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February 15, 2023

Senate File 6 (Port)

Dear Chair Klein and Senate Commerce Committee Members,

The National Federation of Independent Business (NFIB) represents 10,000 small businesses in every corner of Minnesota. Our mission is to advocate for the best interests of Main Street.

We appreciate the opportunity to comment on Senate File 6, which establishes limitations on pricing changes during a declared emergency.

NFIB encourages the committee to maintain the bill's focus on declared emergencies and flexibility to make price adjustments based on current economic conditions. However, we urge the committee to provide greater certainty and clarity for small businesses in times of crisis:

- **Clearer Timelines.** Require the governor to state the period for which pricing limitations are in effect upon invocation of this section and set the pricing limitations to end upon expiration of the governor's emergency declaration. Following a flood, in a pandemic, or during another emergency, small businesses are likely to be focused on protecting or rebuilding their business, employees and communities. Clarity equals better compliance.
- **Fairer Penalties.** Establish reasonable penalty caps and protect small businesses that make good faith errors. A graduated penalty structure and ability to remedy an initial violation is appropriate given the potential for honest mistakes during a chaotic time. Not every small business has sophisticated price and inventory tracking systems that make it easy to know the average price during the period prior to an emergency. In the event of certain natural disasters, some may lose access to records entirely.

NFIB strongly opposes the creation of a private action to recover damages in addition to the up to \$25,000 per violation civil penalty in the bill.

Thank you for considering the concerns of small business.

Sincerely,

A handwritten signature in black ink, appearing to read "John L. Reynolds".

John L. Reynolds
NFIB Minnesota State Director
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