

September 22, 2020

The Honorable Jason Sheppard
Chair, House Committee on Government Operations
PO Box 30014
Lansing, MI 48909

Dear Representative Sheppard:

Serving the business community for over a hundred years, the Detroit Regional Chamber views each individual piece of legislation through the lens of how it will impact our membership. From time to time we find a piece of legislation that will benefit one segment of our membership at the expense of others which requires us to judge the legislation based on its overall impact to the business community and economic impact to our region and state. With that in mind, the Chamber opposes House Bill 6233 and asks the House to return to the drawing board.

The last time the Legislature debated whether or not the dealer/franchise model was the appropriate business model for the next generation of electric vehicles in 2014, the Chamber wrote to members of the Legislature “The Chamber believes that the Detroit Region, as the epicenter of the global automotive industry and the leader in next generation mobility, should have a business environment where all participants play by a common set of rules.” Some circumstances have changed since 2014, but the Chamber still believes that our hometown companies and their competitors should be under the same set of rules. We also know that our manufacturing companies value the relationships that they have with their dealers, who also are Chamber members and great employers throughout the state.

There are other provisions in the legislation that fall outside of the dealer/franchise question. In particular, the provision that strikes the ability for a manufacturer to levy a fee or surcharge for warranty parts reimbursement. The Chamber believes that since this was negotiated as part of a legal settlement, a change of this magnitude is best achieved through further negotiation involving all parties agreeing to a solution.

Thank you for your service to Michigan. We look forward to continued work on this and other important matters. Feel free to reach out to me with questions or concerns.

Sincerely,

Brad Williams
Vice President, Government Relations