



House Finance and Taxation Committee

02/01/21

HB 1464

Chairman Headland and committee members, on behalf of the National Federation of Independent Business (NFIB), I am asking you to give a Do Not Pass recommendation to House Bill 1464. NFIB is a non-profit, non-partisan organization and is the nation's largest small business advocacy group.

In North Dakota we represent more than 2,000 small businesses. Our average member has 10 employees and gross sales of approximately \$500,000 per year.

Increased gas taxes can create a serious economic disadvantage for small businesses, especially those that depend on fleet vehicle operations. Nearly 74 percent of NFIB members in North Dakota opposed a gas tax increase when surveyed prior to this session.

Small business owners know that increasing the gas tax will lead to tough choices. They must either increase the cost of their product or service - which in many cases is not feasible - or reduce labor costs elsewhere. The reduction in labor costs would be achieved through reduced jobs, reduced hours, or reduced benefits. None of these changes benefit employees.

It is for these reasons that we ask you to oppose House Bill 1644. Thank you for your consideration.

Don Larson