



CALIFORNIA REPUBLIC

NFIB CALIFORNIA

2025 TOP LEGISLATIVE PRIORITIES

- The National Federation of Independent Business (NFIB) has more than 11,500 members in California and nearly 300,000 members nationwide and a presence in all 50 states.
- 95% of NFIB Members have 10 employees or less and represent every industry from family farms to manufacturers to small-town store fronts.
- Small business owners are job creators who employ 7 million Californians.

01 Unemployment Insurance

Stabilize CA's Unemployment Insurance Trust Fund and control system costs

California is one of only two states that has not paid off its Unemployment Insurance (UI) loan to the federal government, which was taken out four years ago to keep its unemployment insurance trust fund solvent during the pandemic. NFIB business owners pay out \$21 per employee per pay period to simply service the debt on the state's \$21 billion structural insolvency. The Legislature should also reject efforts to increase UI benefits, allow workers who have voluntarily separated from the workforce to make claims, and other measures that will place additional stress on CA's UI system or increase employers' cost burden.

02 Minimum Wage

Oppose all bills calling for higher minimum-wage rates

With the passage of Proposition 32 in November, voters put a temporary stop to increasing the minimum wage again. California already allows for industry-specific as well as locality-specific minimum wage rates, which has resulted in a wildly expensive and burdensome spectrum of rates across the state ranging from \$16.50 an hour to \$25 an hour.

Mandating higher minimum wages fuels inflation and will further accelerate CA's affordability crisis.

03 Workplace Violence Prevention

Repeal Senate Bill 553, requiring Workplace Violence Prevention Plans

SB 553 saddled small businesses with one of the most cumbersome and needless pieces of legislation in memory by requiring businesses to create, implement, and update Workplace Violence Prevention Plans. This legislation will do nothing to make our businesses or communities safer and will only place a target on the backs of small business owners for predatory lawsuits as we have seen with the Americans With Disabilities Act and the Private Attorneys General Act.

-- More --

04 Protect Small Business Privacy

Reject proposals mandating Beneficial Ownership reporting

Specifically requiring small business owners organized as LLCs to provide the state government with unnecessary personal and financial information and potentially making that information publicly accessible is an egregious example of government intrusion and will make small business owners easy targets for harassment, vandalism or worse. State legislation (SB 1201) failed to advance last year, but similar language could return in 2025. And a legally dubious federal version of the mandate currently being implemented has been an unmitigated disaster and potentially exposes more than 30 million American small businesses to thousands of dollars in penalties.

05 Retail Theft

Protect Proposition 36, voter-approved retail theft reforms

Prop. 36, the anti-retail theft measure passed by voters in November, signaled loud and clear that Californians refuse to allow crime and lawlessness to persist against businesses without consequences. Despite efforts by the legislature to dilute Proposition 36, the people of California voted to once again criminalize crime. Safe communities where people feel safe are good for local businesses looking to grow.

06 Lower Energy Costs

Repeal CARB regulations that conflict with federal standards

Lower fuel prices by repealing the California Air Resources Board regulations that not only conflict with federal standards but also would increase prices at the pump by at least 47 cents a gallon while doing absolutely nothing to improve air quality. High costs to fuel vehicles, heat workplaces, and operate equipment continue to make CA the most unaffordable state in the nation.

07 Leave Time

Oppose new mandates for paid leave

Oppose legislation requiring more employee leave time and the creation, via legislation, of new forms of leave. California already has 17 leave laws on its books, which can create new costs and job-killing economic disruption for small businesses without HR or compliance departments. A better balance needs to be struck between unforeseeable setbacks for employees and a more reasonable, consolidating standard for employers.

Help rebuild the communities devastated by wildfires

Support efforts to assist the victims of the L.A. fires and ensure that our NFIB members are made whole for the loss of their homes and businesses. While 2025 will certainly see a raft of legislation addressing the aftermath of these devastating fires, we will be focused on supporting humanitarian efforts, bolstering the solvency of the FAIR plan and creating the conditions necessary to court private insurers back into the California market thereby creating a glide-path for small businesses to recover and prosper once again.