

2022 Year-End Legislative Report

YEAR-IN-REVIEW
2023 PRIORITIES



 Michigan[®]
Retailers
Association

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EXECUTIVE LETTER



Giving Retailers the Voice They Deserve

By: William J. Hallan
President and CEO
Michigan Retailers Association

Michigan Retailers Association is committed to being your voice in Lansing, and in 2022 we marked success with new laws that will help retailers and consumers. Our job is to provide the best service to our members on all fronts - from legislative to workers' compensation and credit card processing. The enclosed report details MRA's 2022 legislative advocacy efforts and what we expect to work on in 2023.

There's also a table included that gives a brief overview of the bills we tracked that either became law or were vetoed. 2023 starts a new session with all new bills and you can follow the bills we're tracking from a regularly updated table that is available on the government affairs news page of our website.

If you have questions about this report, legislation, or need assistance with a state agency don't hesitate to Ask Us First by calling 800.366.3699 or emailing askusfirst@retailers.com.

BOARDS AND TEAMS

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2022 QUICK STATS



Legislative Focus

MRA REVIEWED **1,703** BILLS & RESOLUTIONS IN 2022

906

HOUSE
BILLS

437

SENATE
BILLS

411

TRACKED BILLS

36

VETOES

278

PUBLIC ACTS
SIGNED INTO LAW

Advocacy Focus

**These numbers are lower than normal because legislators were mostly out of session the last 6 months of the year due to the election cycle*



74 COMMITTEE MEETINGS ON RETAIL LEGISLATION



32 MEETINGS WITH LEGISLATORS

Election Focus

99 FRIENDS OF RETAIL NAMED IN ADVANCE OF AUGUST PRIMARY

64 INCUMBENTS – 35 CANDIDATES



71 FRIENDS OF RETAIL SUCCEEDED IN THE PRIMARY



60 FRIENDS OF RETAIL WERE ELECTED TO SERVE THE 102ND LEGISLATURE

39 IN THE HOUSE – 21 IN THE SENATE

Communication Focus

22 GOVERNMENT AFFAIRS EMAILS SENT



8 LEGISLATIVE AUDIO UPDATES



8 EMAIL UPDATES INCLUDING BREAKING NEWS



6 ELECTION-RELATED EMAILS



21 FOOD ENEWS UPDATES TO GROCERY DIVISION MEMBERS

Looking back and looking ahead

2022 saw major, mid-year legislative victories for Michigan's retailers. We saw our vital legislation to curb Organized Retail Crime (ORC) activity signed into law, protecting both retailers and consumers in the marketplace. This triumph was followed by a lull in activity as election season stole the focus away from the Capitol.

MRA's work was vital to getting all three ORC initiatives signed into law. The three-pronged approach includes the INFORM Act, adding ORC as a racketeering offense, and a \$3.5M budget line item to create an ORC unit under the Attorney General. Going into 2023, we will continue this mission to ensure these laws and programs are implemented and utilized effectively to guarantee retailers see results.

The 2022 election resulted in a substantial shift, giving Michigan Democrats control of the state legislature for the first time in nearly 40 years. The Michigan House will have a slim 56-54 democratic majority and the Michigan Senate also has a slim 20-18 democratic majority. Republicans have held control of the House since 2010 and the Senate since 1984.

This means the 2023-2024 legislature will operate differently than anyone around the Capital has experienced in several decades. There will be a lot of new faces to get to know (54 to be exact), new legislative leaders, as Democrats take control of the legislature for the first time since 1983, and new realities to navigate as the changes made via Proposal 1 to term limits shift how long legislators can serve. There will be a significant learning curve for everyone involved.

Our focus will largely be on playing defense and protecting the good policy changes we've made over the years. Under full Democratic control, retailers and MRA members should expect to see a change in the types of legislative issues that gain traction. While we have some great friends of retail in office, expect to see more issues related to organized labor and human resources moving under a democratic-controlled legislature. Issues like minimum wage increases, paid leave, restrictive scheduling, generous unemployment laws, higher taxes, plus more environmental and privacy regulations are all likely to receive serious consideration in the new year.

Yet some opportunities exist to craft good, bipartisan policy that we intend to capitalize on, including some policy priorities that remain unfinished. We know good policy takes time, and the change in term limits may help drive better policy in the long run as legislators become subject-area experts.

While some of our 2022 goals carry over into a new legislative term, we've made progress in getting language drafted and vetted. This puts us in a good spot to introduce and see movement on legislation to give pharmacies more operational flexibility, provide more convenient access to healthcare at the retail level, and also to make several updates to the bottle bill.



MRA President and CEO William Hallan, SVP of Government Affairs Amy Drumm, and Gov. Gretchen Whitmer on the steps of the Michigan Capitol.

TOP 2022 law changes retailers need to know:

- "Social districts" will be allowed permanently
- Can no longer use "approximate" units of weight, measure or count in packaging or advertising
- COVID-19 quarantine requirements and liability protection repealed
- PBM transparency
- Recycling reforms
- Charitable shoe donation of unclaimed shoes after six months
- Replaced/new disabled parking signs must use international symbol of access
- Service animals in training allowed in all public spaces as of March 29, 2023
- ORC penalties strengthened
- Transparency and verification of third party sellers on online marketplaces
- Sales of synthetic urine banned
- Pharmacies can accept prescriptions from out-of-state, mid-level prescribers (nurse practitioners, nurse midwives, nurse anesthetists, physician assistants)
- Age to buy tobacco or vaping products is now 21
- Restaurant servers aged 17 or older can now serve alcohol with the proper training
- \$4,000 credit for employers offering paid adoption leave (*IF funded in the budget)

Wins for Michigan Retailers in 2022

Reduce organized retail crime in three ways

All three of MRA's Organized Retail Crime (ORC) initiatives were signed into law in July 2022. This three-pronged approach includes the INFORM Act, adding ORC as a racketeering offense, and a \$3.5M budget line item to create an ORC unit under the Attorney General.

Verification of and transparency of marketplace sellers

INFORM Act, HB 5486-5487, Public Acts 152-153 of 2022 (took effect 1/1/23)

The INFORM Act requires online marketplaces to verify high-volume, third-party sellers and provide their contact information to purchasers. The INFORM Act limits the somewhat unchecked



ability for criminals to utilize online marketplaces to resell stolen or counterfeit goods without sharing their information. It provides transparency for law enforcement, loss prevention officers, and others in identifying and communicating with any suspicious online marketplace sellers. The requirement for marketplaces to include an obvious method to report any suspicious activity should help flag this activity for marketplaces to act sooner.

Michigan's language mirrors the federal INFORM Consumers Act that was recently signed into law as part of the Federal Omnibus bill that President Biden signed on Dec. 29. The Federal INFORM Consumers Act takes effect 180 days after it was signed (on June 27, 2023). While the Federal law does include a state preemption clause, Michigan can get a head start on enforcement. Enforcement will be key to reducing ORC activity as marketplaces more thoroughly vet their sellers and hold them accountable for the products they sell.

Stronger penalties for committing ORC crimes

SB 691, Public Act 174 of 2022 (took effect 10/28/22)

Adding ORC to the state's racketeering act gives prosecutors the ability to charge criminal Organized Retail Crime rings with up to 20-year felonies and require forfeiture which will help fund future, AG-led investigations. Michigan's ORC Act does not have a dollar threshold but rather includes various activities including organizing, supervising, financing, managing, or assisting

another person in committing an organized retail crime with the intent to resell, distribute, or otherwise reenter the retail market. The act also spells out that tampering with antitheft devices or fire exit alarms and receiving, purchasing, or possessing known or believed to be stolen retail property is also considered an organized retail crime. If a person is charged with ORC, they can now also be charged with racketeering. The new law makes forfeiture easier while adding further deterrents and penalties for ORC violations.

Creation and funding of an ORC Unit

HB 5783, Public Act 166 of 2022



In addition to the two law changes, the FY 2023 Michigan budget includes \$3.5 million in one-time funding to be used by the Department of Attorney General to create an ORC Unit and get it up and self-funded within three years. The unit will include a few special, dedicated ORC prosecutors and investigators who will take multi-jurisdictional cases from local prosecutors and work with retailers on state-level or multi-state cases. The state has indicated they will seek collaborative agreements with other states to work cases that cross state lines more effectively. The primary mission of the task force is to connect law enforcement, legal, and retail partners on what ORC trends are happening in Michigan and to track multi-jurisdictional cases efficiently.



LEGISLATORS OF THE YEAR

MRA's 2022 legislators of the year are the six sponsors and champions of our successful Organized Retail Crime (ORC) legislative initiatives. MRA had a three-pronged approach to reducing ORC activity in Michigan which included the INFORM Act, adding ORC as a racketeering offense, and a \$3.5M budget line item to create an ORC unit under the Attorney General. All three of MRA's ORC initiatives were signed into law in July 2022.

Returning Representatives Samantha Steckloff (D-Farmington Hills) and Mark Tisdel (R-Rochester Hills) were the sponsors of the two INFORM Act bills (HB 5486-5487) signed into law as Public Acts 152-153 of 2022. The bills took effect January 1 and require verification

and transparency of online marketplace sellers. In order to get the bills moving, MRA worked with three bipartisan sponsors in the House and two bipartisan bill sponsors in the Senate, all of whom were integral in getting the legislation signed into law. Now former Rep. Ben Frederick (R-Owosso) sponsored one of the original House bills (HB 5485) and carefully vetted the language. He gave up his bill after the language was revised, but worked tirelessly to get the bills on the governor's desk through his role as majority floor leader in the House.

In the Senate, now former Senator Curtis Hertel (D-East Lansing) and returning Senator Roger Victory (R-Georgetown Township) were the sponsors of SB 1023-1024. The senate's quick

movement and unanimous support of these updated bills led to the House Judiciary Committee taking them up for a vote in spring 2022, ultimately getting the House version to the governor's desk.

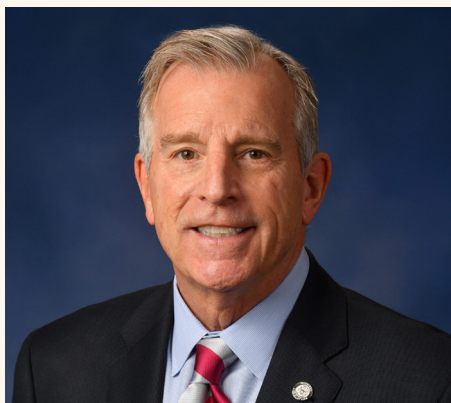
Returning Senator Jim Runestad (R-White Lake) was the sponsor of SB 691, which strengthened penalties for those committing Organized Retail Crimes by adding it to the state's racketeering statute. The bill was signed into law as Public Act 174 of 2022 and took effect on Oct. 28, 2022. The senator was a tireless champion of the legislation and spoke passionately about the need to curb ORC activity through stricter penalties.



**Rep. Samantha Steckloff
(D-Farmington Hills),
19th House District**

Rep. Steckloff serves on the House Appropriations Committee and chairs the Appropriations Subcommittee on Higher Education and Community Colleges. She also serves on the General Government, School Aid and Education, Transportation, and Joint Capital Outlay subcommittees.

Prior to her service in the Legislature, Rep. Steckloff worked at Wayne State University as an enrollment management coordinator and was a spokesperson and consultant for the North American International Auto Show.



Rep. Mark Tisdel (R-Rochester Hills), 55th House District

Rep. Tisdel is the minority vice chair of the House Economic Development and Small Business Committee. He also serves on the House Natural Resources, Environment, Tourism and Outdoor Recreation Committee and the House Tax Policy Committee.

Prior to his service in the Legislature, Rep. Tisdel served on the Rochester Hills City Council for eight years — four of those years as Council president. He also worked as principal with Backus Payne & Associates, specializing in medical-liability insurance.



**Former Rep. Ben Frederick
(R-Owosso)**

Rep. Frederick served as the House Majority Floor Leader and was responsible for helping to set the agenda and priorities for the House. He also served as a member of the House Appropriations Committee and as chairman of the Appropriations Subcommittee on Higher Education and Community Colleges.

Prior to his election to the Legislature in 2016, Rep. Frederick served as a legislative staff member for 14 years in both the Michigan House and Senate. Locally, Rep. Frederick served on the Owosso City Council for nine years and was the city's youngest mayor, holding that office for three terms.



Supporters of legislation to combat organized retail crime gathered for the signing of the legislation into law by Gov. Gretchen Whitmer.



**Former Sen. Curtis Hertel, Jr.
(D-East Lansing)**

Senator Hertel served as Minority Vice-Chair of the Senate Committees for Health Policy, Commerce, Regulatory Reform, Banking and Financial Institutions, and the Appropriations Subcommittee for Higher Education.

Prior to serving in the Senate, he was the Ingham County Register of Deeds from 2008-2014, served on the Ingham County Board of Commissioners from 2001 to 2008 and worked as a Legislative Liaison for the Department of Community Health under Governor Jennifer Granholm. He is now the director of legislative affairs for Governor Gretchen Whitmer.



**Sen. Roger Victory
(R-Georgetown Twp),
31st Senate District**

Sen. Victory serves as Senate Republican Caucus Whip. He previously chaired the Senate Judiciary and Public Safety Committee, and is currently the minority vice chair of the Senate Economic and Community Development Committee and serves on the Natural Resources and Agriculture and Transportation and Infrastructure Committees.

Prior to joining the Senate, Roger served six years in the Michigan House of Representatives, representing the 88th District. He also owns Victory Farms LLC, a year-round specialty crop producer, as well as Victory Sales LLC, a national produce distributor. He co-owned a trucking company from 1996-2004.





Sen. Jim Runestad (R-White Lake), 23rd Senate District

Sen. Runestad previously served as chairman of the Finance Committee and now serves as minority vice chair of the Senate Civil Rights, Judiciary and Public Safety Committee and on the Health Policy Committee and the Joint Committee on Administrative Rules.

Prior to joining the Senate, Runestad served four years in the Michigan House of Representatives, representing the former 44th District and served as chair of the House Judiciary Committee. Prior to his service in the Legislature, he spent three terms as an Oakland County commissioner. He has been operating his own insurance company, Runestad Financial Associates LLC, since 2004.

2022 TRACKED BILL LEGISLATION

BILL #	BILL SUBJECT/ DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION	
GROCERY/CONVENIENCE						
ALCOHOL	HB 5696	Age to work with alcohol: Allows 16-year-olds employed by a wholesaler to build displays, price, or place/rotate alcohol brands.	Passed House 86-17 on 3/24/22	Passed Senate 34-1 on 6/16/22	P.A. 122 of 2022 took effect on 6/29/22	No position
	SB 656	Automatic alcohol dispensing machine: Allows on-premise licensees to use self-serve dispensing machines for beer, wine, or mixed spirits.	Amended, Passed Senate 35-1 on 12/1/21	Amended, Passed House 78-28 on 6/8/22	P.A. 136 of 2022 took effect on 7/11/22	No position
	HB 4232	Age to serve alcohol: Allows 17-year-olds to serve alcohol if they've completed server training and are supervised by someone over 18. MLCC can add additional requirements.	Passed House 64-39 on 12/7/21	Amended, Passed Senate 25-11 on 5/19/22	P.A. 101 of 2022 took effect on 6/14/22	
	HB 5090	Social districts: Removed the sunset on social districts, making them permanent. Allows alcohol to be sold and served in a common area.	Amended, Passed House 104-1 on 11/10/21	Passed Senate 37-1 on 2/23/22	P.A. 27 of 2022 took effect on 3/10/22	
	HB 6105-6107	Private label alcohol sales & coupons: Allows for post-sale rebate coupons and formally allows suppliers to manufacture private label beer, wine, or spirits for retailers.	Amended, Passed House 100-5 on 6/30/22	Amended, Passed Senate 35-0 on 9/28/22	P.A. 225-227 of 2022 took effect on 10/14/22	Neutral
	HB 5322-5323	Sales/use tax exemption for wholesalers: Bills that include a wholesaler's or distribution agent's purchase license number issued by MLCC as enough information to avoid needing to separately claim a sales and use tax exemption.	Amended, Passed House 102-0 on 11/4/21	Passed Senate 27-0 on 1/19/22	P.A. 3-4 of 2022 took effect on 2/1/22	No position
	HB 4842	Small distiller commission sales: Created a qualified small distiller program for distillers using 40% or more Michigan-grown products to make alcohol. Requires only a 32.5% commission vs. the traditional 51-65% be returned to MLCC.	Passed House 90-17 on 6/30/21	Amended, Passed Senate 34-1 on 6/16/22	P.A. 135 of 2022 took effect on 7/5/22	No position
	HB 6087	Spirits vendor reimbursement: Increased the fee MLCC may pay a spirits vendor (manufacturer who sells to MLCC) from \$8.25-\$12.50 per case to offset the costs incurred by contracting with an ADA for warehousing and delivering spirits to retailers.	Amended, Passed House 100-4 on 6/23/22	Passed Senate 38-0 on 6/23/22	P.A. 142 of 2022 took effect on 7/11/22	No position
TOBACCO/VAPING	SB 720-722	Modernize Tobacco Products Tax Act: A package of three bills that allowed delivery of tobacco products by retailers or third party carriers. It also increased licensing fees for wholesalers, importers, and vending machine operators to \$200.	Amended, Passed Senate 36-1 on 1/27/22	Amended, Passed House 78-23, on 2/24/22	P.A. 171-173 of 2022 took effect on 7/21/22	Neutral
	HB 6108-6109	Tobacco 21: Raised the age threshold for purchasing and using tobacco products from 18 to 21 years of age in alignment with federal requirements as of 12/23/21.	Passed House 79-26 on 6/15/22	Passed Senate 29-9 on 6/23/22	P.A. 167-168 of 2022 took effect on 7/21/22	Neutral
	SB 576-577	Tobacco 21, code updates: Provides for compliance checks, requires licensing, and increased the purchase age from 18 to 21 in penal code provisions for selling or distributing tobacco products by mail or vending machines.	Passed Senate 28-10 on 6/23/22	Passed House 78-28 on 6/30/22	P.A. 169-170 of 2022 took effect on 7/21/22	Neutral
OTHER	SB 178	Bottle deposit over-redeemer fund: Modified the payment timing to allow for quarterly payments vs. annual reconciliation to distributors and manufacturers who originate the deposit on containers both as under and over-redeemers.	Passed Senate 35-0 on 3/10/21	Amended, Passed House 104-1 5/19/22	P.A. 198 of 2022 took effect on 10/7/22	No position
	SB 1059	Weights and measures updates: Aligned the law with 2022 NIST standards. Disallows the use of "approximate" to qualify units of weight, measure, or count in commodity packaging and advertising. Specifies security measures for fuel pumps.	Amended, Passed Senate 36-0 on 9/28/22	Passed House 79-17 12/7/22	P.A. 273 of 2022 took effect on 12/29/22	Neutral
HUMAN RESOURCES						
BENEFITS	SB 445	UIA work search requirement: Requires UIA to waive the work search requirement for individuals who are covered under section 2102 of the Federal CARES Act regarding part-time work.	Amended, Passed Senate 35-0 on 6/17/21	Amended, Passed House 101-3 on 2/22/22	P.A. 18 of 2022 took effect on 2/25/22	
HIRING	HB 5244, HB 6128, & HB 6215	Quarantine requirements & liability: Repealed out-of-date COVID-19 isolation and quarantine requirements as well as liability protections for employers.	Amended, Passed House 73-23 on 6/15/22	Passed Senate 37-1 on 6/23/22	P.A. 138-140 of 2022 took effect on 7/11/22	
OTHER	HB 5555	UIA quarterly payments: Allows employers with 100 or fewer employees to distribute the first quarter unemployment tax payment equally over four quarters.	Passed House 101-0 on 3/10/22	Passed Senate 37-0 on 5/26/22	P.A. 96 of 2022 took effect on 6/14/22	Neutral

BILL #	BILL SUBJECT/ DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION	
PHARMACY						
DRUG COST	HB 4351-4352	Gag clauses and prescription price transparency: Ensures pharmacies can disclose the price of medication to patients and provide patients the prices for other comparable generic or name brand products.	Amended, Passed House 106-1 on 3/24/21	Amended, Passed Senate 38-0 on 2/16/21	P.A. 12-13 of 2022 took effect on 2/23/22	Neutral
	HB 4348	PBM regulation: Added new regulations on Pharmacy Benefit Managers (PBMs) including registration with the state and quarterly transparency reports. Banned PBMs from using spread pricing or charging retroactive fees.	Amended, Passed House 97-10 on 3/24/21	Amended, Passed Senate 38-0 on 2/16/21	P.A. 11 of 2022 took effect on 2/23/22	Supports portions of the bill
OTHER	SB 412	Medicaid prior authorization prescription drugs: Exempted HIV and Tardive dyskinesia drugs from the MDHHS Medicaid prior authorization process.	Amended, Passed Senate 36-0 on 9/29/21	Amended, Passed House 97-8 on 2/16/22	P.A. 19 of 2022 took effect on 3/10/22	No position
	SB 166	Mid-level prescribers: Allows Michigan pharmacists to fill non-controlled substance prescriptions written by physician's assistants, APRNs, and veterinarians licensed in other states and Canada.	Passed Senate 34-0 on 3/24/21	Passed House 103-0 on 2/16/22	P.A. 80 of 2022 takes effect 3/29/23	
REGULATIONS						
SALES	SB 134	Synthetic urine: Prohibits the manufacture, sale, or distribution of synthetic urine designed as a drug masking agent.	Amended, Passed Senate 33-1 on 4/21/21	Amended, Passed House 96-10 on 6/30/22	P.A. 147 of 2022 took effect on 7/19/22	No position
TECH	HB 5294	Third-party state transaction disclosure modification: Made adjustments to recently passed law to prohibit third party sites from charging a fee or requiring customers to disclose personal information for online services similar to those the state offers.	Passed House 98-7 on 11/10/21	Passed Senate 38-0 on 2/22/22	P.A. 22 of 2022 took effect on 3/10/22	Neutral
	HB 4015	Third-party state transaction disclosure: Requires any website issuing state licenses to clearly disclose the website is a third-party and to include a link back to the state's official page.	Amended, Passed House 102-7 on 2/24/21	Amended, Passed Senate 35-0 on 6/16/21	P.A. 46 of 2021 took effect on 3/30/22	Neutral
	HB 5486-5487	Transparency and verification of online marketplace sellers: Provides consumer protections by adding transparency measures and a verification process for high-volume third party sellers operating on online marketplaces.	Amended, Passed House 89-15 on 6/21/22	Passed Senate 38-0 on 6/30/22	P.A. 152-153 of 2022 took effect on 1/1/23	
ENVIRONMENT	HB 4454-4461	Solid waste and recycling reforms: Updates to improve Michigan's solid waste, composting, and recycling policies including new goals to offer curbside recycling by 2028 and community recycling drop offs by 2032.	Amended, Passed House [various] on 4/22/21	Passed Senate [various] on 10/7/22	P.A. 243-250 of 2022 takes effect on 3/29/23	
	SB 991	Underground storage tanks: Revised minimum distance required for underground storage tank placement from public water supply systems.	Amended, Passed Senate 36-0 on 5/19/22	Passed House 106-0 on 6/30/22	P.A. 160 of 2022 took effect on 7/19/22	No position
OTHER	HB 4994	Charitable donation unclaimed shoes: Allows shoe repair shops to donate unclaimed shoes if they have been left unclaimed at a place of business for more than six months.	Amended, Passed House 102-3 on 2/1/22	Passed Senate 37-0 on 3/23/22	P.A. 58 of 2022 took effect on 4/7/22	
	HB 4075-4076	Disabled parking signs: Updates the design of disabled access signs (parking signs, etc.) to include the new international symbol of access and requires businesses to use the new design when replacing signs. Can no longer use the term handicapped.	Passed House 101-2 on 10/6/21	Amended, Passed Senate 38-0 on 6/30/22	P.A. 182-183 of 2022 took effect on 10/22/22	Neutral
	HB 4256	Service animals in training: Requires places open to the public, including retail shops and restaurants, to permit the service animals in training by a trainer.	Passed House 94-14 on 5/27/21	Amended, Passed Senate 34-4 on 4/14/22	P.A. 75 of 2022 takes effect on 3/29/23	No position

2022 TRACKED BILL LEGISLATION CONT.

BILL #	BILL SUBJECT/ DESCRIPTION	ACTION IN HOUSE OF ORIGIN	ACTION IN SECOND HOUSE	PUBLIC ACT (EFFECTIVE DATE)	MRA POSITION	
TAXES						
SALES TAX	HB 4976-4978	Streamlined motor fuel treatment: Allows exemptions for motor fuel tax reciprocity agreements from the streamlined sales and use tax and created the Michigan highway reciprocity board.	Amended, Passed House 101-1 on 11/4/21	Passed Senate 38-0 on 2/23/22	P.A. 24-26 of 2022 took effect on 3/10/22	No position
	SB 195	Business interest income tax deduction clarification: Sought to realign Michigan's Corporate Income Tax law with changes made in the Federal CARES Act around business interest expense limitation.	Amended, Passed Senate 23-14 on 3/3/22	Amended, Passed House 63-34 on 12/7/22	VETOED on 12/22/22	No position
INCOME TAX	HB 6070	Credit for paid adoption leave: Provides an income tax credit for employers up to \$4,000 per employee who offer up to 12-weeks paid adoption leave to employees if funded in the next budget.	Amended, Passed House 95-12 on 5/24/22	Amended, Passed Senate 36-0 on 9/20/22	P.A. 207 of 2022 took effect on 10/7/22	No position
OTHER						
OTHER	HB 4698	False active shooter alarm: Adds penalties for falsely pulling an active shooter alarm in a public place.	Amended, Passed House 104-4 on 5/25/21	Passed Senate 31-7 on 6/30/22	P.A. 155 of 2022 took effect on 10/16/22	No position
	SB 691	Organized Retail Crime: Added committing Organized Retail Crime to the racketeering statute, strengthening ORC laws.	Passed Senate 37-0 on 5/17/22	Passed House 67-39 on 6/30/22	P.A. 174 of 2022 took effect on 10/28/22	
	HJR R	Term limits and financial disclosure: Amended the state constitution and term limits to allow state legislators to serve for no more than 12 years. Also requires annual financial disclosure reports from the governor, lieutenant governor, attorney general, secretary of state, and legislators.	House adopted by a 2/3 vote 76-28 on 5/10/22	Senate adopted by a 2/3 vote 26-6 on 5/10/22	Appeared on the ballot as Proposal 1 and was approved by voters on 11/8/22	

FOLLOW ALONG ONLINE!

The tracked bills in this report are just a highlight. Scan the QR code to view the complete, up-to-date bill tracker:



2023 POLITICAL LANDSCAPE

- **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
- **House:** 110 members (56-54 Democrat majority)
 - 2-year terms
 - 51 new, freshmen members + 2 former senators returned to the House
- **Senate:** 38 members (20-18 Democrat majority)
 - 4-year terms
 - 16 freshmen members

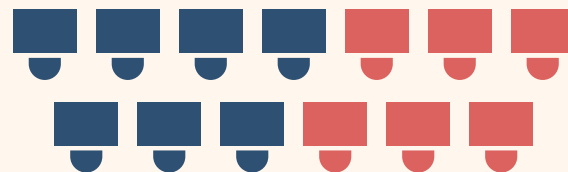
MRA named 99 legislative candidates as Friends of Retail in the 2022 election. Sixty of them won and are serving in the 102nd legislature.

- **U.S. Senate:** Debbie Stabenow (D-Lansing)
Gary Peters (D-Bloomfield Township)
- **U.S. Congress:** 13 members (7-6 Democrat majority)
(Michigan lost another congressional district following 2020 census and redistricting)

Legislative Service Changes

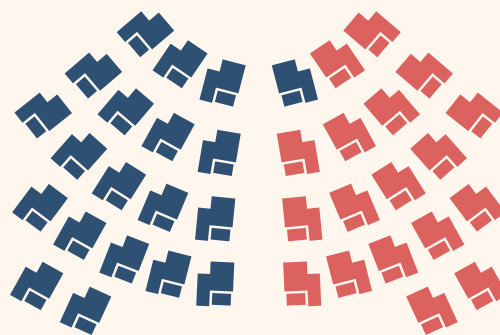
Redistricting and Proposal 1 changed the legislative landscape going forward - what it means:

Following the passage of Proposal 1 of 2022, Legislators can now serve up to 12 years total. Those 12 years can be served in one chamber or a mix between the two. Previously term-limited lawmakers can run in the future if they have served less than 12 total years. It also changes the dynamics for leadership, committee chairs, and policy work.



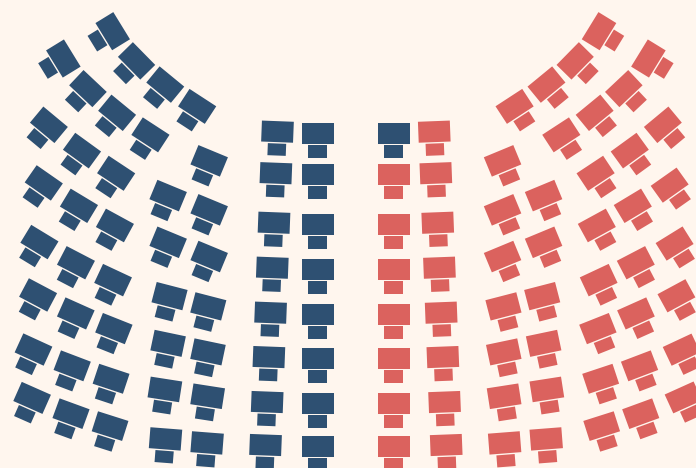
Michigan Congress
13 Seats Total

- Democrat seat (7)
- Republican seat (6)



Michigan Senate
38 Seats Total

- Democrat seat (20)
- Republican seat (18)



Michigan House of Representatives
110 Seats Total

- Democrat seat (56)
- Republican seat (54)

2023 Legislative Priorities

Increase pharmacy capabilities and efficiencies

The pandemic, while mostly considered over, provided some silver linings in showing opportunities where pharmacies could fulfill an important role and provide convenient access to basic healthcare for Michigan residents. The Federal Public Readiness and Emergency Preparedness Act (PREP Act) gave pharmacists broad immunization authority and the ability to order and administer all CLIA-waived testing and subsequent treatment based on test results during the COVID-19 emergency. It also gave pharmacy technicians the ability to administer vaccines and the ability to perform a CLIA-waived test.

CLIA stands for the Clinical Laboratory Improvement Amendments Act of 1988 waived tests. These waived tests must be simple and have a low risk for erroneous results. (Examples include ovulation, blood glucose, urine tests for UTIs flu and rapid strep tests, etc.) MRA worked on draft language in 2022 to make the PREP Act practices permanent under Michigan law and will find legislative sponsors to introduce these changes in 2023. We will also continue working on drafts to make Michigan's temporary COVID-19 flexibilities permanent and opportunities to extend legislation allowing 30-day emergency refills for Insulin to other, non-controlled substance, maintenance medications.

There are additional opportunities to allow pharmacists to prescribe and dispense certain treatments without specific delegated authority from a physician. 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). In order for these additional services and treatments to be effective, pharmacists must be adequately reimbursed for the services they provide and medications they dispense. MRA will continue pursuing fair pharmacy reimbursement in all of our discussions.

Bottle deposit law updates

MRA made progress in 2022 on identifying and drafting some specific reforms last year to the state's bottle deposit law. Those changes were originally contained in a larger effort that fell flat, but which we intend to revive in 2023 as a stand-alone effort to accomplish retailers goals. Grocers know our first-choice would be repeal, but COVID-19 gave us an opportunity to educate legislators, the administration, and consumers about some much-needed reforms on store-level flexibility around cleaning and staffing challenges. Another top goal is to seek opportunities for investment in community infrastructure to

reduce volume in stores. MRA will be exploring whether the recently signed recycling reform legislation can be utilized for investments in community-level projects. Recent media coverage has highlighted the many problems with this 47-year old, archaic law that frustrates nearly everyone from retailers and distributors to environmentalists and recyclers. We'll keep the focus on those problems and offer retail's set of suggested improvements in 2023.



Michigan Solicitor General, Fadwa Hammoud, speaking on the Organized Retail Crime (ORC) panel during June's Retail's Night Out event.

Protect good policy

Over the years, MRA has been successful in securing many legislative victories for retailers that make it easier to do business in Michigan. Some of the major accomplishments we will 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 preemption of local product bans or local taxes on packaging and plastic bags, food, and beverages. Additionally, we'll carefully watch any proposed changes to unemployment tax collection and benefits, workers compensation laws, consumer protection laws, as well as the application of various taxes from business income taxes to property taxes. When it comes to retail, you can trust us to protect your bottom line - and hopefully limit how much state-mandated paperwork you have to do.

Defend against California-type policies

One concern going into the 2023-2024 legislative session is that the new democratic majority will pursue much more progressive policies that are costly and difficult for businesses to implement like those frequently adopted in California. Many of the labor/HR issues MRA monitors are more likely to see movement under a democratic-controlled legislature. Issues like minimum wage increases, paid leave, restrictive scheduling, generous unemployment laws, expanded workers' compensation, higher taxes, plus more environmental and privacy regulations are all likely to receive serious consideration in the new year.

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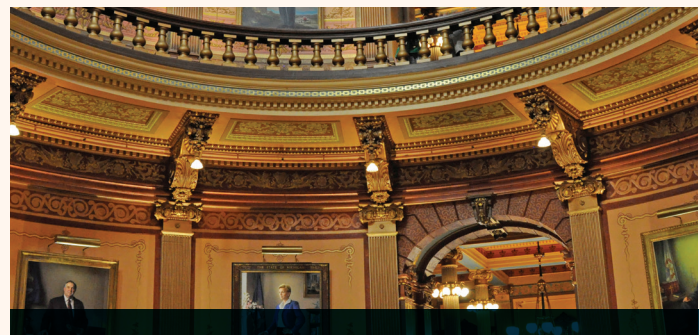
MRA's **Advocacy Fund** enhances MRA's lobbying efforts to support retail in Michigan.



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.



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:



CLICKS to BRICKS

TAKING STOCK IN RETAIL'S ECONOMIC IMPACT IN MICHIGAN

IF MICHIGANDERS REDIRECT 10% OF THEIR ESTIMATED \$30.3 BILLION IN OUT-OF-STATE ECOMMERCE

it would...

INCREASE EMPLOYMENT IN MICHIGAN BY MORE THAN **16,000** NEW JOBS



INCREASE **\$2.2** BILLION IN GROSS ECONOMIC OUTPUT

INCREASE LABOR INCOME **\$660** MILLION

AND MICHIGAN WOULD GAIN

\$1.2 BILLION IN INCREASED ECONOMIC ACTIVITY



WHEN IT COMES TO RETAIL



NON-STORE:
5,000 NEW JOBS



CLOTHING:
1,100 NEW JOBS



GENERAL MERCHANDISE:
1,300 NEW JOBS



ELECTRONIC:
780 NEW JOBS

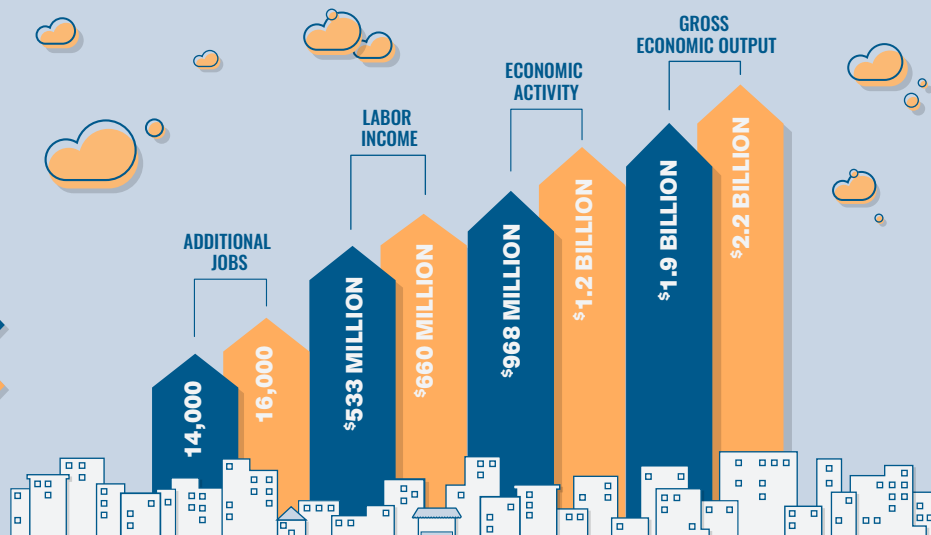
INDUSTRIES WOULD EXPERIENCE THE LARGEST EMPLOYMENT GAINS

HOW THE STATS COMPARE

2021

2022

SHOP LOCAL. BE THE CHANGE.



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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**
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.

 **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.

 **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.

ADDITIONAL INFO

Thank you
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