



2020 Year-End **Legislative Report**

Year in review | 2021 priorities



Let's talk retail

Who we are



MRA represents general merchandise retailers, including:



Apparel stores



Department stores



Electronics stores



Family-owned independents



Floral/plant stores



Furniture stores



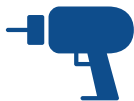
Gas stations/convenience



Gift stores



Grocery/food stores



Home improvement stores



Jewelry stores



National chains



Online stores



Pet stores



Pharmacies



Specialty stores



Sporting goods stores



Tire & auto service dealers

Let's talk retail

Economic impact - MI



All retail

929,780 jobs

120,400 locations

\$27.2 Billion in wages

\$42.9 Billion in GDP



Grocers

140,941 jobs

7,609 locations

\$4.9 Billion in wages

\$11.6 Billion in GDP



HALF

OF EVERY DOLLAR SPENT
IN A MICHIGAN STORE
GOES BACK INTO
MICHIGAN'S ECONOMY.

Retail is transforming

Retailers are adopting innovative changes that enhance the shopping experience and provide customers the safe shopping options they want. Through new buying and delivery options and advanced technology, retailers are embracing the 21st century economy and new trends.

contents

2

How a Bill Becomes Law

12

Political Landscape

3

2020 Legislative Stats

13

2021 MRA Priorities

4-5

2020 in Review

14

Now What?

6-7

Big Wins

15

Retail's Impact

8-11

2020 Public Acts
and Vetoes

Government Affairs team

William J. Hallan

President & Chief Executive Officer
whallan@retailers.com / 800.366.3699 ext. 306

Amy Drumm

Vice President, Government Affairs
adrumm@retailers.com / 800.366.3699 ext. 343

Thomas P. Clement

General Counsel
tclement@retailers.com / 800.366.3699 ext. 303

Jennifer Rook

Vice President, Communications and Marketing
jrook@retailers.com / 800.366.3699 ext. 348

MRA Board of Directors:

Bo Brines

Chair

Little Forks Outfitters, Midland

William J. Hallan

President and CEO

Michigan Retailers Association

Peter R. Sobelton

Treasurer

Mondial Properties, Birmingham

Becky Beauchine Kulka

Past Chair

Becky Beauchine Kulka Diamonds
and Fine Jewelry, Okemos

Kim Edsenga

Meijer, Grand Rapids

Bill Golden

Golden Shoes, Traverse City

Dan Marshall

Marshall Music Company, Lansing

Orin Mazzoni, Jr.

Orin Jewelers, Northville

Joseph McCurry

Credit Card Group

Bryan Neiman

Neiman's Family Market, East China Township

Barb Stein

Great Northern Trading Co., Rockford

Thomas Ungrodt

TDU Consulting, LLC, Ann Arbor

D. Larry Sherman

Board Member Emeritus

Michigan Retailers Services, Inc. Board of Directors:

William J. Hallan

President and CEO

Chad Ayers

Allendale True Value, Allendale

Meredith Gremel

SpartanNash, Grand Rapids

John Leppink

Leppink's Food Centers, Belding

Joe Swanson

Target, Retired

Steps for **Legislation** to **Become Law** in Michigan

Introduction

1



2



Approval by
committee
in house of
origin
(House or Senate)

Approval by
house
of origin

3



4



Approval by
committee
in second
house

Approval by
second house

5



6



***If amended**
by the second
house,
the bill must return
to the house of origin
for approval of the
amendment(s).

***If the**
amendment is
not approved
by the second
house,

the bill goes to a
conference committee
made up of legislators
from each chamber. The
committee can resolve
disputes between the two
chambers and then each
chamber must approve
the conference report.

7



8

Governor's signature

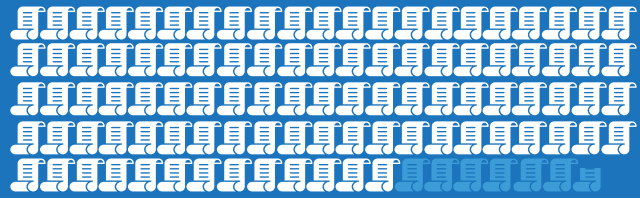
Quick Glance

MRA 2020 Legislative Stats



Examined

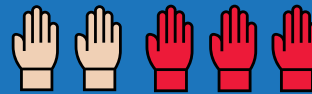
1,802 new bills introduced in 2020
1,238 House bills / **564** Senate bills



**shown in tens*

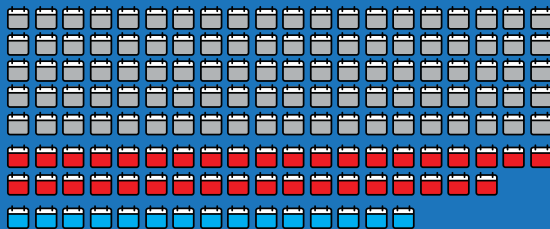
Tracked

1,040 bills impacting retail*
66 of the 1,040 became law
(509 were carried over from 2019)



Testified

Testified **5** times, **3** pertaining to COVID



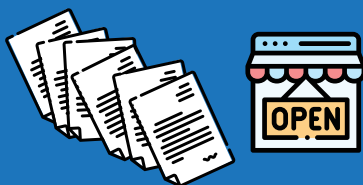
Attended

100 committee meetings,
38 COVID meetings and
15 regulatory meetings



Joined

Active in **13** coalitions



Advocated

Sent **6** letters to Gov. Whitmer to
 reopen/keep stores open



Reviewed

192 COVID Executive Orders
 and **45** emergency rules



Informed

Sent **48** COVID updates and
6 legislative updates



Named

68 state house candidates
 as Friends of Retail
49 were elected

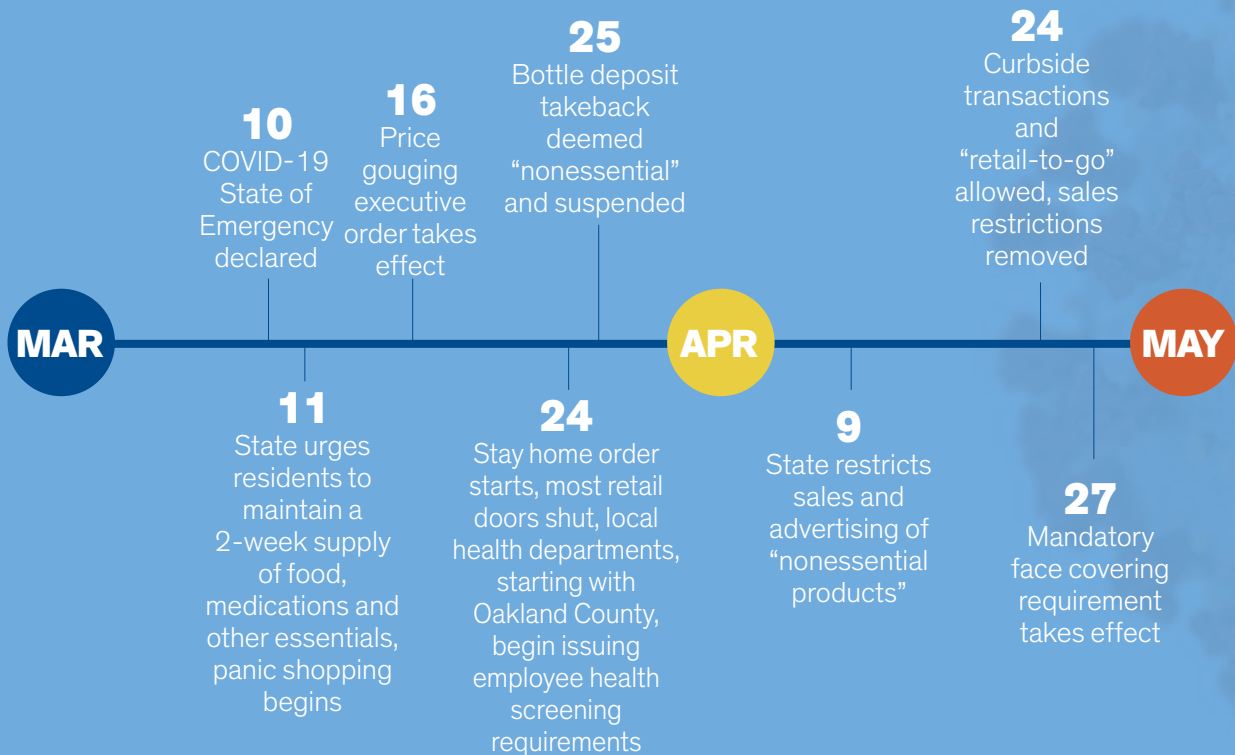
2020-In Review

What is there to say about 2020, other than we survived the chaos and uncertainty and everyone hopes 2021 is better?

MRA saw a major shift in our advocacy focus from working mostly with the legislature on legislation to working with the administration as executive orders came out fast and furious in response to the COVID-19 pandemic. Much of the year was extremely frustrating for retailers, retail workers, consumers and MRA as we all tried our best to keep up with the ever-changing requirements

issued with little notice via executive order, epidemic order and emergency rule. MRA's time focused largely on monitoring COVID-related orders, rules and legislation. However, we also managed to win approval of our e-prescribing legislation which was signed into law on July 8 after being delayed when the legislature shut down early in March. The tail end of the year was spent codifying operational flexibilities previously handled via executive order and ensuring retailers were protected from COVID unemployment claims and COVID lawsuits if they followed federal, state and local requirements.

COVID-19 Timeline



TOP 2020 law changes retailers need to know



MIOSHA
emergency rules
on COVID
workplace
safeguards



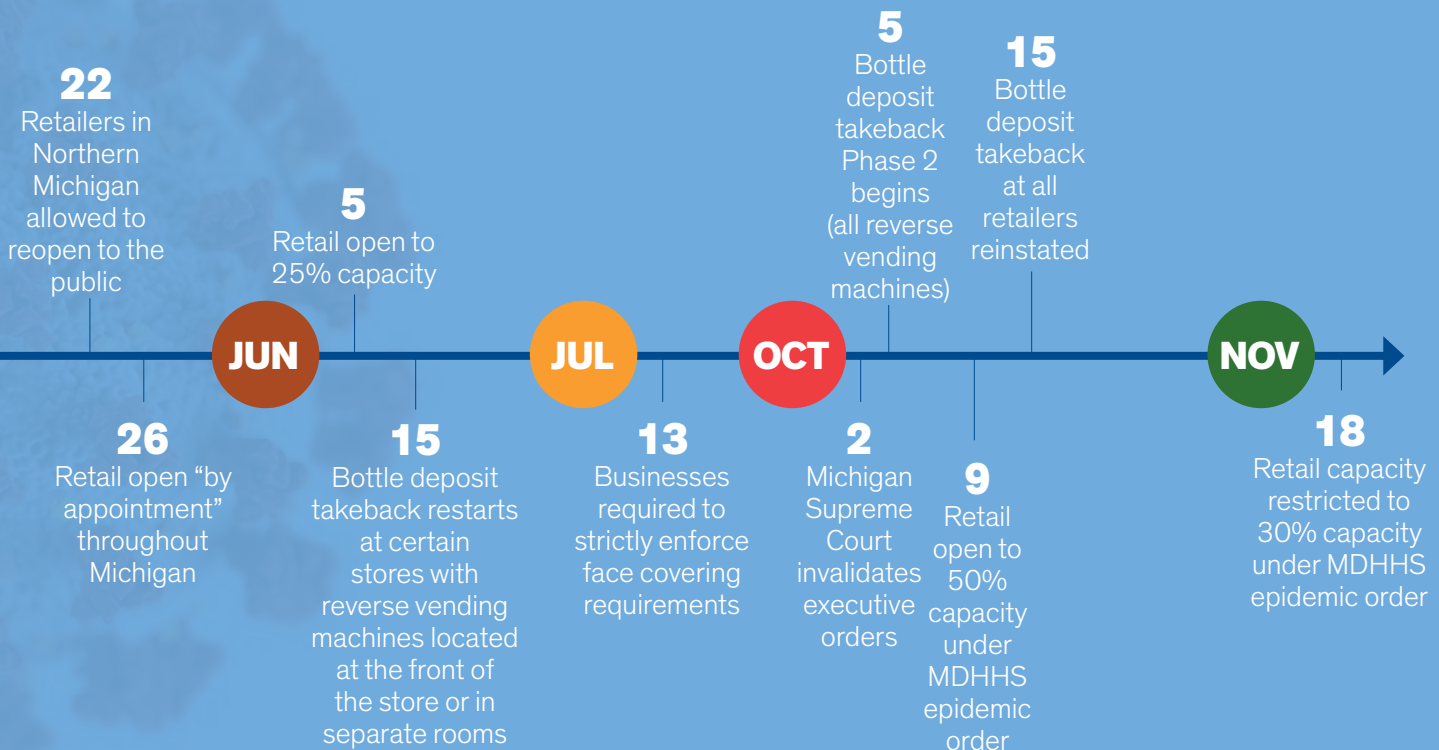
Biotechnology
can be used
to verify age
(effective
April 2)



Almost all
prescriptions
will be sent
electronically
to pharmacies
as of
Oct. 1, 2021



2020 personal
property tax
obligations
are simplified



BIG Wins for Michigan Retailers in 2020

Reopening and then keeping retail doors open

COVID-19 regulations and shutdowns consumed most of our 2020 advocacy efforts. Most of these efforts were not legislative advocacy and instead required negotiation with the governor's office, the state's health department, worker safety agency MIOSHA and various other licensing agencies. MRA worked tirelessly to reopen all retail doors this spring during the state's Stay Home lockdown and was successful in restarting curbside transactions and "retail-to-go" on April 24, reopening retail doors in Northern Michigan on May 22, reopening retail doors "by appointment" throughout Michigan on May 26 and eventually opening retail doors more fully to 25% capacity starting June 5. On Oct. 9 that number increased to 50% capacity and then fell to 30% capacity on Nov. 18 after a spike in positive COVID cases.



MRA member Kendra Patterson was featured in a press conference with Gov. Gretchen Whitmer to talk about the importance of buying nearby during the 2020 holiday season.

In April and May, MRA sent four letters to Gov. Whitmer urging her to reopen retail as soon as possible. The letters offered suggestions for safeguards the industry was willing to adopt if allowed to reopen. The suggestions were compiled with input from MRA members and best practices seen in other states. As the months went on and restrictions continued, MRA advocated for increasing the capacity limits within retail stores. We used the state's own data that showed shopping can be done safely and that very few outbreaks are associated with retail workers or customers.

Following the election and with the onset of colder weather and increasing positive case numbers, we proactively

reinforced the message that retail is safe and that retail doors needed to remain open through the holidays. While some industries were not as fortunate, MRA's advocacy efforts and MRA members' adoption of state-required safeguards allowed retailers to remain open through the critical holiday season. Gov. Whitmer and top health and safety officials have publicly recognized that shopping is safe thanks to MRA's efforts and retailers continue to be open to the public. While it's not been enough, MRA has done all we can to protect and support retailers throughout the pandemic.

Liability protection from COVID claims

HB 6030-6032 and HB 6101, Public Acts 236-239 of 2020

Legislation that ensures businesses who follow COVID-19 requirements cannot be subject to frivolous lawsuits was another main focus for MRA in 2020. The legislation codified certain COVID workplace safeguards in return for offering businesses immunity from liability of claims that an employee or customer contracted COVID while at the business and suffered damages. Businesses receive immunity if they are doing their best to follow federal, state and local COVID requirements. It also ensures that businesses will be judged based on the requirements that were in place at the time – not using September science and orders to judge March or April actions. The bills additionally protect those who have manufactured PPE and sanitization products to help fight COVID-19. Businesses will not be protected, however, if they egregiously or blatantly violate the requirements; like forcing a worker to report to work if that person is sick.

Flexibility to operate during COVID

Pharmacy: SB 920 and SB 879, Public Acts 324 and 322 of 2020
Unemployment: SB 748 and SB 604, Public Acts 257-258 of 2020
Personal property tax location: SB 1203, Public Act 352 of 2020

A few year-end legislative items sought to make life a little easier while the pandemic continues for pharmacy operations, unemployment claims and for businesses with employees working remotely. Approved earlier in the year via executive order, legislation was needed following the Michigan Supreme Court's October action that invalidated the continuing use of executive orders. MRA worked

with lawmakers and the administration to win approval of these three legislative items.

Pharmacies expressed a need this fall to return to flexibilities granted this spring that allowed emergency refills of up to a sixty (60) day supply of any maintenance medication, operation in an area not normally designated as a pharmacy, therapeutic substitutions of generic drugs, remote supervision of pharmacy staff (including students and technicians) and out-of-state license reciprocity. Supporting legislation required insurers to provide coverage for the emergency 60-day refills. The legislation codifies these activities through March 31, 2021.

Both employers and displaced workers were interested in legislation granting six extra weeks of state pandemic unemployment benefits while also holding employers harmless for any COVID-related claims. The carefully negotiated legislation allows extra benefits to continue through March 31 and also temporarily applies to domestic violence victims. The bill included a requirement the benefits be funded through a \$220 million supplemental appropriation. That funding designed to cover the extra benefits was vetoed by Gov. Whitmer, which may lead to some challenges when the employer-funded Unemployment Trust Fund runs out of funds and is forced to borrow from the federal government to continue offering benefits to claimants.

Legislation to remove a tax-related headache simplified personal property taxes for 2020 by assuming the location of that property in 2020 was the same as it was in 2019. This means if employees are working remotely, businesses will not have to account for where business property that

is being used in employees' homes is and file personal property taxes in those additional jurisdictions. The bill was signed into law and took effect on Dec. 30, 2020.

Reduce prescription fraud and errors

HB 4217, SB 248 & SB 254, Public Acts 134-136 of 2020






A four-year effort to complete work on legislation that would require most prescriptions be sent directly to the pharmacy of the patient's choice was quietly signed into law this July, dwarfed by on-going COVID concerns. The legislation has been a priority for MRA for several years and seeks to reduce prescription fraud and errors. Winning final approval during a time when social distancing, more convenient methods of order pickups and reduced contact made the legislation all the more relevant.

Increased use of e-prescribing technology also allows pharmacists and prescribers to track when and where a patient has filled a prescription, and to send reminders if the prescription has not been picked up, improving overall adherence rates. In states where the law includes penalties that ensure a majority of physicians are using the system prescription errors, fake prescriptions and opioid abuse have declined. The legislation is set to take effect Oct. 1, 2021. This gives the state's licensing department time to implement a waiver process for physicians who have would have a physical or financial hardship complying.












MRA's Amy Drumm and Sean Kennedy of Polly's Country Markets testify before a Joint House Agriculture and Commerce Committee in June 2020 about the effects of the COVID-19 orders on food retailers.



2020 Public Acts & Vetoes

BILL #	BILL SUBJECT/DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION
GROCERY/CONVENIENCE					
ALCOHOL	SB 82	Alcohol multi-licenses: Allows an entity to hold both on and off premises licenses simultaneously for both liquor and beer and wine.	Amended, passed Senate 37-0	Passed House 107-0	P.A. 308 (12/29/20) 
	SB 1067	Craft beverage council fund shift: Redirected \$476,500 from the Michigan Craft Beverage Council Fund to the state general fund for one year only. The transfer was agreed to as part of a FY 2019-20 budget balancing agreement.	Amended, passed Senate 38-0	Passed House 105-0	P.A. 200 (10/15/20) No position
	SB 1138-1140	Distribution of canned mixed drinks: Bills that would have classified canned, mixed spirit drinks as wine and allowed the direct sale and distribution of those drinks to retailers. The bills also would have modified the definition of direct shipper to exclude retailers who do 75% or more of their sales via delivery.	Amended, passed Senate 36-1	Amended, passed House 102-2	VETOED Neutral after amendments added
	HB 5342-5344	Micro brewer distribution limits: Increased the total barrels of beer per year that a micro brewer may sell and deliver to a retailer from 1,000 barrels to 2,000 barrels. The bills also defined facilitate in reference to third party facilitator services to mean "facilitate the sale of beer, wine, or spirits to a consumer on behalf of a retailer that holds an SDM or SDD license."	Various	Various	P.A. 106-108 (7/1/20) No position
	SB 588	Refunds of spirits sold to special licensees: Legislation to allow retailers that sell spirits to accept refunds of products sold to special licensees (like festivals) of the price originally sold less any credit card transaction fees.	Passed Senate 36-0	Passed House 106-0	P.A. 26 (2/4/20) Neutral
	HB 5781, HB 5811, SB 942	Social districts: A package of bills designed to mitigate the effects of COVID-19 shutdowns that allows drinks to be served in newly created "social district" common areas through 2024, to-go beverages through 2025, two-drink specials and a greater purchasing discount (23% from 17%) for spirits purchased by on-premise licensees through July 1, 2021.	Amended, passed House 107-0	Passed Senate 36-1	P.A. 124-126 (7/1/20) No position
TOBACCO	SB 970	Online sales of tobacco products: Ensures tobacco excise taxes are paid on products shipped into Michigan, similar to the Wayfair decision's impact on sales and use taxes. It would only allow out-of-state sales to be made into Michigan by wholesalers or unclassified acquirers. The state said it should not impact retailers ability to purchase product directly from manufacturers.	Amended, passed Senate 38-0	Passed House 68-33	P.A. 326 (1/1/22) 
HUMAN RESOURCES					
BENEFITS	SB 812	Unemployment work search requirements: Legislation that would require more frequent updates (twice a month vs. monthly) on work search activity for those receiving unemployment benefits. The legislation hopes to resolve issues with work-search related errors. It would also redefine what constitutes a proper work search effort.	Passed Senate 38-0	Passed House 92-1	P.A. 83 (4/7/20) 
	SB 886	COVID unemployment benefits: Extended an extra six weeks of pandemic benefits for COVID layoffs/workers out sick, prevented employers from having their experience rating impacted by any COVID claims and gave work share more flexibility through Dec. 31, 2020.	Amended, passed Senate 38-0	Amended, passed House 101-0	P.A. 229 (10/20/20) 
	SB 604	COVID unemployment benefits: Prevented employers from having their experience rating impacted by any COVID claims and gives the workshare program more flexibility through March 30, 2021. An extra six weeks of benefits would have been extended if the funding had also been approved to cover the cost.	Amended, passed Senate 38-0	Amended, passed House 95-6	P.A. 258 (12/29/20) 











2020 Public Acts & Vetoes

BILL #	BILL SUBJECT/DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION
HUMAN RESOURCES <i>continued</i>					
OTHER	HB 6030-6032, HB 6101	COVID liability relief: Codified certain COVID workplace safeguards in return for offering businesses immunity from liability of claims that an employee or customer contracted COVID while at the business and suffered damages. Businesses receive immunity if they are doing their best to follow federal, state and local COVID requirements. Also prohibits retaliation against workers who stay home due to illness or quarantine requirements.	Amended, passed House 57-49	Amended, passed Senate 23-14	P.A. 236-239 (10/22/20) 
	SB 1258	COVID quarantine requirements: Updated COVID quarantine requirements codified as part of the liability package to reflect CDC changes for individuals who've had close contact with a positive case. Added a provision allowing the state health department director to exempt critical workers on the CISA list from this requirement if needed.	Amended, passed Senate 37-1	Passed House 92-8	P.A. 339 (12/29/20) 
	SB 1253	Epidemic order limits: A bill that would have put limits on how long epidemic orders issued by the state department of health could continue without legislative approval.	Passed Senate 22-16	Amended, passed House 59-44	VETOED 
	SCR 18	Labor peace agreement requirement for licensing: A resolution to oppose the inclusion of labor peace agreements in the Marijuana Regulatory Agency's permanent rules and to oppose the inclusion of labor peace agreements or any similar construct in the administrative rules of this state.	Senate adopted 21-15	House adopted (voice vote)	NA Monitoring
	SB 910	Youth employee work permits: Will allow more flexibility in granting youth employee work permits during a declared state of emergency by removing a requirement to make the application in person.	Amended, passed Senate 34-0	Passed House 107-1	P.A. 323 (3/24/21) 
PHARMACY					
TECHNOLOGY	HB 4217, SB 248 & SB 254	E-prescribing: Would require all prescriptions be sent electronically to the pharmacy directly by the prescriber. Allows certain exemptions and a waiver process for those physicians who cannot reasonably comply.	Amended, passed House 105-3	Amended, passed Senate 35-0	P.A. 134-136 (10/1/21) 
	SB 340	Telepharmacy: Legislation to allow telepharmacies to operate in Michigan.	Amended, passed Senate 32-6	Amended, passed House 98-10	P.A. 4 (4/26/20) 
COVID	SB 879	60-day refill insurance coverage: Requires insurers to provide coverage for the emergency 60-day refills granted under SB 920. Coverage continues through March 31, 2021.	Amended, passed Senate 37-0	Passed House 103-2	P.A. 322 (12/29/20) 
	SB 920	COVID pharmacy operation: Codified previous executive orders granting pharmacies additional flexibility to allow for emergency refills of up to a sixty (60) day supply of any maintenance medication, operation in an area not normally designated as a pharmacy, therapeutic substitutions of generic drugs, remote supervision of pharmacy staff (including students and technicians) and out-of-state license reciprocity. Flexibility continues through March 31, 2021.	Amended, passed Senate 37-0	Amended, passed House 105-0	P.A. 324 (12/29/20) 
	HB 6293	COVID testing: Codified a previous executive order that granted pharmacists, APRNs, PAs and others the ability to conduct COVID-19 testing and related services through June 30, 2021.	Amended, passed House 103-0	Passed Senate 37-0	P.A. 245 (11/5/20) 

2020 Public Acts & Vetoes

BILL #		BILL SUBJECT/DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION
PHARMACY <i>continued</i>						
OTHER	SB 417	First responder access to epi-pens: Legislation to allow pharmacists to dispense epinephrine to first responders like firefighters and law enforcement officers.	Amended, passed Senate 38-0	Amended, passed House 106-0	P.A. 311 (12/29/20)	No position
	SB 630	Wholesale-distributor license/licensing fees: Requires license of and regulation of wholesale distributor-brokers in this state who facilitate the delivery of prescription drugs between a pharmacy and an out-of-state pharmacy but does not take possession of those drugs. The bill also increased all licensing fees for pharmacies, pharmacists and pharmacy technicians to \$75 annually.	Amended, passed Senate 36-0	Passed House 99-9	P.A. 142 (7/14/20)	No position
REGULATIONS						
SALES	HB 4126-4127	Marijuana pregnancy warning label: Would require health warning labels on products containing marijuana. Warning labels would be required on both medical and recreational marijuana products and are similar to those required on alcohol for pregnancy.	Amended, passed House 105-4	Amended, passed Senate 35-2	P.A. 31-32 (2/20/20)	Monitoring
PRIVACY/TECH	SB 543	Bio technology to verify age: Legislation that would allow a business to use thumbprints or other bio markers to verify a customer's age before making a purchase. The legislation specifically grants an affirmative defense that a retailer has done their due diligence to verify age if they choose to use the technology.	Amended, passed Senate 27-8	Amended, passed House 100-7	P.A. 78 (4/2/20)	Neutral
	HB 4186-4187	Data breach notification: The bills would require businesses who have a data breach directly notify customers of that breach within 45 days after confirmation of a breach. It also details the investigation process a business must use to determine if a breach occurred.	Amended, passed House 97-12	Amended, passed Senate 38-0	VETOED	Neutral after amendments added
INSURANCE	HB 4459,-4460	Surprise medical billing: Legislation that would end the practice of surprise medical bills from out-of-network providers. The bills would require the nonparticipating provider to either disclose the out-of-network status and get the patient's prior approval. If it was not disclosed and approved, the out-of-network provider would be limited in how much they can charge.	Amended, passed House 104-2	Amended, passed Senate 32-6	P.A. 234-235 (10/22/20)	
OTHER	HB 5194	Heavy-duty truck definition: Changed the definition of a heavy-duty truck in the vehicle code from one with a gross vehicle weight of 10,000 pounds to a gross vehicle weight rating of 14,000 pounds.	Amended, passed House 108-0	Passed Senate 38-0	P.A. 227 (10/16/20)	Neutral
	HB 5611	Marketable title revisions: Extends the time window during which an interest, claim or charge in a marketable title can be preserved and kept effective by filing a notice from two years to five years from March 29, 2019. Claims can now be filed through 2024 instead of 2021.	Passed House 107-0	Passed Senate 38-0	P.A. 294 (12/29/20)	
	HB 5770	Third party delivery: Legislation designed primarily to protect restaurants from third party delivery apps and websites like Door Dash or Uber Eats from using their likeness without permission. While not intended, it's unclear if it would apply to other delivery services.	Amended, passed House 104-2	Amended, passed Senate 38-0	P.A. 296 (4/1/21)	Neutral
	HB 4792	Unattended gas station operations: A bill that would have allowed gas stations to operate overnight without an attendant present if certain regulations were followed.	Amended, passed House 60-49	Amended, passed Senate 22-16	VETOED	No position

2020 Public Acts & Vetoes

BILL #	BILL SUBJECT/DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION
TAXES					
SALES TAX	SB 935-937	COVID sales, use and withholding tax payment delay: Legislation that would have continued allowing businesses impacted by the declared emergency to delay payment of the sales, use and withholding taxes through November 2020.	Amended, passed Senate 34-3	Passed House 101-7	VETOED 
	SB 1149-1150	Sales/use tax exemption for automated consumer goods handling systems: Legislation that would have treated retail warehouses that use automated systems similar to manufacturing property by removing sales, and use tax obligations from equipment.	Passed Senate 26-11	Passed House 61-45	VETOED 
PROPERTY TAX	HB 5761, HB 5810, SB 943	COVID property tax payment delay: Several attempts to extend property tax deferral relief to taxpayers by waiving fines and penalties were repeatedly vetoed. Attempts were made in July and in December SB 943 narrowed the scope to only impacted businesses.	Various	Various	VETOED 
	SB 1203	Personal property tax location during COVID: Simplifies personal property taxes for 2020 by assuming the location of that property in 2020 was the same as it was in 2019. This means if employees are working remotely, businesses will not have to account for where business property that is being used in employees' homes is and file personal property taxes in those additional jurisdictions.	Passed Senate 37-0	Passed House 101-0	P.A. 352 (12/30/20) 
	SB 1153	Personal property tax exemption for consumer goods handling systems: Legislation that would have treated retail warehouses that use automated systems similar to manufacturing property by removing personal property tax obligations.	Amended, passed Senate 26-11	Passed House 61-45	VETOED 
OTHER					
TOURISM	SB 306	Principal shopping district assessment areas: Legislation to include residential real property located in a Principal Shopping District (PSD) in special assessments that benefit the PSD and those properties.	Passed Senate 31-5	Amended, passed House 91-18	P.A. 91 (6/16/20) 
OTHER	HB 4288	Broadband expansion grant program: Creates a grant program to award up to \$5 million grants for projects that extend broadband service into unserved areas in the state using one-time funds of \$14.35 million.	Amended, passed House 96-9	Passed Senate 36-1	P.A. 224 (10/16/20) 
	SB 876-878	COVID drivers license/ID renewal extension: Extended licenses, certificates, and permits that expire on or after March 1, 2020, to be valid until September 30, 2020 with no late fees.	Amended, passed Senate 35-2	Amended, passed House 107-0	P.A. 127-129 (7/1/20) 
	HB 6192, 5756-5757	COVID drivers license/ID renewal extension: Extended licenses, certificates, and permits that expire on or after March 1, 2020, to be valid until December 11, 2020 with no late fees.	Amended, passed House 101-0	Passed Senate 37-0	P.A. 241-243 (10/28/20) 
	HB 4980-4985, 5120	Expungement of certain crimes: Would allow automatic expungement of non-assaultive crimes, serious misdemeanors or other offenses punishable by 10 or more years imprisonment from an individual's record. The bills would expunge up to 2 felonies and 4 misdemeanors if more than 10 years has passed since the completion of time served, parole, and restitution was paid, etc.	Various	Various	P.A. 187-193 (4/11/21)  Support with changes added

To stay ahead of issues that impact retailers,
check out our online bill tracker at
retailers.com/advocacy

Current Political Landscape

Governor: Democrat (Gretchen Whitmer)
Attorney General: Democrat (Dana Nessel)
Secretary of State: Democrat (Jocelyn Benson)
Supreme Court: Republican majority (4-3),
 Democratic chief justice
U.S. Senate: Both democrats
U.S. Congress: 14 members (7-7 even party split)
House: 110 members (58-52 Republican majority)
 • Subject to three 2-year terms
 • 28 new freshmen members

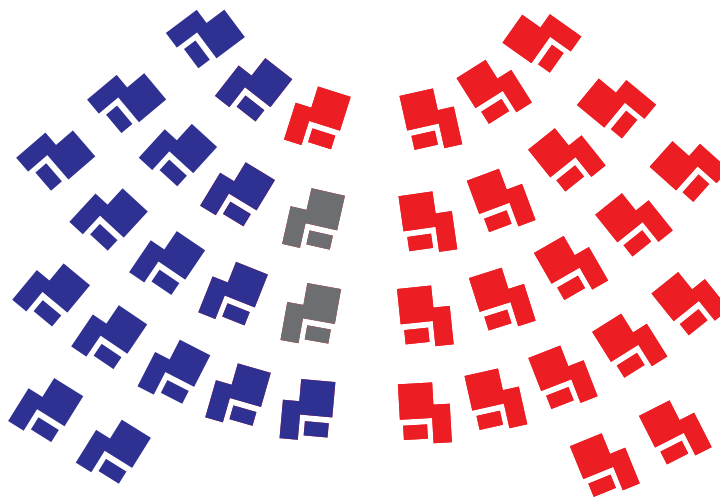
Senate: 38 members (20-16 Republican majority, two vacancies)

- Subject to two 4-year terms
- Two vacancies (two Republican senators were elected to county-level offices in Nov. 2020)

2020 Friends of Retail: MRA named 68 state house candidates as Friends of Retail in the 2020 election. 49 of them won and will serve in the 101st legislature.

2020 Michigan Senate

The Michigan Senate was not up for election in 2020, they are next up in 2022. The two vacant seats will be filled in a Nov. 2021 election

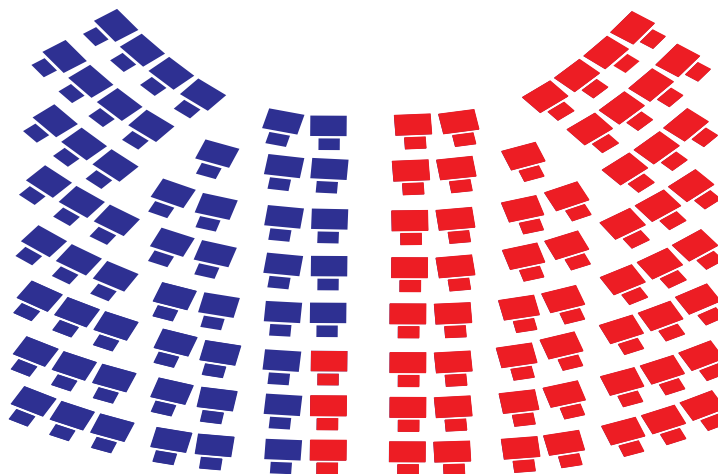


20 seats needed for a majority.

■ Republican seat (20)
 ■ Democrat seat (16)
 ■ Vacant seat (2)

2020 Michigan House of Representatives

The overall House makeup did not change, however, there are 28 new freshmen legislators due to term limits.



56 seats needed for a majority.

■ Republican seat (58)
 ■ Democrat seat (52)

2021 MRA Priorities

Monitor COVID vaccine policies

As Michigan rolls out its vaccine distribution strategy, MRA will continue to work with the state to ensure all Michigan pharmacies are able to assist with vaccinating the population. Pharmacies already have expertise in this area, key relationships with customers who trust them and greater accessibility in hours and locations than physician offices. Since retail stores remain open to the public, all retail workers should be eligible to receive the vaccine in one of the earlier phases. MRA has formally requested the state consider including all retail workers into Phase 1B and will continue advocating to protect frontline retail workers.

Consider making regulation flexibilities permanent

COVID-19 has provided a real opportunity to reevaluate certain restrictive laws and rules that needed to be suspended to allow retailers and others to focus on providing critical services. Pharmacies requested greater flexibility for their operations, grocery stores needed relief from bottle deposit takeback and fewer restrictions on delivery times to restock shelves, curbside pickup spots needed to be approved more quickly and youth employees were given more flexibility to work greater hours while schools were temporarily closed. All of these items and other loosened regulations should be reviewed to see if they should be made permanent.



Members of a joint House Commerce and Agriculture committees listen to testimony from MRA's Amy Drumm and Sean Kennedy with Polly's Country Markets on the impact of the state's COVID regulations on grocery stores.

Defend against tax increases

MRA has defended against efforts to increase property taxes or make the appeals process more difficult for several years and will continue those efforts in 2021. With expected budget challenges, we expect the administration and others may look to tax increases to make up lost revenue. Other states have started looking to find additional tax revenue from "essential businesses" who they believe profited during the pandemic. That narrative is problematic because even those retailers who were allowed to remain open and did see increases in sales, also incurred tremendous additional costs. Retailers had to purchase PPE and cleaning supplies, hire professional cleaning/sanitization companies, install physical barriers and social distancing markers, provide paid time off and schedule additional employees to comply with COVID safeguards like capacity restrictions, social distancing requirements and additional sanitization. MRA will defend against any attempts to increase taxes on "essential retailers" and also attempts to raise taxes generally. This is one of the worst times to place additional cost burdens on retailers given the already fragile economic environment.

Prevent the sale of fraudulent/stolen items online

2020 saw a major shift in consumer shopping habits with online sales increasing at record rates. Accordingly, adding safeguards to prevent the sale of fraudulent or stolen items online takes on even more importance. MRA will seek to amend Michigan's Organized Retail Crime Act to include some verification tools for vendors selling on online marketplaces and to include more reliable ways to report/remove suspicious listings. These changes should be reasonable and not overly burdensome but will provide law enforcement an opportunity to follow up using reliable information.

I've Read This Report, Now What?

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

1. Use it



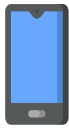
Update your systems, policies and procedures to stay compliant with current laws and regulations.

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.

4. Weigh in



Reach out and 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. Visit their coffee hours or invite them to tour your store. For more ideas on how to connect with legislators, visit our Take Action page under the Advocacy tab on retailers.com.

5. Stay in the know



Look for information on our website (check out our Advocacy tab on retailers.com), Facebook page, and in your email inbox (we send a bi-weekly Government Affairs News update while the legislature is in active session). We have a full version of our bill tracking document that is updated and uploaded to MRA's website every two weeks (visit MRA's Government Affairs News page under the Advocacy tab). Bills are categorized by topic and those with changes are highlighted. Members should be able to tell from a quick glance what MRA's position is on any given bill and see where it is in the legislative process.

6. Chip in



Consider making a contribution to MRA's PAC. The MRA PAC helps support lawmakers and candidates who understand the unique challenges that retailers face every day. They're the ones who are willing to listen and work with us when we identify "well-intentioned bad ideas." You can contribute online or request a contribution form.

We're here to help you

Our goal is to make it easy for you to stay informed without having to be at the Capitol every day. If there's something we can do to make it easier for you to stay informed, please let us know!

If you have questions or want to know more about how you can get involved with our advocacy efforts, contact MRA's Amy Drumm, Vice President, Government Affairs, at 800.366.3699 or adrumm@retailers.com.

Retail's Impact on Michigan's Economy

1 IN 5 MICHIGAN JOBS ARE IN
THE RETAIL INDUSTRY

120,400
MICHIGAN STORES

929,780
EMPLOYEES



\$27.2
BILLION
IN WAGES





Strengthen MRA's efforts to get retail more **visibility** and more **support** in Lansing!



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

MRA's Advocacy Funds enhances MRA's lobbying efforts to support retail in Michigan. The fund helps educate elected officials on retail issues and provides non-political contributions to their efforts. The Advocacy Fund is another way MRA shows appreciation to Michigan leaders who stand by retailers in the Mitten. Help us get a better seat at the table!

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.

Put the nation's largest state retail association to work for your business.



Credit card processing



A range of insurance offerings



Advocacy in the Legislature



Buy Nearby shop local promotions



Shipping discounts



Free labor law posters



"Ask Us First" Hotline



800.366.3699

| www.retailers.com





603 South Washington Avenue
Lansing, MI 48933
Phone: 517.372.5656
Toll-free: 800.366.3699
Fax: 517.372.1303
Retailers.com
RetailersInsurance.com
BuyNearbyMI.com



Support Michigan Retailers PAC and protect YOUR interests.

Contact Amy Drumm at
517.372.5656
800.366.3699
or make a contribution
online at
**[retailers.com/advocacy/
take-action](http://retailers.com/advocacy/take-action)**

