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House File 4 (Johnson)

Dear Chair Davids and House Taxes Committee Members,

The National Federation of Independent Business (NFIB) represents over 10,000 small businesses across Minnesota. Our mission is to promote and protect the rights of our members to own, operate, and grow their businesses.

NFIB Minnesota supports HF 4, which proposes an amendment to the Minnesota constitution that would require a portion of a projected budget surplus to be returned to state taxpayers. A vast majority of small businesses who participated in a recent survey supported constitutional limits on state spending growth and automatic refunds of surplus dollars.

The constitutional amendment proposed by HF 4 will provide a mechanism that provides an automatic refund of budget surplus dollars to hardworking taxpayers, as well as an inherent limitation on state spending that ensures the state budget grows at a more responsible rate. Without such a mechanism, NFIB is concerned that spending will continue to increase to unsustainable levels – like the nearly 40% increase in Minnesota's budget passed in 2023 – and that the costs will be passed onto small businesses.

Thank you for the opportunity to provide comments. We urge the committee to support HF 4.

Sincerely,

Jon Boesche

Minnesota State Director

National Federation of Independent Business

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