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To: Honorable Members of the House Appropriations Committee  
From: Amanda Fisher, Assistant State Director  
Date: February 3, 2021  
RE: Please Support House Bill 4047 – Economic Relief for Businesses Affected by Covid  
Shutdowns

The economic impact to small business from government-imposed closures and restrictions due to Covid is significant and far reaching. A December study from NFIB's Research Foundation found that one-in-four (25%) small business owners report that they will have to close their doors if current economic conditions do not improve over the next six months.

HB 4047 takes positive steps to help shore up small businesses most hard hit by recent government-imposed closures. While we would like to see the definition of "affected business" expanded to include those businesses in the supply chain, we appreciate the efforts of bill sponsor to move this legislation.

HB 4047 provides \$680.5 million in assistance to small businesses hurt by the pandemic. This is in stark contrast to the Governor's proposed supplemental request that only includes \$107 million for actual direct assistance to small business, after unrelated projects are subtracted.

\$150 million of the money appropriated in HB 4047 returns money to the Unemployment Insurance Trust Fund that was used to pay out fraudulent claims. Audits show that these claims were paid out largely in part because the UIA chose not to follow its own fraud prevention protocols. As the UI Trust Fund is entirely funded by employers, it is only right that state government should reimburse the fund. This infusion of funds will help lessen the burden on employers who are already facing increased UI taxes in order to replenish the Trust Fund.

NFIB believes the real key to getting Michigan back on track is to restore the legislature's role in policymaking and end the unilateral management of the state's affairs by the Executive Branch. When obstacles imposed by the governor and state agencies under her direct control are removed, small businesses in Michigan will be able to thrive. It is our hope that we can get to this point as soon as possible so we no longer need government assistance. However, until this happens and the economy opens up, the legislature must continue to assist the small businesses the governor has crippled.

It is for all these reasons that we support HB 4047. Thank you for your help and thank you for your support of small business.