



MICHIGAN  
HOUSE OF REPRESENTATIVES  
P.O. Box 30014  
LANSING, MICHIGAN 48909-7514

THE MINUTES OF THE HOUSE STANDING COMMITTEE  
ON  
COMMERCE AND TRADE

Tuesday, December 1, 2015

10:30 a.m.

Room 519 House Office Building

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The House Standing Committee on Commerce and Trade was called to order by **Representative Joseph Graves**, Chair.

**MEMBERS PRESENT:** Representatives Graves, Sheppard, Callton, Jenkins, Johnson, Rendon, Somerville, Hughes, Barrett, Garcia, Glenn, Leutheuser, Schor, Townsend, Byrd, Garrett, Geiss, Love and Moss.

**MEMBERS ABSENT/EXCUSED:** None.

**Representative Shepard** moved to adopt the minutes from the **November 10, 2015**, meeting. There being no objection, the motion prevailed by unanimous consent.

**Chair Graves** laid **SB 538** before the committee:

SB 538 (Brandenburg) State financing and management; escheats; uniform unclaimed property act; streamline audit process.

The substitute (H-1) was adopted on November 10, 2015.

**TESTIMONY**

**Howard Ryan**, Legislative Liaison, representing the Michigan Department of Treasury, testified in support of the bill.

**Representative Sheppard** moved to adopt the substitute (**H-2**) to **SB 538**.

The motion prevailed by a vote of **18-0-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Graves, Sheppard, Callton, Jenkins, Johnson, Rendon, Somerville, Hughes, Barrett, Garcia, Glenn, Leutheuser, Schor, Townsend, Garrett, Geiss, Love and Moss,

Nays: None,

Pass: None.

**Representative Shepard** moved to report **SB 538** with recommendation as substitute (**H-2**).

The motion prevailed by a vote of **18-0-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Graves, Sheppard, Callton, Jenkins, Johnson, Rendon, Somerville, Hughes, Barrett, Garcia, Glenn, Leutheuser, Schor, Townsend, Garrett, Geiss, Love and Moss,  
Nays: None,  
Pass: None.

**Chair Graves** laid **HR 184** before the committee:

HR 184 (Sheppard) A resolution to urge the United States Senate to concur with the United States House of Representatives and repeal the country-of-origin labeling regulations.

**Representative Schor** offered and moved to adopt the substitute (**H-1**) to **HR 184**.

The motion did not prevail by a vote of **7-12-0**.

**UNFAVORABLE ROLL CALL:**

Yeas: Representatives Schor, Townsend, Byrd, Garrett, Geiss, Love and Moss,  
Nays: Representatives Graves, Sheppard, Callton, Jenkins, Johnson, Rendon, Somerville, Hughes, Barrett, Garcia, Glenn and Leutheuser,  
Pass: None.

**TESTIMONY**

**Matt Blakely**, representing the Michigan Department of Agriculture and Rural Development (MDARD), answered questions from the committee members.

**Representative Sheppard** moved to report **HR 184** with recommendation.

The motion prevailed by a vote of **13-6-0**.

**FAVORABLE ROLL CALL:**

Yeas: Representatives Graves, Sheppard, Callton, Jenkins, Johnson, Rendon, Somerville, Hughes, Barrett, Garcia, Glenn, Leutheuser and Geiss,  
Nays: Representatives Schor, Townsend, Byrd, Garrett, Love and Moss,  
Pass: None.

**Chair Graves** laid **SB 492** and **SB 493** before the committee.

SB 492 (Brandenburg) Businesses; franchises; employer responsibilities for employees; allocate between franchisor and franchisee.

SB 493 (Proos) Worker's compensation; employers; conditions that determine when a franchisor is an employer of an employee of a franchisee; establish.

### **TESTIMONY**

**Dan Papineau** from Senator Brandenburg's office testified in support of the bills.

**Kim Wadaga** from Senator Proos' office testified in support of the bills.

Questions and discussion followed.

**Chair Graves** laid **HB 5070, HB 5071, HB 5072** and **HB 5073** before the committee:

HB 5070 (Leutheuser) Labor; health and safety; franchisee and franchisor responsibility as employer under the Michigan occupational safety and health act; clarify.

HB 5071 (Somerville) Labor; hours and wages; employer responsibility for employees; allocate between franchisor and franchisee.

HB 5072 (Jenkins) Labor; hours and wages; franchisor responsibility for minimum wage violations; clarify.

HB 5073 (Garcia) Employment security; employers; franchisee and franchisor responsibility for contributions and benefits; clarify.

### **TESTIMONY**

**Representative Leutheuser**, sponsor of HB 5070, explained his bill to the committee.

**Representative Jenkins**, sponsor of HB 5072, explained her bill to the committee.

**Representative Garcia**, sponsor of HB 5073, explained her bill to the committee.

**Representative Somerville**, sponsor of HB 5071, explained his bill to the committee.

**Charlie Owens**, State Director, representing the National Federation of Independent Business (NFIB), testified and submitted written testimony in support of the bills.

**Jon Sorber**, Executive Vice-President, representing Two Men and A Truck, testified and submitted written testimony in support of the bills.

**Michael Stafford**, Owner, representing Two Men and a Truck-Livonia, testified in support of the bills.

**Tom Little**, President, representing Service Master of Kalamazoo, testified and submitted written testimony in support of the bills.

Questions and discussion followed.

*The following individuals submitted a card and/or written testimony but did not wish to speak:*

Representative Sheppard submitted a handout for the committee.

Jim Holcomb, representing the Michigan Chamber of Commerce, supports the bills.

Justin Winslow, representing the Michigan Restaurant Association, supports the bills.

Nick Ciaramitaro, representing the American Federation of State, County and Municipal Employees (AFSCME), opposes SB 492, HB 5071, HB 5072 and HB 5073.

Matt Miner, representing the International Franchise Association and the US Chamber Institute for Legal Reform, supports SB 492 and SB 493.

Jeff Hanscom, representing the International Franchise Association, supports the bills.

Allie Bush, representing the Grand Rapids Area Chamber of Commerce, supports the bills.

Jonathan Byrd, representing Laborers International Union of North America, opposes SB 492 and SB 493.

David Kelly, representing the United Auto Workers (UAW), opposes SB 492 and SB 493.

Brendan Ringlever, representing McDonald's, supports the bills.

Mike Manzano, representing the Small Business Association of Michigan (SBAM), supports SB 492 and SB 493.

Fran Brennan, representing the Michigan-AFL-CIO, opposes SB 492 and SB 493.

Kurt Berryman, representing the Auto Dealers of Michigan, supports the bills.

There being no further business to come before the committee, the Chair adjourned the meeting at 11:40 a.m.

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**Representative Joseph Graves, Chair**  
**House Standing Committee on Commerce and Trade**  
Malika Abdul-Basir  
Committee Clerk  
517-373-7256  
1 Hour and 10 Minutes