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June 18, 2025

The Honorable Bill Cassidy
Chairman
Senate Committee on Health, Education, Labor, and Pensions
428 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Bernie Sanders
Ranking Member
Senate Committee on Health, Education, Labor, and Pensions
428 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Cassidy and Ranking Member Sanders,

On behalf of NFIB, the nation's leading small business advocacy organization, I write in strong opposition to S. 2013, the *Higher Wages for American Workers Act*. This legislation would increase the federal minimum wage by more than 106% by dramatically increasing the federal minimum wage to \$15 per hour and automatically increase the federal minimum wage threshold every subsequent year.

In a recent NFIB member ballot, 92% of NFIB members opposed raising the federal minimum wage to \$15 per hour. Unfortunately, the *Higher Wages for American Workers Act* would do just that by increasing the federal minimum wage to \$15 per hour. If such a massive increase was not enough for small businesses, S. 2013 would also index the minimum wage to inflation, meaning small businesses would face annual labor cost increases. The bill would mandate a small business in rural, low cost of living areas pay the same one-size-fits-all universal wage as an employer in urban areas that have a much higher cost of living.

NFIB Research Center's surveys show that small businesses are facing significant economic headwinds, including persistent labor market challenges. In fact, according to NFIB's latest monthly survey, one of the top issues small businesses are facing is poor labor quality and 34% of small businesses report job openings they could not fill.² Mandating increased labor costs in an historically tight labor market will only make matters worse.

¹ NFIB Member Ballot, Mandate, vol. 569, July 2016, *Should the federal minimum wage be raised to \$15 per hour?* (Yes: 5% No: 92% Undecided: 4%).

² William C. Dunkelberg and Holly Wade, *NFIB Small Business Economic Trends*, NFIB Research Center, May 2025, https://www.nfib.com/wp-content/uploads/2025/06/NFIB-May-2025-SBET-Report.pdf.

Additionally, according to NFIB's research, raising the federal minimum wage to \$15 per hour would result in 1.3 million lost jobs in the Unites States with small businesses bearing the majority of these job losses.³ That massive job destruction does not account for the additional lost jobs from indexing the minimum wage to inflation.

Small businesses employ nearly half of our country's workforce.⁴ Yet, should the *Higher Wages for American Workers Act* be enacted, the negative effects of the legislation would fall disproportionately on small employers and their workers. Small businesses operate differently than their larger competitors and are far less likely to have the cash reserves or profit margins to absorb the labor cost increases this legislation would impose on them.

NFIB strongly opposes S. 2013, the *Higher Wages for American Workers Act,* and urges Congress to reject the legislation.

Sincerely,

Dylan Rosnick

Principal, Federal Government Relations

NFIB

³ NFIB, Small Business Survival, https://assets.nfib.com/nfibcom/Minimum-Wage-Pizza-Parlor-Infographic-06-03-2021-FINAL.pdf.

⁴ Frequently Asked Questions About Small Business 2024, U.S. Small Business Administration, Office of Advocacy (July, 23, 2024), available at https://advocacy.sba.gov/2024/07/23/frequently-asked-questions-about-small-business-2024/.