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To: The Honorable Members of the House Local Government Committee

From: Tim Langholz, Assistant State Director

Date: September 21, 2022

RE: Please Oppose HB 6317 and HB 6318 – Water Management Districts

On behalf of NFIB's small business owners across Michigan, we ask that you oppose House Bills 6317 and 6318.

Michigan's Drain Commissioners have the power to levy taxes and borrow money without a vote of the people, approval from local government officials or the state legislature. they are the one elected official in Michigan that can levy taxes and borrow money without a vote of the people or approval from the county commission or state legislature.

As an elected position, drain commissioners are accountable to their constituents through the electoral process. These bills would take away this accountability by creating taxing authorities that have no oversight or recourse for small business owners in regard to taxes levied. While these water management boards are made up from local elected officials, they include officials elected in different jurisdictions. There is little oversight and ability for small business owners to appeal the board's decisions and have their voice heard during the process of raising their taxes.

We appreciate the necessity of maintaining well-functioning drains and for county government to work together. However, creating autonomous authorities that can levy assessments and raise taxes is not the answer.

Right now, small businesses in Michigan are struggling. In addition to the government shutdowns of the past two years, they are dealing with labor shortages, supply chain issues, inflation, and increased government regulations that continue to drive up costs in all areas. Increasing the ways that government can tax our small businesses only slows the ability to grow our economy and stifles any new growth.

It is for all these reasons that we ask you to oppose HB 6317 and HB 6318. Thank you for your continued support of small businesses.