

Legislative Analysis



CALL CENTER JOBS RETENTION ACT

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bills 5164 and 5165 as introduced

Sponsor: Rep. Amos O’Neal

Committee: Labor

Complete to 11-2-23

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

Together, House Bills 5164 and 5165 would require the Michigan Department of Labor and Economic Opportunity (LEO) to maintain a registry of call centers that have relocated internationally out of Michigan and would disqualify those call centers from eligibility for economic development incentives administered by the Michigan Strategic Fund (MSF). The bills would take effect 90 days after they are enacted.

House Bill 5164 would create the “Call Center Jobs Retention Act,” which would require LEO to maintain a registry of *call centers* that have relocated out of the United States.

Call center would mean a centralized office used primarily for receiving or transmitting requests or inquiries by phone.

A person that employs at least 50 full- or part-time individuals at a call center would have to provide LEO with at least 30 days’ notice before relocating the call center, or a facility or operating unit within a call center that comprises at least 30% of its total call volume,¹ from Michigan to a foreign country. Violating employers would be responsible for a state civil infraction and could be fined up to \$10,000.

Every six months, beginning six months after the bill takes effect, LEO would have to publish a registry of those employers on its website, which would have to include the following information:

- The name of the employer.
- The date of the relocation.
- The number of jobs to be relocated.
- The location (including the city and country) of the relocated call center, facility, or operating unit.

House Bill 5165 would add a new section to the Michigan Strategic Fund Act that would, beginning October 1, 2024, require the MSF to establish requirements to ensure that a business listed on the call center registry does not receive funding, grants, loans, or other economic assistance under the act.

The bill is tie-barred to House Bill 5164, meaning that it cannot take effect unless HB 5164 is also enacted.

Proposed MCL 125.2015

¹ The facility or unit’s share of the call volume would be measured against the call center’s average call volume during the immediately preceding twelve months.

BACKGROUND:

House Bills 5164 and 5165 are reintroductions of HBs 5835 and 5836 of the 2021-22 legislative session, HBs 5625 and 5626 of the 2019-20 session, and HBs 4988 and 4989 of the 2017-2018 session. The bills are also identical to Senate Bills 582 and 583 of the current session.

FISCAL IMPACT:

The bills would increase costs to the Department of Labor and Economic Opportunity and the Michigan Strategic Fund and have no direct fiscal impact on local government. The amount of increase to LEO and the MSF would depend on the costs of the additional administrative responsibilities under the bills' provisions and are not likely to be significant.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.