



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 170 (as introduced 3-9-23)
Sponsor: Senator Sean McCann
Committee: Labor

(Senate-passed version)

Date Completed: 6-20-23

CONTENT

The bill would repeal the Fair and Open Competition in Governmental Construction Act, which generally prohibits a governmental unit from doing the following:

- Requiring an agreement for construction or demolition of a facility owned by the governmental unit to stipulate the use of a labor organization.
- Discriminating against a bidder or contractor for using or refusing to use a labor organization in the construction or demolition of a facility owned by the governmental unit.

MCL 408.871 - 408.883 (repealed)

PREVIOUS LEGISLATION

(Please note: This section does not provide a comprehensive account of all previous legislative efforts on the relevant subject matter.)

The bill is a reintroduction of House Bill 4593 of the 2021-2022 Legislative Session.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

This bill could have a negative fiscal impact on local governmental units, school districts, and the State. It would eliminate a rule that prevents discrimination based on collective bargaining status. If a local governmental unit, school district, or the State were to include provisions in contracts, it could reduce the number of eligible contractors resulting in higher bids and higher contract costs. The bill would eliminate the restrictions but would not require local governmental units, school districts, and the State to add these provisions, which means that if they did not add these provisions there would be no fiscal impact.

Fiscal Analyst: Bobby Canell

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.