

380 St. Peter St., Ste. 750 St. Paul, MN 55101

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

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Senate File 258 (Latz)

Chair Klein and Senate Commerce and Consumer Protection Committee Members -

The National Federation of Independent Business (NFIB) represents over 10,000 small businesses across Minnesota. Our mission is to promote and protect the rights of our members to own, operate, and grow their businesses.

NFIB Minnesota opposes Senate File 258, which would prohibit restaurants from including non-gratuitous surcharges on the sale and purchase of goods.

Small and independent restaurants operate on extremely thin margins, and surcharges provide them with a mechanism to manage increasing costs associated with wages, benefits, and compliance with state and local regulations. A prohibition on non-gratuitous surcharges would force restaurants to either absorb the additional cost or increase menu prices across the board, which can deter customers and reduce overall business activity.

Furthermore, the Minnesota Price Transparency Law that was enacted during the 2024 Legislative Session already requires restaurants to include all mandatory fees and surcharges in the total price that is advertised to customers. Customers can make informed choices, and businesses can remain competitive without drastically altering their pricing structures.

Thank you for the opportunity to provide comments. We urge the committee to oppose Senate File 258.

Sincerely,

Jon Boesche

Minnesota State Director

National Federation of Independent Business

jonathan.boesche@nfib.org