



555 12th Street NW, Suite 1001
Washington, D.C. 20004

1-800-552-5342
NFIB.com

October 22, 2025

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

The Honorable Bernie Sanders
Ranking Member
Committee on Health, Education, Labor, &
Pensions
United States Senate
428 Senate Dirksen 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 regarding the hearing entitled, "Labor Law Reform Part 2: New Solutions for Finding a Pro-Worker Way Forward." NFIB represents nearly 300,000 small businesses nationwide and we appreciate the opportunity to discuss labor law reforms that would impact our members.

NFIB members are not publicly traded multi-billion-dollar corporations. Quite the contrary; the average NFIB member has 8 employees and every NFIB member is individually owned and not publicly traded. Small businesses employ nearly half this country's workforce and represent 99.9% of all American businesses.¹ It is no exaggeration to say that for American workers to be successful, small businesses must be successful.

Unfortunately, bipartisan policy proposals in Congress directly threaten small businesses and their workforce. These proposals could wipe out many Main Street small businesses, leaving workers without jobs and small business owners without their livelihoods. NFIB's recently released white paper entitled, "Direct Assault on Main Street: Looming Labor Threats That Could Decimate Small Businesses and Their Workforce" explores policy proposals that would have devastating effects to small businesses including by increasing government control over the daily operations of small

¹ 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/>.

businesses, boosting labor and employment mandates, and raising costs for hiring and keeping qualified employees.²

NFIB's letter to this Committee dated October 8, 2025, further explains the devastating affects legislation like the *PRO Act*, the *Warehouse Worker Protection Act*, and the *Faster Labor Contracts Act* would have on small businesses and their workers.³ The aforementioned white paper and letter also explores leftover regulations from the Biden Administration that are threats to small businesses like the proposed OSHA Heat Standard, the 2024 DOL Independent Contractor Rule, and the OSHA Worker Walkaround Rule. The Trump Administration should immediately rescind these rules, and Congress should enact legislation to prevent a future Administration from promulgating these burdensome regulations.

Unfortunately, there are other major threats to small businesses and their workers that have been introduced in Congress. Legislation like S. 2013 the *Higher Wages for American Workers Act* would mandate an immediate increase of the federal minimum wage to \$15 per hour and S. 1332 the *Raise the Wage Act* would mandate an increase to the federal minimum wage to \$17 per hour by 2030. These bills would immediately increase labor costs for American small businesses, incentivize more automation, leave workers without jobs, and force smaller businesses to close or sell off to a larger competitor. Raising the federal minimum wage would implement a one-sized-fits-all mandate where a small business in rural, low cost of living areas to pay the same universal wage as an employer in urban areas that have a much higher cost of living. According to NFIB's research, raising the federal minimum wage to \$15 per hour would result in 1.3 million lost jobs in the United States with small businesses bearing the majority of these job losses.⁴ Increasing the cost of hiring new employees is the wrong approach at a time when small businesses cannot find qualified job candidates, and they continue to struggle with inflationary pressures and supply chain disruption.

In the Committee's hearing entitled "Labor Law Reform Part 1: Diagnosing the Issues, Exploring Current Proposals," Senator Hassan mentioned that she is working on legislation to require employers to add a new workplace poster to inform employees of their rights to unionize under the *National Labor Relations Act*. NFIB is concerned that this new requirement will leave small employers open to enforcement for a new mandate that they may not know exists. It is important to know that most small businesses do not have HR departments or a dedicated compliance officer. Those responsibilities fall on the business owner who is focused on running and growing their business, not keeping up with new regulatory requirements and mandates coming from Washington, D.C. Further, it is unfair to ask employers to educate their employees on their right to unionize. This new

² National Federation of Independent Business, *Direct Assault on Main Street: Looming Labor Threats That Could Decimate Small Businesses and Their Workforce*, September 2025, <https://www.nfib.com/wp-content/uploads/2025/09/NFIB-2025-Labor-Policy-White-Paper.pdf>.

³ Dylan Rosnick, *NFIB Urges Lawmakers to Reject Big-Union Backed Legislation That Threatens Small Businesses*, October 2025, <https://www.nfib.com/wp-content/uploads/2025/10/NFIB-HELP-Labor-Hearing-100825.pdf>.

⁴ NFIB, *Small Business Survival*, <https://assets.nfib.com/nfibcom/Minimum-Wage-Pizza-Parlor-Infographic-06-03-2021-FINAL.pdf>.

mandate will be detrimental to an impartial workplace for both employers and employees and would threaten the balance of labor law Congress sought to strike when passing the *National Labor Relations Act*.

Instead of adding more mandates and regulatory burdens on small businesses, Congress should pass legislation to ease burdens coming from Washington, D.C. and protect workers and small businesses from intimidation from unions and federal government bureaucrats. This will provide certainty for small businesses, allowing them to grow and invest back in their workers, and freedom from federal government intrusion and control. This will allow small businesses to make decisions that are good for their business and their workers instead of being required to implement one-size-fits-all mandates.

A good start would be for Congress to pass legislation to prevent OSHA's proposed Heat Standard from being finalized and prevent a future administration from pursuing this burdensome rule. If finalized, the Heat Standard would add onerous new paperwork and training requirements on small businesses and implement an unworkable and ridged mandate of a paid 15-minute break for every 2 hours of work when temperatures are at or above 90 degrees in the workplace.

Congress should also codify the Department of Labor's Payroll Audit Independent Determination (PAID) program by passing S. 2267 the *Ensuring Workers Get PAID Act*. This program allows employers to self-report and correct minor minimum wage and overtime violations before incurring a penalty. The program has been successful in improving compliance with Wage and Hour laws without penalizing innocent mistakes and getting workers their rightfully owed back pay quicker.

Additionally, Congress should provide certainty for small businesses and workers by passing H.R. 1319, the *Modern Worker Empowerment Act* which would codify the 2021 DOL Independent Contractor Rule. The 2021 Independent Contractor Rule implemented a simplified and straightforward independent contractor or employee classification test that eased confusion and burdens for small businesses, ensured the right of workers to work independently, and provided workers entrepreneurial opportunities.

Congress should also codify a commonsense joint employer standard that protects small business owners' rights to own and operate their business without the threat of being classified as a joint employer with a larger corporate entity. NFIB supports both H.R. 4366 the *Save Local Business Act* and H.R. 5267 the *American Franchise Act* to accomplish this goal and protect franchisees from having their business stripped away from them because of an unworkable federal government regulation.

Congress should protect a workers' right to choose whether or not to join a union via secret ballot election, protect workers from being forced to subsidize union political activity they disagree with,

protect workers from being forced to pay union dues, protect business owners from being forced to hand over personal contact information of their workers to union organizers, protect small businesses from frivolous labor lawsuits, and protect workers and employers from union intimidation tactics, including harassment and coercion.

NFIB appreciates the opportunity to describe how the legislation under consideration by this Committee would impact small businesses and their workforce. We look forward to working with you to finding a pro-worker, pro-small business way forward during the 119th Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Dylan Rosnick", written over a faint, light blue rectangular background.

Dylan Rosnick
Principal, Federal Government Relations
NFIB