

## Testimony in Opposition to 22rs2357 Mr. Daniel Murray Kansas State Director, National Federation of Independent Business

## 2021 Special Committee on Government Overreach & The Impact of COVID-19 Mandates November 12, 2021

Madam Chair and members of the committee, NFIB Kansas opposes 22rs2357 which expands unemployment insurance (UI) coverage to those workers impacted by the federal government's dubious vaccine mandates. 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 3,000 members in Kansas.

NFIB stands against ANY mandate that restricts the freedom of small businesses, including the Biden Administration's OSHA rule mandating vaccines. In fact, NFIB on Tuesday filed a <u>legal challenge</u> to the administration's emergency temporary standard, which would mandate businesses with 100 or more employees require workers take the COVID-19 vaccine or undergo weekly testing and wear masks while at work. The small business economy is fragile, and owners continue to manage several business challenges regarding staffing and supply chain disruptions. This mandate only increases those challenges and threatens to cause an enormous financial loss. Ultimately, the mandate restricts the freedom small business owners depend on to run their businesses and is a clear example of administrative overreach.

Thus, NFIB appreciates the scrutiny that this committee has given to the federal mandates which threaten the small business economic recovery. But we must be vigilant that the problems created by the federal mandates are not exacerbated by responding state action. As previously mentioned, small business owners are facing numerous challenges right now, including finding qualified workers, dealing with supply chain issues, inflation and threats of higher small business taxes and fees. And owners are concerned about their future. The NFIB Small Business Optimism Index decreased again in October. So, the last thing a small business owner needs right now is to pay higher UI taxes stemming from the very federal mandate NFIB opposes.

Unfortunately, this measure does not protect small business owners from incurring UI tax increases resulting from its proposed additional UI payments. The challenges facing many employers and workers created by the Biden administration's vaccine mandates are real and troubling. But state solutions to the federal mandates should not include ones that place additional burdens on the many small business owners who never asked for the mandates. The Kelly administration and the legislature have and continue to work overtime this year to address the security and stability of the UI Trust Fund and protect small business owners from unintended UI tax increases. Let's not take action that could undermine that good work.

We welcome the opportunity to work with the legislature and other stakeholders to ensure the cost of any expansion of UI benefits is not borne on the backs of small businesses. However, this bill, as written, does not provide that protection. Thank you for the opportunity to provide comments today and we respectfully ask that you oppose 22rs2357 as written.