2011) union labor provisions in statute.	Amended, Passed Senate 20-17 on 3/14/23	Passed House 56-54 on 3/21/23	P.A. 8 of 2023 takes effect 2/13/24	
	HB 4390 - 4406	Wage theft/employee misclassification package: A 16-bill package that would reclassify gig workers as employees, and add whistleblower protections, non-compete language, wage disclosures, and penalties under the guise of protecting workers from "wage theft."	Hearing in House Labor on 4/13/23			

FOLLOW ALONG ONLINE! Scan the QR code to view the complete, up-to-date bill tracker:



Key		Completed action, bill(s) move on to the next step
		Support
		Oppose

BILL #	BILL SUBJECT/ DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION		
PHARMACY							
DRUG COST	HB 4409	Manufacturer drug cost transparency: Would require drug manufacturers to file reports to the state on drugs with a wholesale acquisition cost of \$500 or more for a 30-day supply if the price increases 15% or more in a year, or 40% or more over three years.	Reported by House Health Policy on 5/26/23			Under Review	
	HB 4276	Medicaid PBM contracts: A bill to regulate Michigan Medicaid managed care contracts with PBMs, include transparency reporting by PBMs, and set CMS-level reimbursement to pharmacies with seven or fewer locations.	Passed House 105-4 on 10/25/23	Passed Senate 36-0 on 11/9/23	P.A. 279 of 2023 takes effect on 2/13/24	Monitored	
	SB 483 - 485	Prescription Drug Affordability Board: A three-bill package creating the Prescription Drug Affordability Board (PDAB) and requiring compliance with PDAB established upper payment limits for certain drugs. It would also prohibit reimbursements to pharmacies in amounts less than the upper payment limit.	Amended, Passed Senate 20-17 on 10/4/23	Referred to House Insurance			Concerns, amendments requested
OTHER	HB 4434	90-day emergency refills: Legislation to allow pharmacists to fill 90-day emergency prescription refills of non-controlled substance maintenance drugs without a prescription. This was allowed during the COVID-19 pandemic, but expired in 2022.	Hearing in House Health Policy on 6/22/23				
	SB 638	COVID-19 emergency refills: Legislation that would strike language added in 2020 to temporarily allow emergency 30-day prescription refills. The bill appears to be a clean up of 2020 policy that expired back in March 2021.	Hearing in Senate Health Policy on 11/2/23			Monitoring	
	SB 219	PREP Act codification: Legislation that codified the Federal PREP Act and granted pharmacists independent authority to order and administer vaccines and CLIA-waived tests. Allows pharmacists to continue treating based on results and delegate similar tasks to technicians.	Amended, Passed Senate 36-1 on 5/11/23	Amended, passed House 96-12 on 6/27/23	P.A. 97 of 2023 took effect on 7/18/23		
	HB 5077 - 5078	Opioid antagonists - naloxone distribution: Legislation that would clarify the ability for any government agency to purchase/obtain, possess, and distribute free doses of naloxone (typically from MDHHS) directly to organizations and others who need it outside of the pharmacy.	Hearing in House Health Policy Subcommittee on 10/26/23				Monitoring
	SB 592	Opioid settlements: A bill amended the Opioid Liability Litigation Act to prohibit a political subdivision of the State from commencing or maintaining a legal action related to the released claims in the Allergen, CVS, Teva, Walgreens, and Walmart settlements.	Passed Senate 38-0 on 10/25/23	Passed House 104-5 on 11/8/23	P.A. 228 of 2023 took effect on 11/22/23		
	SB 133	Overdose fatality review act: A bill to create an overdose fatality review team to investigate local drug overdoses that may include an invitation to a pharmacist who has expertise in addressing prescription drug misuse and diversion.	Amended, Passed Senate 38-0 on 10/10/23	Passed House 69-40 on 11/8/23	P.A. 313 of 2023 takes effect on 2/13/24		Monitored
	HB 5177 - 5178	Syringe Services Program: Legislation would allow local governments to create a needle and hypodermic syringe access program to distributing sterile needles or hypodermic syringes and fentanyl test strips to individuals and not classify them as drug paraphernalia to decrease the spread of communicable diseases.	Hearing in House Health Policy Subcommittee on 10/26/23				Under Review
REGULATIONS							
SALES	HB 4843	Automatic online renewals: A bill that would require notice be provided about automatic renewals and allow a consumer to cancel automatic renewal and continuous service contracts online if it was offered online.	Hearing in House Economic Dev. on 10/3/23				Monitoring
	HB 4138	Firearm background check: Legislation to prohibit the sale of a firearm to an individual without first performing a background check.	Passed House 56-53 on 3/8/23	Passed Senate 20-17 on 3/16/23	P.A. 19 of 2023 takes effect 2/13/24		Monitored
	HB 4146	Firearm red flag law: Legislation to prohibit the sale of a firearm to an individual with an extreme risk order on file.	Passed House 56-51 on 4/13/23	Passed Senate 20-18 on 4/19/23	P.A. 37 of 2023 takes effect 2/13/24		Monitored
	SB 57-58	Nitrous oxide devices: A bill that would prohibit the sale of an object specifically designed for inhaling nitrous oxide for recreational purposes, knowing that the object will be used to inhale nitrous oxide for recreational purposes. Commonly called whippets.	Passed Senate 37-1 on 10/18/23	Referred to House Health Policy			Monitoring

Bills Impacting Retail That Saw Movement in 2023 Cont.

BILL #	BILL SUBJECT/ DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION	
REGULATIONS CONT.						
SALES CONT.	HB 4596	Non-flushable wipes warning: A bill that would prohibit the sale of disposable wipes used for cleaning, hygiene, or other use without a warning label on the product noting the product is not flushable.	Amended, Passed House 69-39 on 10/4/23	Referred to Senate Natural Resources		Monitoring
	SB 262	Non-toxic camping tent exemption from fire resistance: A bill that will allow non-toxic camping tents to be exempt from requirements for fire resistance. Updates federal references per federal code.	Amended, Passed Senate 38-0 on 5/23/23	Passed House 90-20 on 11/1/23	P.A. 223 of 2023 takes effect 2/13/24	
	SB 328	Smoke detectors: A bill that would prohibit the sale of smoke detectors powered only by removable and replaceable batteries 18 months after signed into law. The bill includes a \$500 fine for noncompliance.	Amended, Passed Senate 23-15 on 10/19/23	Referred to House Reg. Reform		Neutral
	HB 4913	Xylazine: A bill to prohibit the sale of Xylazine, commonly referred to as "Tranq dope," by making it a schedule 2 drug.	Hearing in House Judiciary on 10/11/23			Monitoring
TECH/INSURANCE	HB 4673	Agricultural equipment repairs: Several bills have been introduced that seek to create a right to repair agricultural equipment and electronics in that equipment at non-original manufacturer repair shops/retail locations.	Amended and Reported by House Agriculture on 10/25/23			Under Review
	HB 4562	Digital electronic equipment repairs: Legislation that would require original equipment manufacturers (OEM) make it possible for other repair entities to access and interpret and repair digital electronic components of devices.	Hearing in House Reg. Reform on 9/12/23			Under Review
	HB 4706	EV charging stations: Clarifies that owning or operating an EV charging station does not make that entity an alternative electric supplier or considered a public utility.	Amended, Passed House 100-8 on 6/28/23	Passed Senate 33-2 on 11/8/23	P.A. 245 of 2023 took effect 11/29/23	
ENVIRONMENT	SB 271 & SB 273 & SB 502	Clean energy by 2040: Legislation that requires the use of 100% clean energy sources by 2040. "MI Clean Energy Future Plan": a plan to phase out coal-fired electricity generating plants by 2030, require utilities to make progress toward the elimination of greenhouse gas emissions from power generation by 2035.	Amended, Passed Senate 20-18 on 10/26/23	Amended, Passed House 56-51 on 11/3/23	P.A. 229, 235, & 231 of 2023 takes effect 2/13/24	
	HB 4083	Dry cleaning solvents: A bill that would prohibit the use of perchloroethylene in dry cleaning solvents.	Amended and Reported by House Natural Resources on 3/23/23			Monitoring
	HB 4325	Illegal garbage dumping: A bill that would substantially increase the fines for illegally dumping more than three cubic feet of garbage.	Amended, Passed House 103-4 on 11/9/23			
OTHER	HB 4649	Adjustable-height adult changing tables: Legislation that would require spaces open to the public including retail stores that are larger than 40,000 square feet to include an adjustable-height adult changing table that can be used by persons with disabilities of either sex. These would have to be installed upon the next major renovation and must include a privacy wall.	Hearing in House Reg. Reform on 9/19/23			
	SB 351	Breastfeeding/expressing human milk: Legislation to update the breastfeeding anti-discrimination act that protects breastfeeding in public to include expressing human milk in public.	Passed Senate 26-12 on 10/18/23	Referred to House Judiciary		Monitoring
	HB 4511	Child car seat regulations: A bill setting more specific car seat standards and regulations based on age, height, and weight (refers to manufacturer's instructions).	Passed House 68-42 on 9/27/23	Referred to Senate Transportation		Monitoring
	HB 4608	Dietitian and nutritionist licensing: A bill that would require dietitians and nutritionists be licensed by the state in order to practice.	Passed House 63-46 on 10/19/23	Referred to Senate Health Policy		Neutral
	HB 4382 - 4383	Drain code modifications: Legislation that would allow the public to create a water management district with a very low signature threshold that can place special assessments on property taxes for various reasons like education. The board created would never dissolve.	Hearings in House Local Gov. on 6/7/23 and 6/14/23			Monitoring with concerns
	SB 501	Electric truck weights: A bill that would allow an electric truck tractor to exceed the axle loading maximums by a gross weight of not more than 2,000 pounds to accommodate the extra battery weight not to exceed a maximum gross weight of 82,000 pounds.	Amended, Passed Senate 23-14 on 11/9/23	Referred to House Transportation		

BILL #	BILL SUBJECT/ DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION	
OTHER CONT.	SB 14	Repeal stricter than federal ban: Legislation that repeals a law prohibiting state agencies from adopting rules or regulations that are stricter than Federal standards.	Passed Senate 20-18 on 5/17/23	Passed House 56-52 on 6/28/23	P.A. 104 of 2023 takes effect 2/13/24	
	SB 139	Train length restrictions: Legislation that would restrict a freight or work train operating in Michigan to not more than 7,500 feet. The bill would also add a \$5,000 civil fine for noncompliance.	Hearing in Senate Transportation on 4/11/23 and 4/25/23			
	SB 88	Water filtration systems in childcare centers: Legislation that requires the installation of water filtration systems in child care centers.	Amended, Passed Senate 31-6 on 4/20/23	Passed House 56-54 on 10/12/23	P.A. 173 of 2023 took effect on 10/24/23	Monitored
	HB 4340 - HB 4342	Water filtration systems in childcare centers: Legislation that requires the installation of water filtration systems in child care centers.	HB 4341-4342 were amended and passed House 75-35 on 9/20/23	Passed Senate 29-8 on 10/5/23	P.A. 154-155 of 2023 took effect on 10/19/23	Monitored
TAXES						
SALES TAX	HB 4253	Delivery & installation: Legislation that exempted delivery and installation from the state's use tax.	Amended, Passed House 88-15 on 3/16/23	Passed Senate 35-1 on 3/21/23	P.A. 21 of 2023 took effect on 4/26/23	
	HB 4039	Delivery & installation: Legislation that exempted delivery and installation from sales tax.	Amended, Passed House 88-19 on 3/16/23	Passed Senate 35-1 on 3/21/23	P.A. 20 of 2023 took effect on 4/26/23	
	SB 81 - 82	Firearm safety devices: Legislation that would exempt firearm safety devices including gun locks, gun safes, ear and eye protection from sales and use taxes starting May 13, 2024 – Dec. 31, 2024	Amended, Passed Senate 22-15 on 3/16/23	Passed House 64-44 on 3/22/23	P.A. 14-15 of 2023 takes effect 2/13/24	Neutral
	SR 10	National sales tax: A resolution to urge the United States House of Representatives not to take up H.R. 25 of 2023, or otherwise impose a national sales tax.	Adopted 2/21/23	NA	NA	Monitored
	HB 4377 - 4378	Prepared foods clarification: Bills that update Michigan's sales and use taxes to align with a court case that adjusted the definition of which food items are considered "prepared" foods and taxable or "unprepared" and not taxable.	Amended, Passed House 56-53 on 6/22/23	Passed Senate 20-18 on 9/27/23	P.A. 141-142 of 2023 takes effect 2/13/24	Neutral
PROPERTY TAX	HB 4979	Designated assessors: A bill that would allow a county to forgo the use of a designated assessor and instead use an interlocal agreement and work with the state tax commission to appoint an assessor of record for any assessing district within the county.	Amended, Passed House 85-24 on 10/24/23	Referred to Senate Finance		Under Review
	HB 4966 - 4970	Land value tax: A concept pushed by the City of Detroit to allow cities and local units of government to authorize a land value tax (LVT) levied on all parcels of land not specifically exempted by the bill. Essentially creating a split tax for land vs. improvements (buildings) with a goal of reducing blight.	Amended and Reported by House Tax Policy on 9/27/23			Under Review
	SB 331	Personal property tax exemption filing: Modified the small business personal property tax exemption to require a business exempt from PPT to file an annual statement attesting to the total value of exempt property if that valuation is between \$80,000 and \$180,000 to allow the state to reimburse local units.	Passed Senate 38-0 on 9/27/23	Passed House 78-32 on 10/12/23	P.A. 176 of 2023 took effect on 10/24/23	
	HB 4926	Personal property tax location: Simplified personal property taxes (PPT) for remote workers by assuming the location of remote workers' work property is at the main business location for purposes of PPT.	Passed House 107-0 on 9/27/23	Passed Senate 38-0 on 10/24/23	P.A. 218 of 2023 took effect on 11/22/23	
INCOME TAX	HB 4001	Tax changes: Several tax changes including an increase in the Earned Income Tax Credit in Michigan available to lower income individuals earning income that meets the federal EITC qualifications, retirement tax exemptions for pensions and some private sector matches, as well as a \$180 "inflation relief check" to all taxpayers.	Passed House 67-41 on 1/26/23	Amended, Passed Senate 20-8 on 2/1/23	P.A. 4 of 2023 takes effect 2/13/24	Monitored
OTHER						
TOURISM	SB 164	Principal shopping district assessment areas: Legislation to remove residential real property located in a Principal Shopping District (PSD) in special assessments that benefit the PSD and those properties and allow proportional voting in BIZ zones.	Passed Senate 20-18 on 5/17/23	Amended, Passed House 75-34 on 6/22/23	P.A. 79 of 2023 takes effect 2/13/24	
	HB 4671	School start date: A bill that would eliminate the requirement that schools begin the school year after Labor Day unless they receive a waiver.	Reported by House Education on 6/13/23			
OTHER	HB 4250 - 4252	Hands-free driving: Several bipartisan bills that increased penalties on drivers who send texts or other messages while driving.	Amended, Passed House 68-39 on 5/2/23	Amended, Passed Senate 27-11 on 5/10/23	P.A. 39-41 of 2023 took effect 6/30/23	No Position

Senator Sylvia Santana is Named MRA's 2023 Legislator of the Year



Senator Sylvia Santana
(D-Detroit)

Our 2023 Legislator of the year is Sylvia Santana, sponsor of SB 219 (Public Act 97 of 2023), which codified the expiring Federal Public Readiness and Emergency Preparedness Act (PREP Act). The legislation was needed to continue the existing independent authority pharmacists had been granted under Federal law during COVID-19 to order and administer vaccines to individuals ages three and older and also order certain CLIA-waived tests for respiratory illnesses. The new Michigan law ensured pharmacists can continue dispensing direct treatment for COVID-19 and influenza based on the pharmacy-administered test results, and that they can delegate some of these tasks to pharmacy technicians.

Senator Sylvia Santana (D-Detroit) serves Michigan's 2nd Senate District which includes all of Dearborn and Dearborn Heights, and parts of Allen Park and Detroit. She was first elected to the Senate to serve the 3rd district (prior to redistricting) from 2019 to 2022. She also served in the Michigan House of Representatives representing the 9th district from 2017 to 2019.

Senator Santana's work in healthcare and pharmacy policy stems from a particular focus on working to reduce racial disparities in health outcomes. As vice chair of the Senate's Health Policy Committee her support and championing SB 219 was instrumental in its getting signed into law and overseeing numerous amendments and changes needed to appease all stakeholders. In 2024, we intend to work again with Santana (D-Detroit), to further clarify that pharmacies must be adequately reimbursed by a patient's health insurance plan for the services they provide and medications they dispense.

Santana has successfully helped reform the state's justice system for both adults and juveniles. She has also championed improvements to local government funding, increased funding to Michigan's public schools, and continues to work on policies that reduce racial disparities in health outcomes. For her success and outcomes, she was named the MIRS News Democratic Legislator of the Year in 2020.

Senator Santana serves on the Appropriations Committee as chair of the Department of Health and Human Services (DHHS) Appropriations Subcommittee, Vice Chair of the Licensing and Regulatory Affairs (LARA)/Department of Insurance and Financial Services (DIFS) Appropriations Subcommittee, Vice Chair of the Corrections and Judiciary Appropriations Subcommittee, and on the Joint Capital Outlay Appropriations Subcommittee. She also serves as Vice Chair of the Health Policy Committee, Vice Chair of the Housing and Human Services Committee, and on the Civil Rights, Judiciary, and Public Safety, Elections and Ethics, Regulatory Affairs, and Veterans and Emergency Services Committees.

At home, Santana is very involved in her community, where she supports uplifting local organizations and individuals who are working hard to make the area the best place to live, work, and play. She is proud of the many cultures across the district and is deeply invested in efforts toward equity for women of color as it relates to business, healthcare, and more.

Santana majored in finance at Eastern Michigan University and graduated with a bachelor's degree in business. She and her husband, Harvey (who previously served as a Michigan state representative from 2011-2016), reside in Warrendale with their three children.

2024 Political Landscape

2024 Election Preview

In 2024, all 110 members of the State House of Representatives will be on the ballot seeking reelection or first-time election to the House. House members serve two-year terms and can now serve up to 12 years total following the passage of Proposal 1 of 2022. Those 12 years can be served in one chamber or a mix between the two. State senators serve four-year terms and will not be on the ballot again until 2026, as will the other statewide offices for governor, secretary of state, and attorney general.

In December, a panel of three federal judges ruled in *Agee v. Benson* that 13 legislative districts drawn up by the Michigan Independent Citizens Redistricting Commission (MICRC) violated the Voting Rights Act (VRA) by diluting Black voting power in more than a dozen Detroit-area legislative districts. The court ordered the Commission to redraw the 13 district maps, including seven House seats that will be up this year (and six Senate seats next on the ballot in 2026 that could see special elections). How the Commission redraws those maps prior to the April 23 candidate filing deadline may further impact additional House seats and the potential outcome of the 2024 election. All 13 districts are currently held by democrats.

On the federal side, Michigan's 13-member congressional delegation will appear on the ballot, as they also serve two-year terms. Congressman Dan Kildee, a Democrat representing the 8th District of Michigan, announced in November he would not seek reelection. An open seat in the competitive 8th District is sure to draw many potential candidates. Additionally, U.S. Senator Debbie Stabenow plans to retire at the end of 2024, creating a large field of candidates seeking to fill her seat. This field includes Congresswoman Elissa Slotkin, whose 7th District Seat is even more competitive than the 8th District, as she won with 51.7% of the vote in 2022.

2024 Friends of Retail

This summer, MRA will once again review current lawmakers' voting records and send a questionnaire to new legislative candidates to determine our 2024 Friends of Retail. Friends of Retail meet certain predetermined voting or response criteria ahead of the August Primary Election. If selected, candidates will be able to use the designation for the primary election and again in the November general election if they win the primary. The Friend of Retail designation is not an outright endorsement in a legislative district. Sometimes more than one candidate in a race is eligible for and receives the designation.



2024 Current Political Makeup

✓ = Up for election in 2024

Governor: Gretchen Whitmer (Democrat)

Attorney General: Dana Nessel (Democrat)

Secretary of State: Jocelyn Benson (Democrat)

Supreme Court: 4-3 Democrat majority,
Chief Justice Beth Clement

✓ **U.S. Senate:** Both democrats (one seat open in 2024)

✓ **U.S. Congress:** 13 members (7-6 Democrat majority)

✓ **House:** 110 members (current 54-54 split under Democratic leadership)

- 2-year terms
- Two open democratic seats that will be filled by special elections in April

Senate: 38 members (20-18 Democrat majority)

- 4-year terms

I've Read This Report, Now What?

Reach out to us for help in dealing with state regulators and the legislature.



1. Use it

Update your systems, policies, and procedures to stay compliant with current laws and regulations.



5. Stay in the know

We share a lot of information in a variety of ways to keep members updated. You can find information:

- On our website (check out our Advocacy tab on Retailers.com)
- On our Facebook page
- In your email inbox (and important news alerts and reminders)
- By following along with our bill tracker



2. Share it

Tell your employees and share information with a neighboring store on items that might impact both of your businesses. Encourage them to get engaged.



3. Tell us

Let us know what requirements and regulations keep you up at night. We may not know the challenges you're facing until you tell us. We can help cut through the red tape to get you answers and work on making changes to laws and regulations.



6. Chip in

Consider making a contribution to MRA's PAC or Advocacy Fund. Donation forms are available on our website.

- MRA PAC helps support lawmakers and candidates who understand the unique challenges that retailers face every day. MRA PAC can only accept personal contributions.



4. Weigh in

Connect with your elected officials – they WANT to hear from you and we promise they don't bite. Your input will help them be more informed and prepared when it's time for them to vote on legislation impacting retail stores like yours. Here are a few ways to connect with them:

- Visit their coffee hours
- Invite them to tour your store
- For more ideas, visit our Take Action page under the Advocacy tab on Retailers.com
- Join us for Capitol Day, April 24, 2024 in downtown Lansing!



2024 Michigan Retailers Association

Capitol Day & Legislative Reception

Catered by Michigan's Food and Grocery Industry

Wednesday, April 24

Capitol View (Senate building)
9th floor offices of Dykema Law Firm
201 Townsend, Lansing MI 48933

Each April, MRA hosts our annual legislative reception for members to mingle with state legislators and regulators to discuss important retail issues. In 2023, MRA added a new component by inviting our Retail Ambassadors to meet directly with their legislators prior to the reception to share their stories and the impact new and potential laws and regulations have on their businesses. The day was a great success thanks to our Retail Ambassadors and the continued support of our generous sponsors.

Join us at the Capitol in 2024 to share your story! Join MRA, and retailers and business owners like yourself, on Wednesday, April 24 to remind lawmakers about the important role retail plays in their community. If interested in participating and/or sponsoring the event, contact MRA's Amy Drumm by March 29 at adrumm@retailers.com.

Thank you to our 2023 sponsors

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Walgreens



2023 LAW CHANGES TO KNOW:

- Delivery and installation fees no longer subject to sales tax
- Sales tax application on prepared foods clarified
- Firearm safety devices including gun locks, gun safes, ear and eye protection will be exempt from sales tax starting May 13, 2024 through Dec. 31, 2024
- Background checks required for all firearm sales, and sales to persons with extreme risk orders prohibited, starting Feb. 13, 2024
- Fire resistance requirements for camping tents updated, allowing more sales starting Feb. 13, 2024
- Businesses exempt from personal property taxes (PPT) must file an annual statement attesting to the total value of exempt property if that valuation is between \$80,000 and \$180,000
- Workforce discrimination based on racial traits, like natural hair, prohibited
- Civil rights protections extended on sexual orientation and gender identity
- State agencies can adopt rules stricter than federal standards starting Feb. 13, 2024
- 100% clean energy mandate by 2040
- EV charging station clarifications that help open the market for retailers
- Alcoholic beverage manufacturers may offer electronic rebate coupons to customers
- Pharmacists granted independent authority to administer vaccines and testing/treatment of respiratory illnesses
- Local governments prohibited from seeking separate opioid settlements
- Michigan's "Right-to-Work" law repealed starting Feb. 13, 2024

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