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Dear Representative:

On behalf of NFIB, the nation's leading small business advocacy organization, I write in strong opposition to the Schakowsky amendment #3 to H.R. 7900, the *National Defense Authorization Act for Fiscal Year 2023*.¹ A recorded vote on this amendment will be considered an NFIB Key Vote for the 117th Congress.

The Schakowsky amendment would require the Department of Defense (DOD) to give preference to businesses that have entered into agreements with unions to perform work on a project. This preference would likely result in businesses with a union workforce winning contracts over businesses with a non-union workforce regardless of the qualifications of the two competitors.

This amendment would not only unfairly disadvantage high-performing independent businesses that choose to hire a non-union workforce but would also result in more expensive federal government contracts. The amendment is opposed by NFIB small business owner members. In a recent NFIB member ballot, 92% of NFIB members oppose excluding non-union workers from participating in federally funded projects.²

Small business expectations for future business conditions have reached an all-time low.³ Now is not the time to make it impossible for certain small business contractors to compete for DOD contracts. NFIB strongly opposes the Schakowsky amendment and will consider the amendment an NFIB Key Vote for the 117th Congress.

Sincerely,

Kevin Kuhlman

Kevin Kuhlman Vice President, Federal Government Relations NFIB

¹ As submitted to House Committee on Rules as #809 <u>https://amendments-rules.house.gov/amendments/SCHAKO_099_xml220707162112814.pdf.</u>

² NFIB Member Ballot, *Mandate Vol. 578*, March 2021.

³ NFIB Research Center, *Small Business Economic Trends*, July 12, 2022, <u>https://www.nfib.com/content/press-release/economy/small-business-expectations-for-future-conditions-hit-all-time-low/.</u>