



**Written Testimony in Support of SB15**  
**Mr. Daniel Murray**  
**Kansas State Director, National Federation of Independent Business**

**Senate Financial Institutions Committee**  
**January 19, 2021**

Chairman and members of the committee, I am pleased to submit testimony in strong support of the Economic Recovery Linked Deposit Program on behalf of NFIB Kansas. NFIB Kansas is the leading small business organization in Kansas representing small and independent businesses. A non-profit, nonpartisan organization founded in 1943, NFIB Kansas represents the consensus views of its almost 4,000 members in Kansas.

The impact from this pandemic, including government stay-at-home orders and mandated non-essential business closures has had a devastating impact on the small business economy. Owners have benefited from the PPP and EIDL small business loan programs as they try to reopen and keep employees on staff. Yet, in addition to the PPP and EIDL loan programs and liability protections, small business owners need additional low cost financial programs—like the proposed Loan Deposit Program—to help them survive and emerge from the crushing effects of COVID-19.

In our most recent Small Business Economic Trends Survey<sup>1</sup>, small business optimism declined 5.5 points in December to 95.9, falling below the average Index value since 1973 of 98. Nine of the 10 Index components declined and only one improved. Owners expecting better business conditions over the next six months declined 24 points to a net negative 16%. This month's drop in small business optimism is historically very large and most of the decline was due to the outlook of sales and business conditions in 2021. Small businesses are concerned about potential new economic policy in the new administration and the increased spread of COVID-19 that is causing renewed government-mandated business closures across the nation.

Other Key findings from the survey include:

- The NFIB Uncertainty Index decreased 8 points to 82.
- The percent of owners thinking it's a good time to expand decreased 4 points to 8%.
- Sales expectations over the next three months declined 14 points to a net negative 4%.
- Earnings trends over the past three months declined 7 points to a net negative 14% reporting higher earnings.

As you can see from these numbers, the economic outlook of small business owners is uncertain and bleak. And, the full force of the “recession” has not yet been felt as programs such as PPP have encouraged firms to maintain employment even as the government shutdown reduces business activity. Facing a monumental and complex recovery, small business owners need every viable tool at their disposal. The proposed program in SB15 will provide small businesses with the critical low-interest capital that they need in these trying times.

Thank you for the opportunity to provide comments and we urge the passage of SB15.

---

<sup>1</sup>NFIB December Small Business Optimism Index: [Small Business Economics Trends | NFIB](#)

Thank you for the opportunity to provide comments on this important piece of legislation. We urge your support of the measure.