



Testimony in Opposition to HB2186
Mr. Daniel Murray
Kansas State Director, National Federation of Independent Business

House Commerce, Labor & Economic Development Committee
February 21, 2019

Chairman and members of the committee, I am pleased to submit testimony in opposition to HB2186 on behalf of NFIB Kansas. NFIB Kansas is the leading small business organization in Kansas representing small and independent businesses. A non-profit, nonpartisan organization founded in 1943, NFIB Kansas represents the consensus views of its over 4,400 members in Kansas.

HB 2186 would mandate that any employer that provides sick leave benefits to an employee, must allow the employee to use the sick leave for absences because of an illness, injury or medical appointment of his or her child, stepchild, spouse, domestic partner, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent or stepparent. And, among other provisions, the employer would not be allowed to deny an employee the right to use personal sick leave or discharge, threaten to discharge, demote, suspend or discriminate against the employee.

NFIB Kansas opposes this bill because it places a new mandate on employers and artificially interferes with employers' ability to negotiate employee compensation and benefits. Small business owners want to and do provide robust benefits to their employees so that they can attract and retain qualified employees. The marketplace, not government, should determine the appropriate level of pay and benefits. Further, employer mandates like the one proposed in HB2186 are particularly impactful to small employers. Small shops which rely on lean staffing can ill-afford to have healthy employees out of the office. In fact, the federal government has long-acknowledged the costly and disproportionate impact the Family and Medical Leave Act (FMLA) mandates have on small employers by exempting those with fewer than 50 employees.

Finally, while HB2186 may seem innocuous, we believe it could lead to the expansion of other FMLA-like mandates on small employers in Kansas. NFIB conducted a study on the three main costs for small business owners that would be caused by an expansion of the FMLA: labor costs, management costs and various fees. The results of the analysis suggest that an expanded version of the FMLA would have serious, negative effects on the small business sector. In past NFIB surveys of members, spanning a period of 5 years, virtually 90 percent of small business owners have consistently opposed expansion of FMLA coverage to unpaid leave. You can imagine what that response would be to mandated paid leave in Kansas.ⁱ Small business owners want to take care of their employees, many of whom are like family. But, an employer mandate like the one proposed in HB2186 is the next step towards costly, job-killing FMLA-like mandates on Kansas small businesses.

Thank you for your consideration of our comments, and we strongly urge you to oppose HB2186.

ⁱ **The Economic Costs of Expanding the Family and Medical Leave Act to Small Business**; Bruce D. Phillips, Senior Fellow in Regulatory Studies, NFIB Research Foundation: http://www.nfib.com/Portals/0/Costs_of_Expanding_FMLA_RIM.pdf