

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4052**

A bill to limit the powers of local governmental bodies regarding the regulation of terms and conditions of employment within local government boundaries for employees of nonpublic employers.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. This act shall be known and may be cited as the "local  
2 government labor regulatory limitation act".

3           Sec. 2. The legislature finds and declares that regulation of  
4 the employment relationship between a nonpublic employer and its  
5 employees is a matter of state concern and is outside the express  
6 or implied authority of local governmental bodies to regulate,  
7 absent express delegation of that authority to the local

1 governmental body.

2 Sec. 3. As used in this act:

3 (a) "Educational institution" means any of the following:

4 (i) A school district, an intermediate school district, or a  
5 public school academy as those terms are defined in sections 4 to 6  
6 of the revised school code, 1976 PA 451, MCL 380.4 to 380.6.

7 (ii) A community college established under the community  
8 college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under  
9 part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to  
10 1607.

11 (b) "Employee" means a person employed in this state by an  
12 employer.

13 (c) "Employer" means a person or entity engaging in or  
14 intending to engage in a commercial activity, enterprise, or  
15 business in this state, but excludes a local governmental body or  
16 an educational institution.

17 (d) "Local governmental body" means any local government or  
18 its subdivision, including, but not limited to, a city, village,  
19 township, county, or educational institution; a local public  
20 authority, agency, board, commission, or other local governmental,  
21 quasi-governmental, or quasi-public body; or a public body that  
22 acts or purports to act in a commercial, business, economic  
23 development, or similar capacity for a local government or its  
24 subdivision.

25 (e) "Local policy" does not include the terms of an agreement  
26 voluntarily offered to a local governmental body by an owner,  
27 purchaser, or developer of property.

## House Bill No. 4052 as amended June 11, 2015

1           Sec. 4. A local governmental body shall not adopt, enforce, or  
2 administer an ordinance, local policy, or local resolution  
3 regulating the employment relationship between an employer and its  
4 employees or potential employees if the regulation contains  
5 requirements exceeding those imposed by state or federal law. <<This  
6 section does not prohibit an ordinance, local policy, or local  
7 resolution requiring a criminal background check for an employee or  
8 potential employee in connection with the receipt of a license or  
9 permit from a local governmental body.>>

6           Sec. 5. A local governmental body shall not adopt, enforce, or  
7 administer an ordinance, local policy, or local resolution  
8 regulating information an employer or potential employer must  
9 request, require, or exclude on an application for employment from  
10 an employee or a potential employee.

11           Sec. 6. A local governmental body shall not adopt, enforce, or  
12 administer an ordinance, local policy, or local resolution  
13 requiring an employer to pay to an employee a wage higher than the  
14 state minimum hourly wage rate determined under section 4 of the  
15 workforce opportunity wage act, 2014 PA 138, MCL 408.414, or, if  
16 applicable to the employer, the minimum wage provisions of the fair  
17 labor standards act of 1938, 29 USC 201 to 219, unless those  
18 federal minimum wage provisions would result in a lower minimum  
19 hourly wage than provided under state law.

20           Sec. 7. A local governmental body shall not adopt, enforce, or  
21 administer an ordinance, local policy, or local resolution  
22 requiring an employer to pay to an employee a wage or fringe  
23 benefit based on wage and fringe benefit rates prevailing in the  
24 locality. This section does not apply to state projects subject to  
25 1965 PA 166, MCL 408.551 to 408.558.

26           Sec. 8. A local governmental body shall not adopt, enforce, or  
27 administer an ordinance, local policy, or local resolution

1 regulating work stoppage or strike activity of employers and their  
2 employees or the means by which employees may organize.

3       Sec. 9. A local governmental body shall not adopt, enforce, or  
4 administer an ordinance, local policy, or local resolution  
5 requiring an employer to provide to an employee paid or unpaid  
6 leave time.

7       Sec. 10. A local governmental body shall not adopt, enforce,  
8 or administer an ordinance, local policy, or local resolution  
9 regulating hours and scheduling that an employer is required to  
10 provide to employees. This section does not prohibit an ordinance,  
11 local policy, or local resolution that limits the hours a business  
12 may operate.

13       Sec. 11. A local governmental body shall not adopt, enforce,  
14 or administer an ordinance, local policy, or local resolution  
15 requiring an employer or its employees to participate in any  
16 educational apprenticeship or apprenticeship training program that  
17 is not required by state or federal law.

18       Sec. 12. A local governmental body shall not adopt, enforce,  
19 or administer an ordinance, local policy, or local resolution  
20 requiring an employer to provide to an employee any specific fringe  
21 benefit or any other benefit for which the employer would incur an  
22 expense, including, but not limited to, those enumerated in  
23 sections 7 to 11.

24       Sec. 13. A local governmental body shall not adopt, enforce,  
25 or administer an ordinance, local policy, or local resolution  
26 regulating or creating administrative or judicial remedies for  
27 wage, hour, or benefit disputes, including, but not limited to, any

1 benefits described in sections 7 to 12.

2       Sec. 14. If any parts of this act are found to be in conflict  
3 with the state constitution of 1963, the United States  
4 constitution, or federal law, this act shall be implemented to the  
5 maximum extent that the state constitution of 1963, the United  
6 States constitution, or federal law permit. Any provision held  
7 invalid or inoperative is severable from the remaining portions of  
8 this act.

9       Sec. 15. This act does not prohibit a local governmental body  
10 from adopting or enforcing an ordinance, policy, or resolution  
11 prohibiting employment discrimination.

12       Sec. 16. Subject to sections 6 to 12, this act does not  
13 prohibit a local governmental body from adopting, enforcing, or  
14 administering an ordinance, local policy, or local resolution that  
15 provides for the terms and conditions of an agreement between an  
16 employer and the local governmental body in connection with the  
17 provision of services directly to the local governmental body or in  
18 connection with the receipt of a grant, tax abatement, or tax  
19 credit from the local governmental body.

20       Sec. 17. This act does not prohibit a local governmental body  
21 from enforcing a written agreement entered into and in effect prior  
22 to October 1, 2015.

23       Enacting section 1. This act takes effect 90 days after the  
24 date it is enacted into law.