

180 5th St. E. Ste. 260 St. Paul, MN 55101

651-293-1283 NFIB.com/MN Twitter: @NFIB_MN

February 22, 2023

Senate File 6 (Port)

Dear Chair Latz and Senate Judiciary Committee Members,

The National Federation of Independent Business (NFIB) represents 10,000 small businesses in every corner of Minnesota. Our average member employs 10 Minnesotans and earns \$500,000 in gross annual sales. NFIB's 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.

NIFB 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 clarity and certainty 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.** 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.
- **Private Right of Action**: We strongly oppose the private right of action and guarantee of treble damages on top of the civil penalty. For small businesses, a potential fine of \$25,000 is ruinous and a significant deterrent to the conduct this proposal seeks to prohibit.

Thank you for considering the concerns of small business.

Sincerely,

John L. Reynolds Minnesota State Director National Federation of Independent Business john.reynolds@nfib.org