



**Testimony in Opposition to HB2185
Before House Commerce, Labor & Economic Development Committee**

**Mr. Daniel Murray, Kansas State Director
National Federation of Independent Business**

Tuesday, February 7, 2017

On behalf of the National Federation of Independent Business (NFIB), I want to thank you for the opportunity to submit testimony on HB2185. The NFIB is the state's leading small business advocacy organization representing the consensus views of over 4,200 small business owners across Kansas.

The NFIB ardently opposes HB2185, which undoes statutory protections against local overreach in matters related to employee benefits. Specifically, the bill would remove restrictions against local municipalities to enact or administer any ordinance, resolution or law that requires an employer provide leave from work, compensation for leave, compensation at a rate higher than the minimum wage or any benefit other than those required by state or federal law. Additionally, the bill would repeal prohibitions against local municipalities from adopting ordinances or policies which favor certain public construction contract bidders that meet certain wage criterion.

Small businesses want to and do provide appropriate wage and benefit compensation to their employees. Our members believe that matters like pay, vacation, health coverage, and sick leave should be left to employer and employee to determine. Government intervention in employee benefits disregards market forces and only serves to complicate employment law and artificially increase the cost of doing business. Our members believe the current law helps to simplify the employment process for small business, eliminate burdensome mandates and prevent cumbersome regulations that inhibit job creation. Furthermore, the current law establishes a state standard that ensures there is predictability and stability for small business employers across all units of government.

Further, current law prohibits local units of government from adopting wage and benefit requirements for public construction contracts, commonly known as project labor agreements. This statute puts the "free" back into free enterprise. Currently labor unions are prevented from building a wall they've tried to erect to effectively keep non-union construction firms from competing for government projects by mandating that project bidders meet artificially high wage and benefit standards. Not only do these requirements prevent many small businesses, including women and minority owned businesses, from competing for the contract or subcontracts, they also serve to increase the cost of public construction projects to the taxpayers.

We urge the Committee to oppose HB2185.