NORTHERN MICHIGAN CHAMBER ALLIANCE

Q4 PARTNER UPDATE

DEFENDING REGIONAL INVESTMENTS AMIDST $645M BUDGET DISAPPROVAL

In December, the Michigan House Appropriations Committee disapproved $645 million in FY 2025 work projects, including more than $56 million designated for northern Michigan. This unprecedented action directly threatened critical investments across the northern Lower and Upper Peninsulas and raised serious concerns about the reliability of Michigan's budget process.

In response, the Northern Michigan Chamber Alliance called on northern Michigan House members to advocate for action following the Michigan Senate's approval of House Bill 4576, a supplemental appropriations bill designed to restore the cut funding.

"For rural regions like northern Michigan and the Upper Peninsula, where securing investment already requires overcoming significant barriers, it's imperative that our representatives advocate for this bill to be taken up by the House and passed by the end of the year."

Nikki Devitt, Chair of the NMCA and president and CEO of the Petoskey Regional Chamber of Commerce

On December 16, Senators Bumstead, Damoose, and McBroom voted in support of the legislation to ensure that essential human needs, workforce, and talent-support projects could move forward.

In a letter to the Northern Caucus, the Alliance urged representatives to stand with the region's senators and advocate for the restoration of $56 million in projects. The letter emphasized that restoring these funds was critical not only to protect regional investments but also to maintain trust in the state's commitment to previously approved projects.

The eliminated projects included funding for programs supporting soon-to-be and new mothers, in-demand occupational training, entrepreneurship development, internship and experiential learning opportunities, housing for unhoused residents in the Upper Peninsula, and other community-centered initiatives.

MOVING FORWARD...

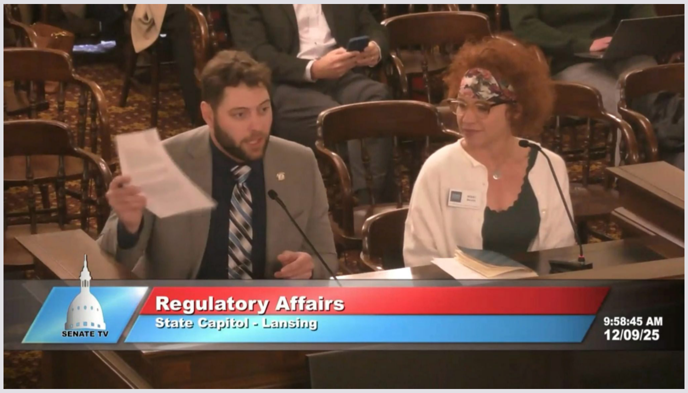
Looking ahead to the new legislative year, the Alliance is working closely with elected officials and impacted members to ensure that cuts to funding are restored prior to passage of the fiscal year '27 state budget.

ADVOCACY IN ACTION

Throughout the quarter, the Alliance prioritized advocating for job-creation policies that reflect the realities of northern Michigan's small-business-driven economy. The Alliance strongly emphasized that statewide incentive programs must include realistic thresholds that allow small and mid-sized employers to participate and benefit.

Alliance leaders Nikki Devitt, Christopher Germain, and Dakota Baker spent time in Lansing advocating directly with legislators as job-creation incentive proposals were developed. These discussions focused on ensuring that policymakers across the state understand that northern Michigan relies predominantly on small businesses, which require flexible, attainable program criteria to create new jobs.

The Alliance consistently reaffirmed its belief that all jobs are good jobs and that every new position created, regardless of size or sector, strengthens local communities and contributes to regional economic stability.



LEGISLATIVE TESTIMONY

In addition to policy analysis and coalition work, the Alliance engaged directly in the legislative process throughout the quarter. Alliance representatives advocated in Lansing on issues related to House Bill 4576 and the work project cuts and provided testimony before a Senate committee on the proposed Hire Package. These efforts ensured that northern Michigan's employers, workers, and communities were directly represented during key policy deliberations.

FEDERAL & CROSS-BORDER TRADE ADVOCACY

During Q4, the Alliance joined the U.S. Chamber of Commerce in signing a letter to the White House advocating for the continued importance of the U.S.–Canada–Mexico trade agreement.

The Alliance's participation in this letter reflects how important cross-border trade is to northern Michigan's economy. Many northern Michigan businesses rely on Canada as a key trading partner, and our region's proximity to the international border makes stable, tariff-free access to Canadian markets especially vital. NMCA stressed that strong international relations and a predictable trade environment directly benefit local manufacturers, agricultural producers, tourism-related businesses, and service providers whose goods and services flow back and forth across the U.S.–Canada border each year.

UNEMPLOYMENT INSURANCE REFORM & EMPLOYER PROTECTION

The Michigan Senate unanimously advanced Senate Bill 700, which would limit the state's recovery of paid unemployment benefits to three years and require recovery waivers for certain benefits issued due to government error. The legislation specifically addressed COVID-era unemployment payments made as a result of administrative mistakes.

The Northern Michigan Chamber Alliance supported these reforms while also advocating for protections for employers. The Alliance worked closely with Senator Damoose to pass an amendment holding the Unemployment Insurance Agency Trust Fund harmless, ensuring that any costs associated with the legislation would not be shifted onto the business-funded account.

MEMBER EDUCATION: FEDERAL TAX POLICY PREPAREDNESS

To help businesses navigate changing federal tax policy, NMCA hosted a webinar in partnership with Rehmann focused on federal legislation H.R. 1, also known as the "One Big Beautiful Bill Act," and Michigan's decision to decouple from portions of the law.

To maximize accessibility and impact, the webinar was recorded and distributed to registered participants and made available on the Traverse Connect YouTube channel.

Attendees walked away with fresh insights and actionable takeaways on how shifting political dynamics may influence policy and business in the year ahead.

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