



June 21st, 2023

Members of the Michigan House of Representatives and Michigan Senate:

On behalf of more than 31,000 members of the Small Business Association of Michigan, located in all 83 counties in our state, we wish to express our opposition to Senate Bills 271, 272, 273, 274 and 276. We also oppose House Bills 4759-4761.

Small businesses need access to reliable and affordable energy. SBAM public policy positions are developed for and by small business owners and are aimed at fostering an environment of success around our entrepreneurs and small businesses who provide about half of all jobs in Michigan. We ask that policy makers approach energy policy modifications with the following in mind:

- 1) Energy must be both affordable and reliable for small businesses to survive and grow. Energy regulations should not increase costs or decrease reliability.
- 2) To the extent that regulations force changes in the energy production portfolio, policies should leverage established, evidence-based practices, not to be confused with aspirational goals. Regulations should be clear and prudent, transparently measuring the cost-benefit analysis and economic impacts of proposed changes.
- 3) Policies should ensure that any mandated transition within the energy portfolio effectively addresses the state's current and future energy needs, is durable and consistent, and supports economic growth.
- 4) Energy policy must be economically feasible and technologically reasonable, identifying and addressing unintended consequences as the state seeks to transition away from carbon dependence. It is critical that policies be viewed through regional, national and global lenses and are balanced with a holistic view of the state's needs.
- 5) A diverse mix of the state's energy generation portfolio is an important part of maintaining energy reliability.

The bills, as written, are counter to the principles and goals stated above. If enacted, they would create significant hardship on small businesses that are already facing significant cost increases in recent years. Furthermore, Michigan will also diminish its competitiveness in attracting new investment due to the anticipated negative impact on affordability and reliability.

Small businesses and entrepreneurs are largely responsible for Michigan's strong economic performance coming out of the pandemic. Policies that increase costs and decrease the reliability of the energy portfolio put our economic health at risk.

We respectfully ask that you oppose the bills as presented and we remain committed to participating in discussions to achieve the goals of the bill sponsors without putting our economic health at risk.