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To: Honorable Members of the House Government Operations Committee
From: Charles Owens, State Director
Date: January 28, 2020
RE: Please Support Senate Concurrent Resolution 18 – No Mandated Labor Agreements

We are writing to ask your support for Senate Concurrent Resolution 18 that would prohibit the inclusion of “labor peace agreements” or any similar labor agreement in the administrative rules of this state.

The need for this check on administrative rule power, is due to the abuse of the licensing process through rules being proposed by the Michigan Department of Licensing and Regulatory Affairs (LARA) for the marihuana industry.

First and foremost, NFIB has taken no position on the issue of marihuana legalization or use, nor do we intend to do so. Our concerns are that the rules, as currently proposed for this industry, could have serious repercussions for all businesses in Michigan, especially small business.

Language included in the current draft rules for Michigan marihuana licensing would mandate union agreements between the employer and employees of marihuana retailers and growers as a condition of obtaining the license required by the state to be in business. If a state agency can require the employees of a specific company in a specific industry to be union members in order to receive a license to conduct business in the state, then they could impose the same requirement on any trade or business that requires a license from the state to operate. As you are aware, Michigan currently requires licenses to operate for many other varied businesses and occupations. The precedent that would be established in the marihuana licensing rules could affect thousands of small businesses. In addition, if this attempt to force employees into labor unions as a condition of licensing is successful, it would be no surprise to see new proposals to require licenses for almost any type of business endeavor in order to pursue the forced unionization of employees in even more small businesses.

Labor union advocates are using the agency rules process to get what they cannot get from the legislature. Just weeks ago, the Whitmer administration announced a similar effort to go around the legislature to implement new overtime requirements via the rules process. We urge you and your colleagues in the House to do your utmost to halt this abuse of the rules process where unelected and unaccountable career bureaucrats continue to usurp the legislature’s constitutional authority to make the laws in our state.

Thank you for your help and thank you for your support of small business.

A handwritten signature in black ink that reads "Charles Owens".

Charles Owens

NFIB State Director