

Small Business Priority Votes | House

February 23, 2021

NFIB is America's leading small-business advocacy organization, representing more than 7,000 independent, small-business owners in Washington state. The following bills are of interest to our members. They are eligible for inclusion in our 2021-22 Voting Record.

1015	Support	Equitable access to credit for rural and other historically underserved areas.
1053	Support	Delaying plastic bag ban implementation due to pandemic and resulting paper bag shortages.
1076	Oppose	Qui tam (Private Attorneys General Act / PAGA) authority for alleged violations of workplace safety, wage, leave, and related laws. The bill exposes small businesses to double jeopardy by permitting both administrative enforcement and civil legal action for the same alleged violation, with both processes potentially occurring simultaneously. Small businesses generally cannot afford to defend themselves from nuisance litigation brought by bounty hunting trial lawyers under qui tam or PAGA statutes, and are forced to settle regardless of the merits of the case. The bill also denies recovery for small businesses successfully defending themselves in court.
1091	Oppose	Low carbon fuel standard (LCFS), which has proven to substantially increase gas and diesel prices with little or no measurable impact on global climate change. Fuels using these lower carbon mixes are generally less efficient, resulting in greater usage at higher cost, multiplying the expense for working families and small businesses. Our neighbors in rural areas are disproportionately impacted due to longer commutes between home, work, or school; when delivering products or making service calls; and when traveling greater distances to perform other everyday activities.
1097	Oppose	"Worker protection" legislation substantially increasing penalties on small employers based almost exclusively on increased complaints due to COVID. Employers of all sizes scrambled to obtain personal protective equipment for essential workers, as well as comply with workplace sanitation, distancing, and other frequently changing, and sometimes conflicting, guidelines issued by federal, state, and local agencies. Small employers typically found themselves waiting longer to obtain needed supplies and equipment as government entities, hospitals and other medical facilities, and larger businesses were prioritized. Small employers should not now be subject to new and increased penalties for complaints arising from temporary circumstances beyond their control. Moreover, the bill includes a new L&I grant program that would be funded by a

diversion of workers' compensation taxes paid by employers. This threatens to force future rate increases on employers already struggling to survive this pandemic.

Oppose

Long-Term Services Trust program modifications that require self-employed individuals who voluntarily enroll in the program to close their business in order to disenroll. This creates a tremendous disincentive for self-employed individuals to participate in the program, undermining the program's promised future budget savings and benefits to qualifying participants.

1332 **Support**

Temporary property tax deferral for businesses substantially impacted by COVID-related closures or restrictions. This is simply a deferral to allow some small businesses more time to pay local property taxes. It is not a tax exemption, nor does it remove a business' tax liability.

1380 **Support**

Making two **custom farming tax exemptions** permanent. The bill is very narrow in scope, making permanent two exemptions enacted in 2007 that expired at the end of 2020. The bill would avoid tax pyramiding by exempting from B&O and public utility taxes certain activities performed by one farmer for another.

1455 **Support**

Limiting disclosure of employee social security numbers by L&I or ESD. Some correspondence, including worker unemployment claims letters sent by ESD to employers of record, may contain the claimant's full social security number. Given the data breaches occurring at state agencies (or their vendors) recently, it makes good sense to better protect workers from identify theft and fraud resulting from unnecessary use of full social security numbers on agency correspondence with employers, doctors, third party administrators, or others.

Oppose

Increasing unemployment audits and penalties on employers. The staggering fraud and theft of \$600 million (or more) in unemployment funds, due in part to "inadequate" internal protections, along with an embarrassing data breach of "roughly 1.6 million claims" by a vendor working with the State Auditor, clearly demonstrates serious and unresolved management and IT deficiencies at ESD and other state agencies. Those problems must be addressed and corrected before ESD is given even greater powers to audit and fine small employers who often cannot get any response or assistance from the department about how to open an unemployment account, file reports and pay premiums, or provide additional documentation requested by the department. Penalizing employers for ESD's repeated and ongoing failures is absolutely the wrong approach.

For more information, please contact NFIB Washington State Director <u>Patrick Connor</u> by email, or by cell or text at (360) 789-3355.