



NFIB Small Business Survey Policy Outlook



Data from a national survey of 500 small businesses, conducted
October 14-24, 2014 by Paragon Insights.

#140901

Methodology

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On behalf of NFIB, Paragon Insights conducted a national survey of 500 small business owners on October 14-24, 2014.

The interviews were conducted over the telephone and the data were weighted to approximate a target sample of small businesses based on company size and type of industry. Participating businesses ranged in size from 1 employee (in addition to the owner) to 249 employees.

Results from the full survey have a margin of error of $\pm 4.38\%$.



Key Takeaways

Key Takeaways

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1. Small business owners have serious concerns around a number of issues that directly impact their businesses.

Small business owners are extremely concerned about health insurance costs, federal government spending and federal taxes.

Additionally, they are very concerned about finding reliable workers, state and local taxes, regulatory costs, energy costs finding skilled workers and wages.

Key Takeaways



2. Small business owners don't believe Washington is looking out for them.

2/3 of small business owners believe Congress cares most about large corporations or Wall Street. Conversely, 71% of small business owners believe Congress cares the least about small businesses.

Small business owners believe the Obama administration cares most about large corporations and labor unions. 67% of small business owners believe the Obama administration cares the least about small businesses.

Key Takeaways

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3. Small business owners are looking for policy changes from Congress.

When asked whether they would support several proposals in Congress:

- ✓ 83% support requiring Congress to balance the federal budget each year;
- ✓ 80% would support requiring the EPA to consider the economic impact of new regulations on small businesses;
- ✓ 61% would support repealing the healthcare law's health insurance tax;
- ✓ A majority (52%) would support overturning the healthcare law's definition of a full-time work week as 30 hours instead of the 40 hour week.

Key Takeaways

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4. Small business owners believe there is an increase in regulations and that increase has hurt them the most.

More than 2/3 of small business owners believe the number of federal regulations has increased over the last 2-3 years – and 58% say they believe small businesses have suffered the most as a result of the regulations.

Further, more than 3/4 of small business owners say President Obama's executive orders/regulatory policies have hurt American small businesses.

Key Takeaways

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5. Small business owners want a repeal or changes to the ACA – and many are being forced to make coverage changes as a result of the law.

50% of small business owners want the healthcare law repealed, while another 31% want changes made (just 12% want the law expanded or to take effect as is).

A majority of small business owners say they will likely increase their employees' share of health cost; further, some say they are likely to reduce hours or drop coverage as a result of the law.

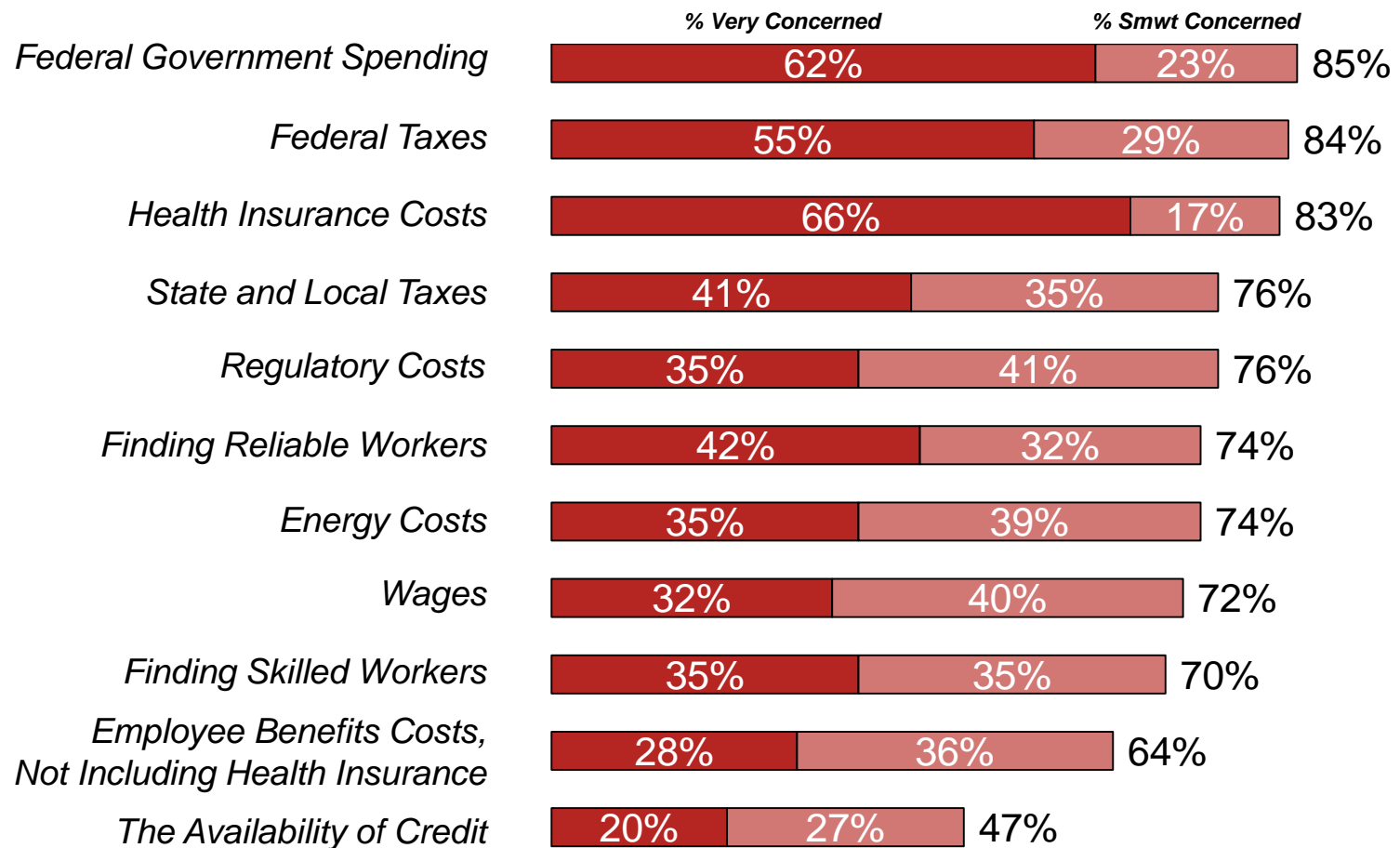
In total, 63% of small businesses who provide insurance say they are likely to shift costs to employees, reduce hours or drop coverage altogether.



Data

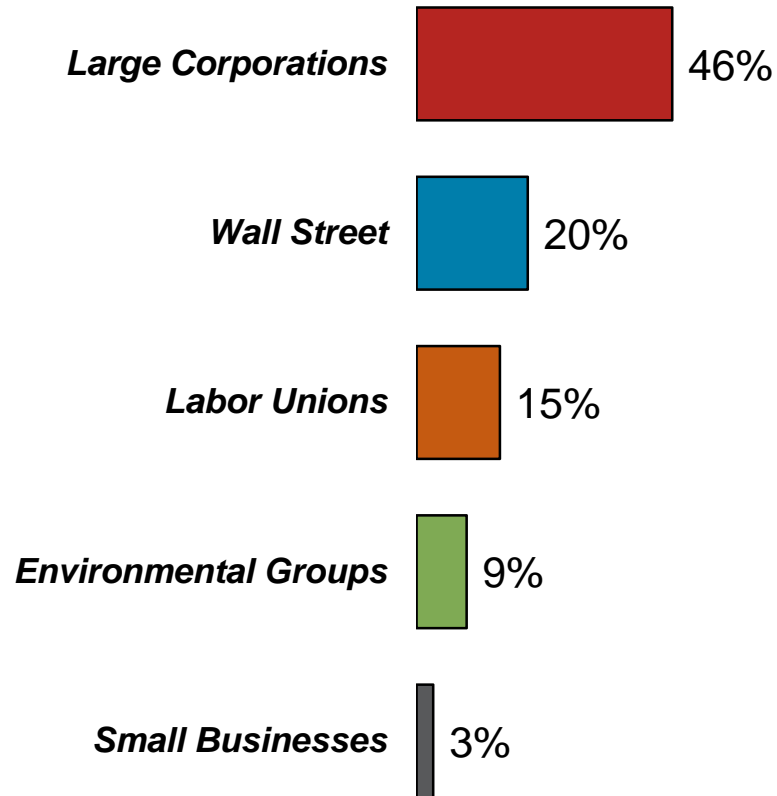
HEALTH INSURANCE COSTS, FEDERAL GOVERNMENT SPENDING AND FEDERAL TAXES ARE THE TOP CONCERNS OF SMALL BUSINESS OWNERS.

Now, I will read a list of factors some businesses are concerned about. Please tell me whether your business is very concerned, somewhat concerned, not very concerned or not at all concerned about each factor.

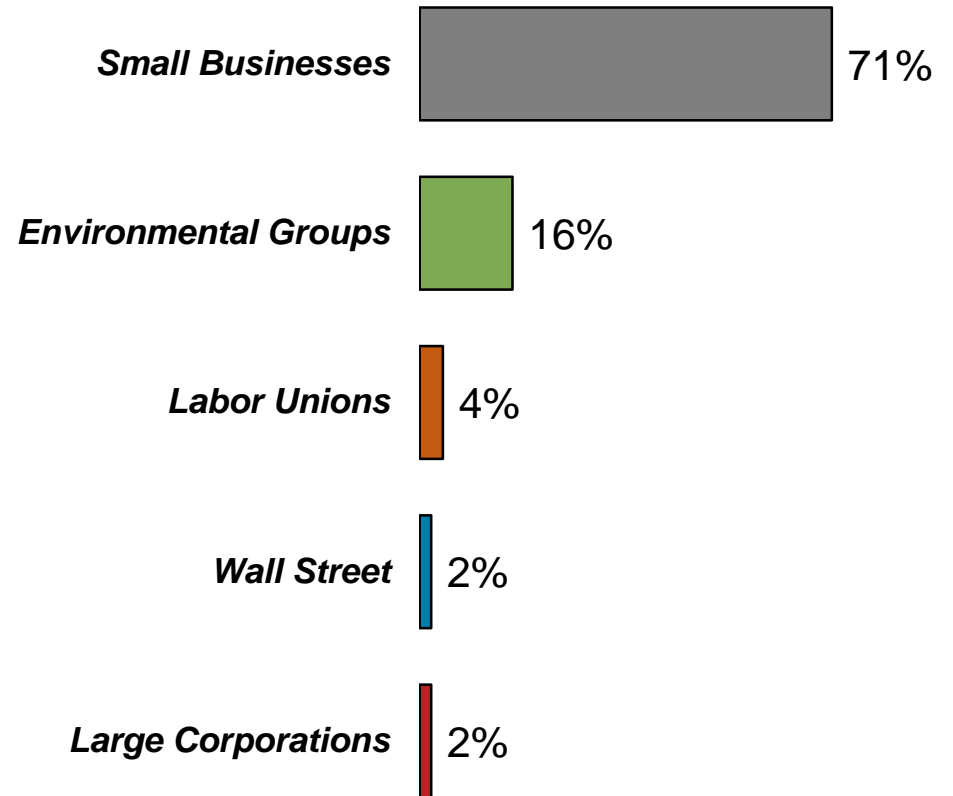


SMALL BUSINESS OWNERS BELIEVE CONGRESS CARES MOST ABOUT LARGE CORPORATIONS AND WALL STREET AND LEAST ABOUT SMALL BUSINESSES.

**Which of the following groups or organizations do you think Members of Congress care about the MOST?
(SPLIT SAMPLE A, N=263)**

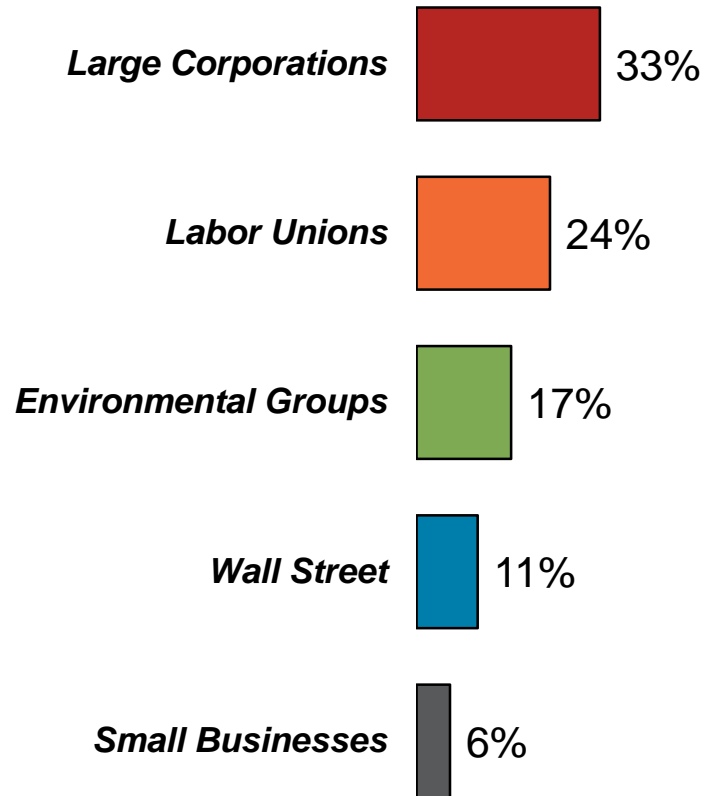


**Which of the following groups or organizations do you think Members of Congress care about the LEAST?
(SPLIT SAMPLE A, N=263)**

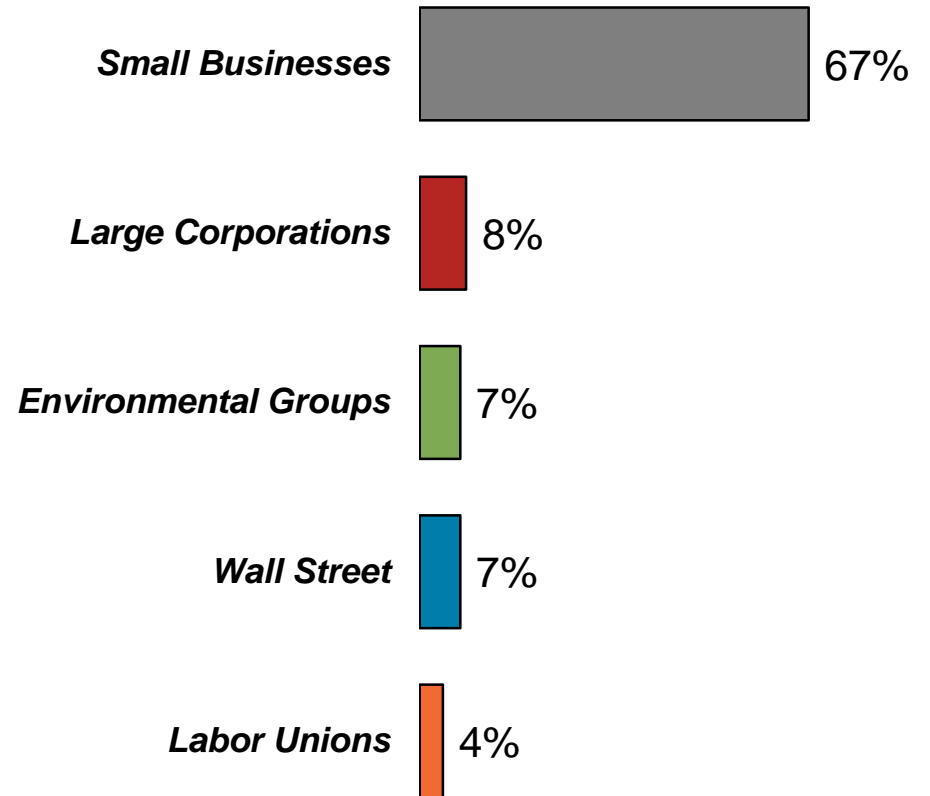


SMALL BUSINESS OWNERS BELIEVE THE OBAMA ADMINISTRATION CARES MOST ABOUT LARGE CORPORATIONS AND UNIONS AND LEAST ABOUT SMALL BUSINESSES.

**Which of the following groups or organizations do you think the Obama administration cares about the most?
(SPLIT SAMPLE B, N=280)**



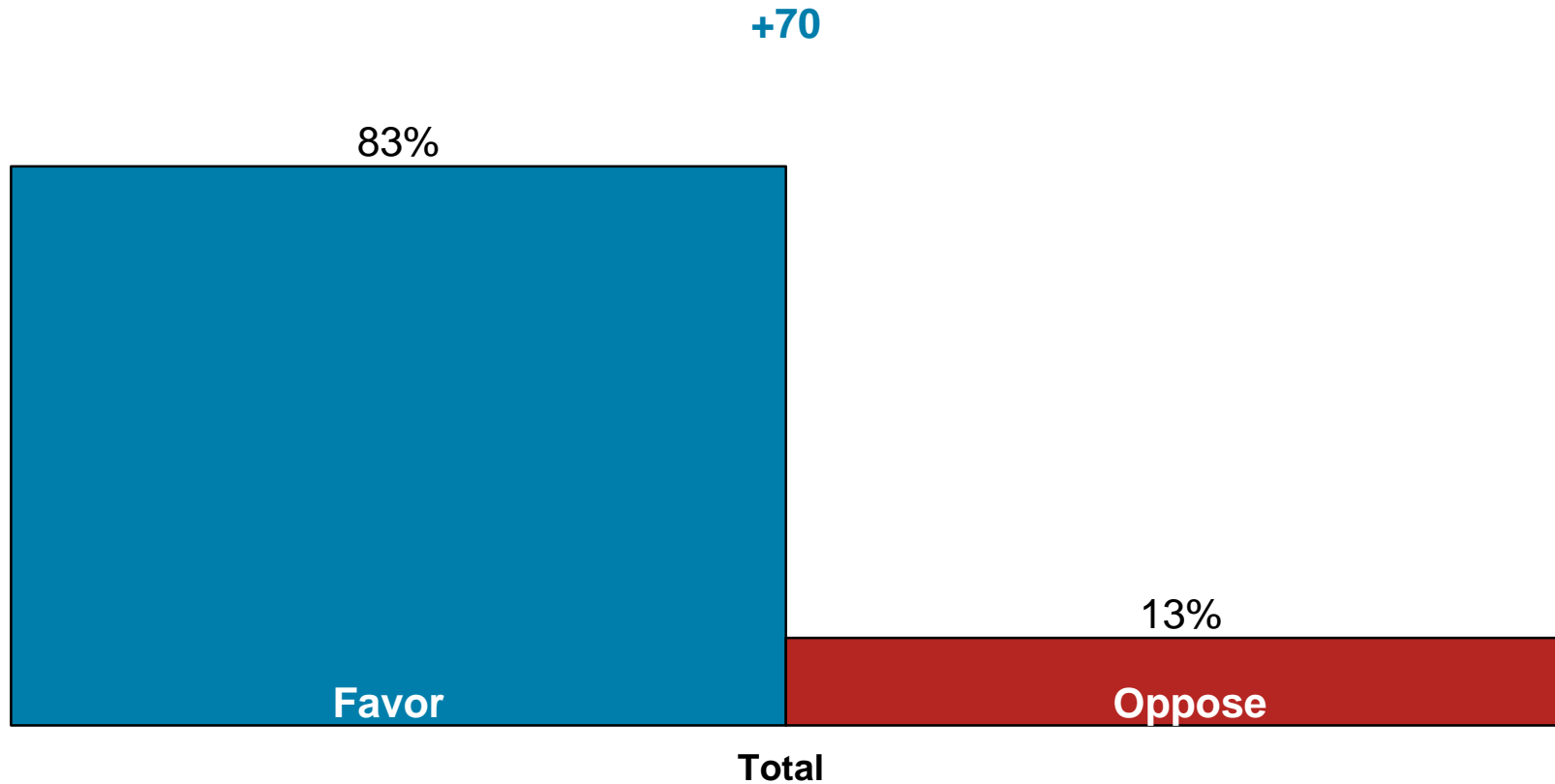
**Which of the following groups or organizations do you think the Obama administration cares about the least?
(SPLIT SAMPLE B, N=280)**



MORE THAN 8 IN 10 SMALL BUSINESS OWNERS BELIEVE CONGRESS SHOULD BALANCE THE BUDGET EVERY YEAR.

Now, please tell me if you favor or oppose the following proposals introduced in Congress...

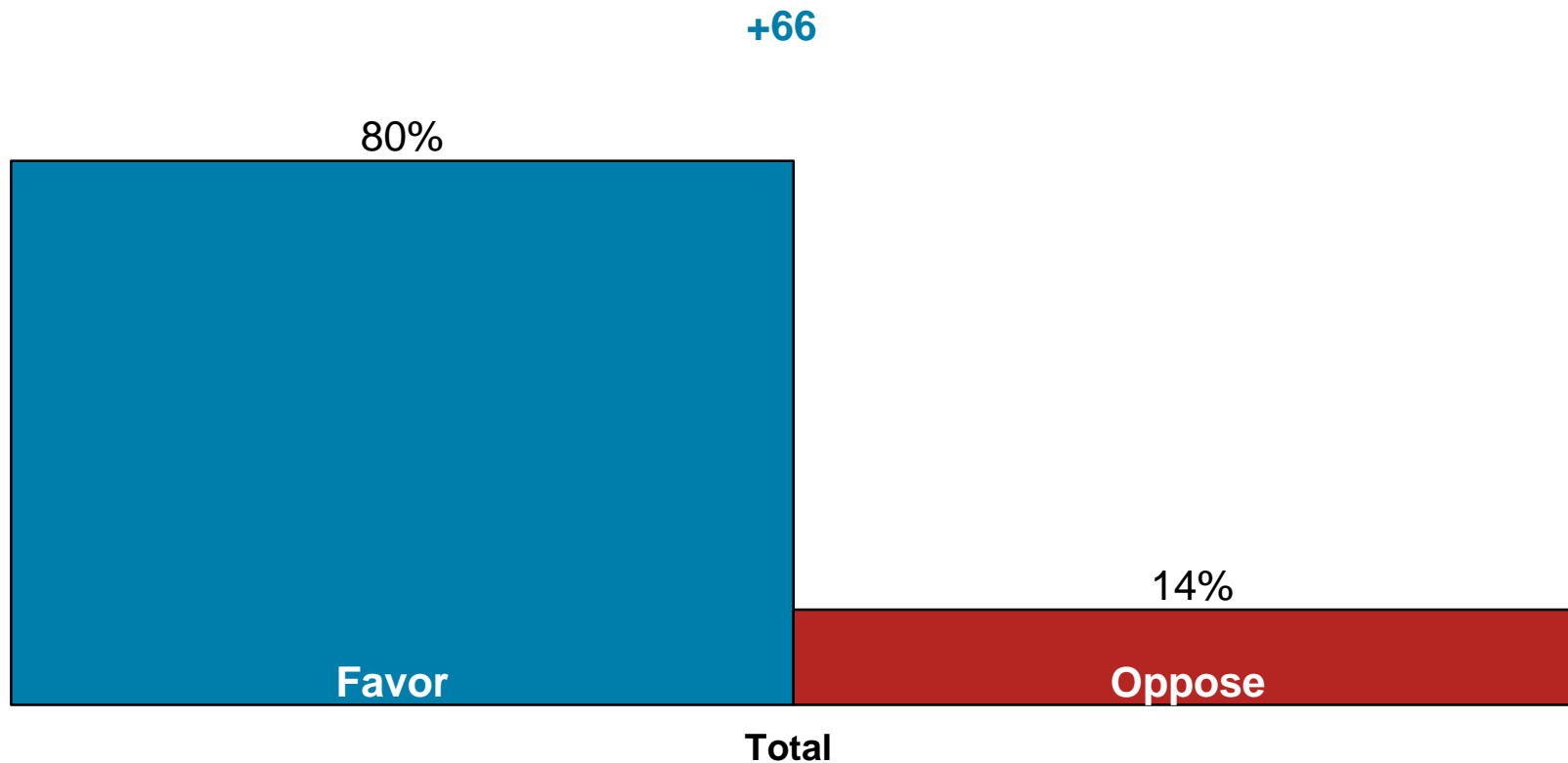
Requiring Congress to balance the federal budget each fiscal year.



80% OF SMALL BUSINESS OWNERS BELIEVE THE EPA SHOULD CONSIDER THE ECONOMIC IMPACT OF NEW REGULATIONS ON SMALL BUSINESSES.

Now, please tell me if you favor or oppose the following proposals introduced in Congress...

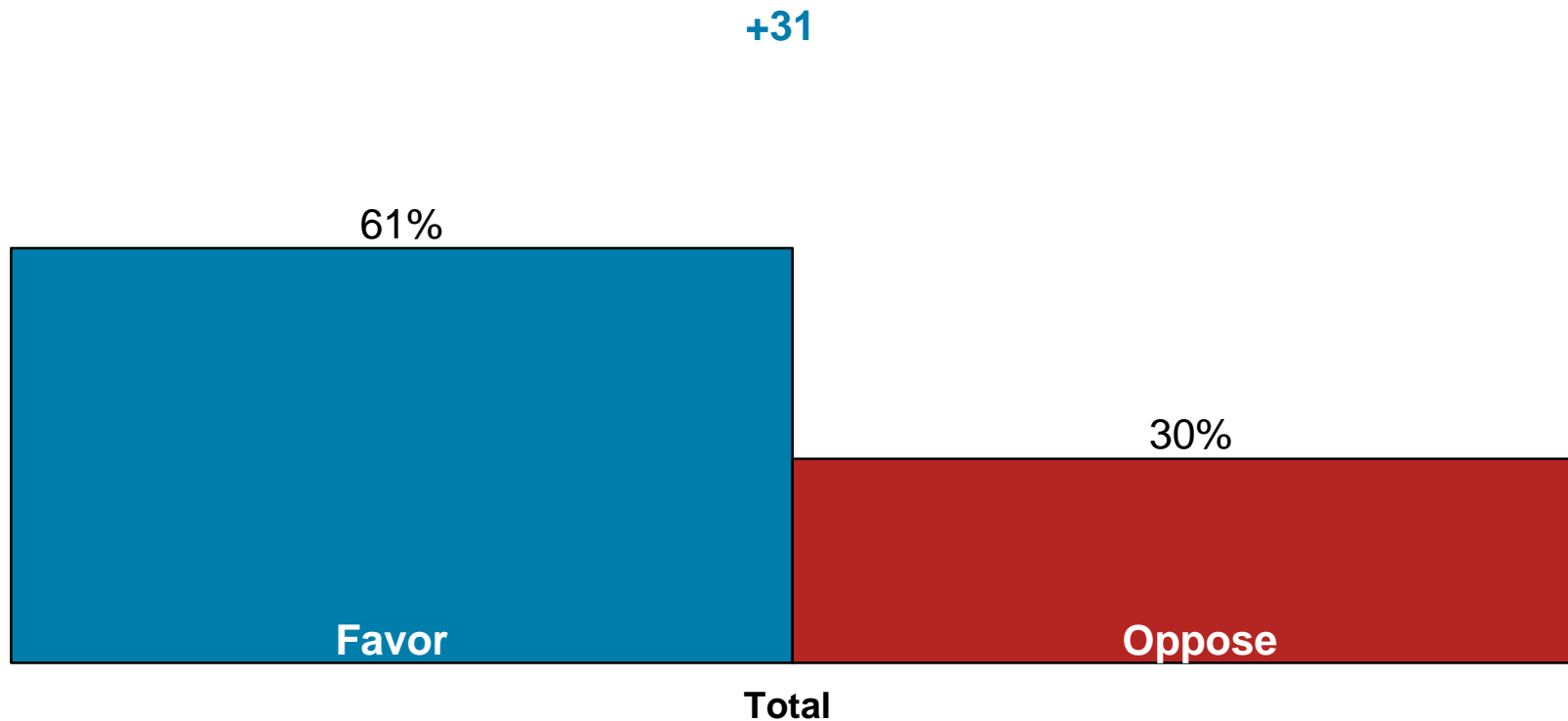
Requiring the Environmental Protection Agency (EPA) to consider the economic impact of new regulations on small businesses.



**A MAJORITY OF SMALL BUSINESS OWNERS SUPPORT
REPEALING THE ACA'S HEALTH INSURANCE TAX.**

Now, please tell me if you favor or oppose the following proposals introduced in Congress...

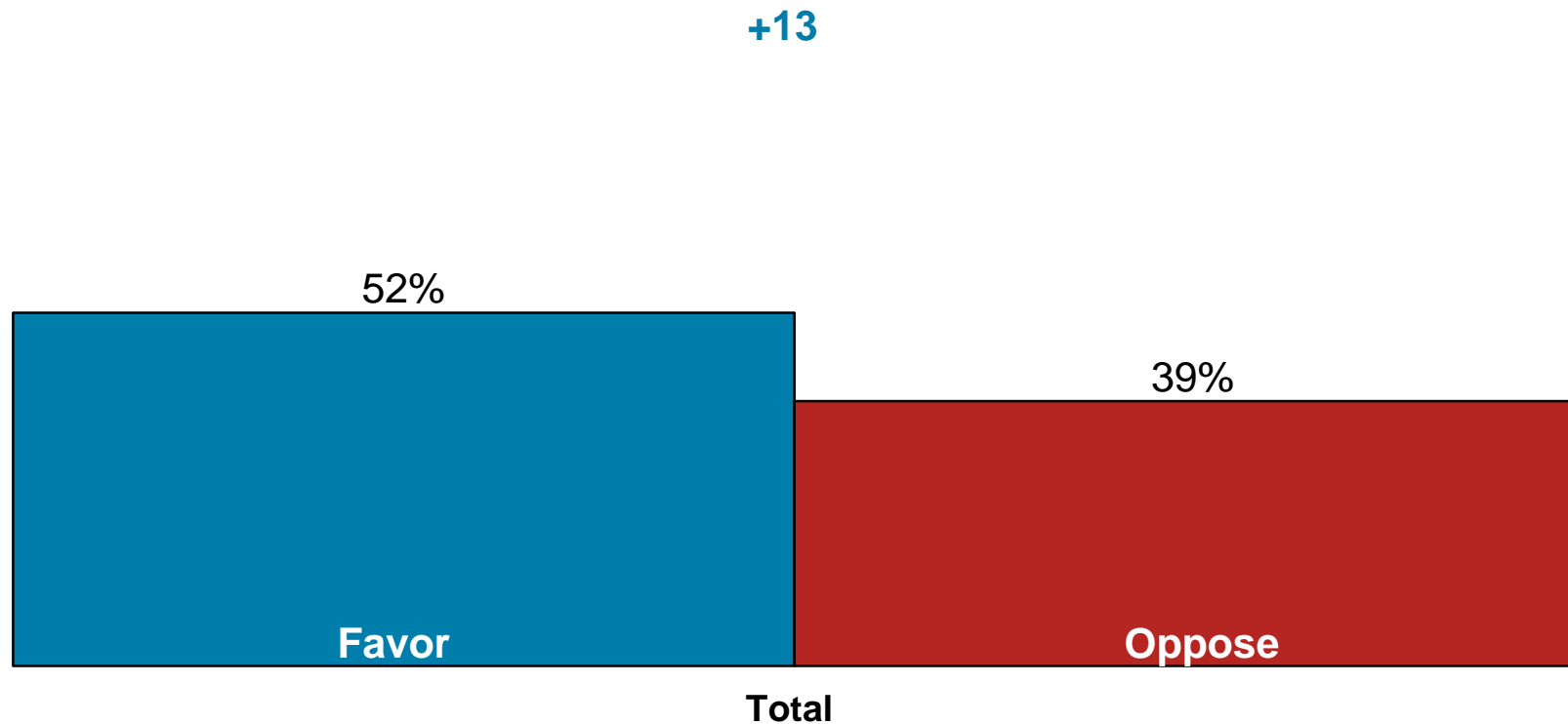
Repealing the health care law's Health Insurance Tax, which is applied to most small businesses that provide health insurance to their employees



A MAJORITY OF SMALL BUSINESS OWNERS SUPPORT CHANGING THE LAW'S DEFINITION OF A FULL-TIME WORK WEEK TO 40 HOURS.

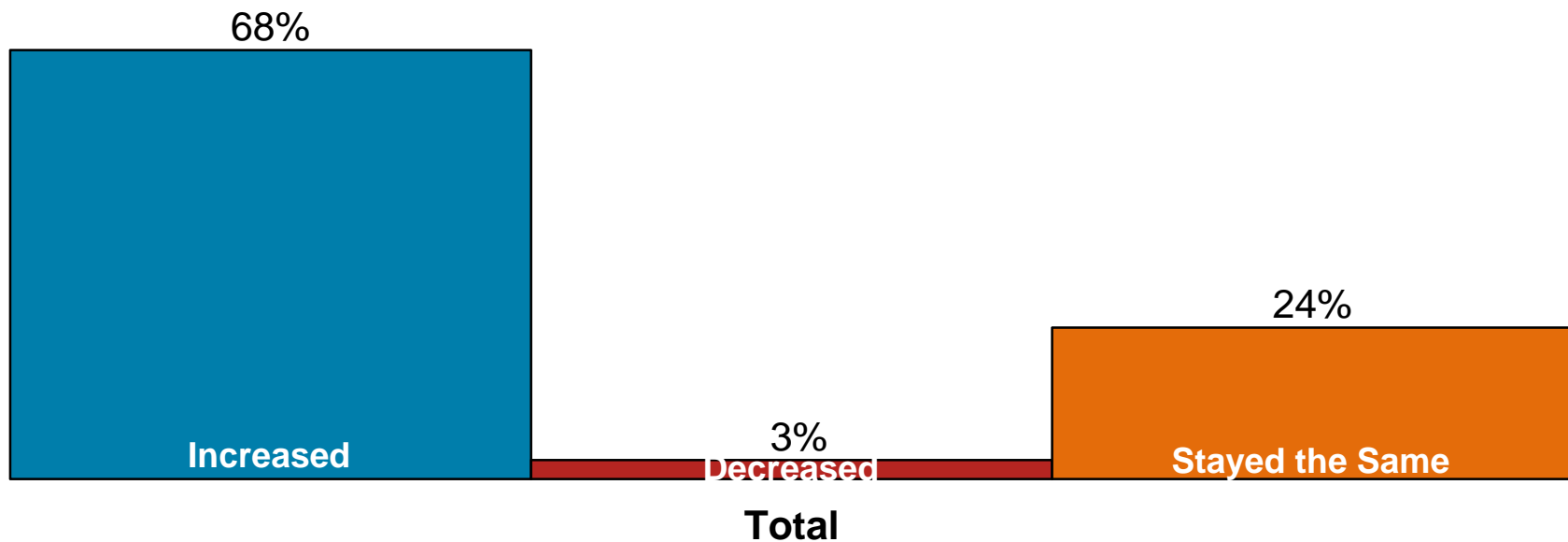
Now, please tell me if you favor or oppose the following proposals introduced in Congress...

Overturning the health care law's definition of a full-time work week as 30 hours, and instead using the 40-hour work week.



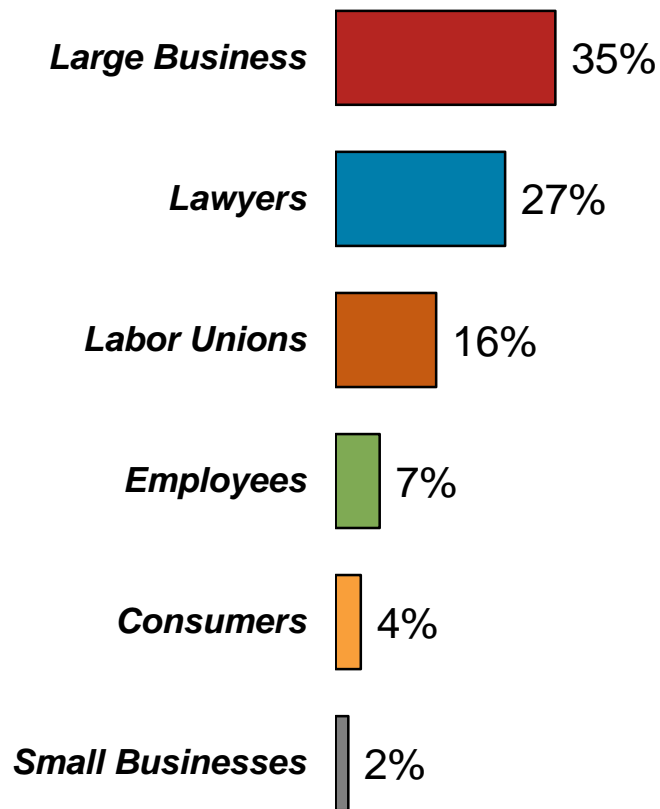
MORE THAN 2/3 OF SMALL BUSINESS OWNERS BELIEVE THE NUMBER OF FEDERAL REGULATIONS HAS INCREASED OVER THE PAST 2-3 YEARS.

Thinking now about federal regulations....Over the last 2-3 years, would you say that the overall number of federal regulations has increased, decreased or stayed about the same?

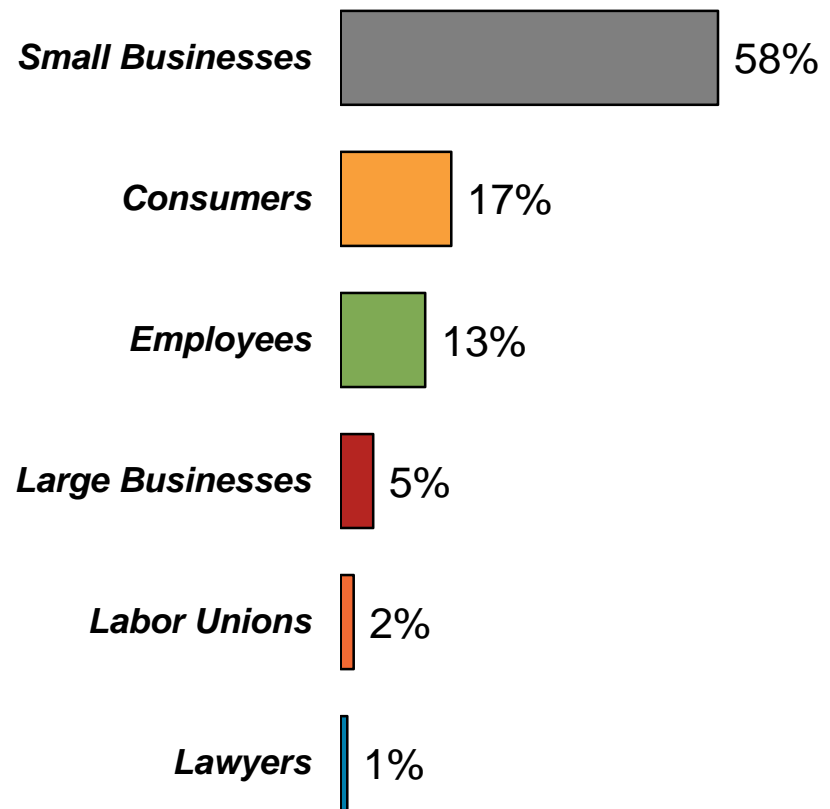


SMALL BUSINESS OWNERS BELIEVE LARGE BUSINESSES, LAWYERS BENEFIT MOST FROM THE NEW FEDERAL REGULATIONS AND SMALL BUSINESS HURT MOST FROM THEM.

*And, which of the following groups do you think **BENEFITS MOST** from new federal regulations?*



*And, which of the following groups do you think is **HURT THE MOST** by new federal regulations?*



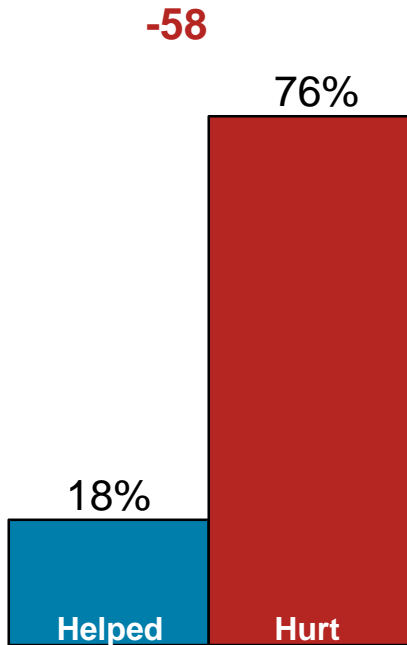
MORE THAN THREE-QUARTERS OF SMALL BUSINESS OWNERS BELIEVE PRESIDENT OBAMA'S EXECUTIVE ORDERS AND REGULATORY POLICIES HAVE HURT SMALL BUSINESSES.

Please tell me which of the following statements you agree with more...

President Obama's executive orders and regulatory policies have helped American small businesses

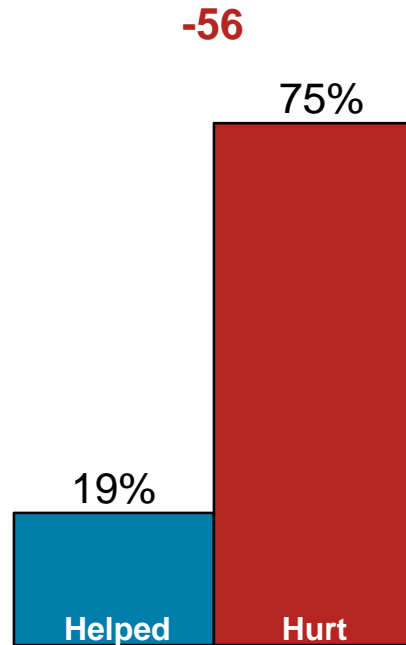
President Obama's executive orders and regulatory policies have hurt American small businesses.

Total

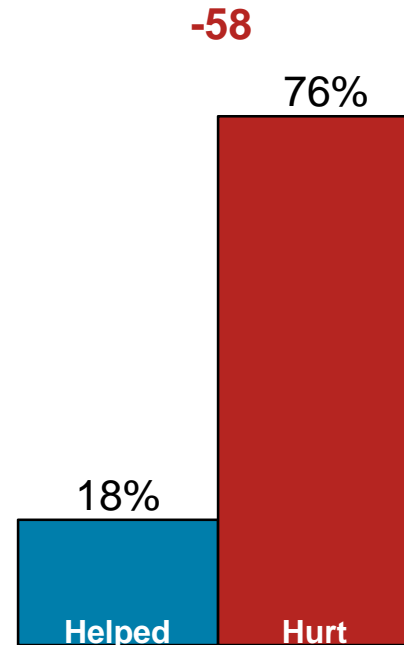


Total

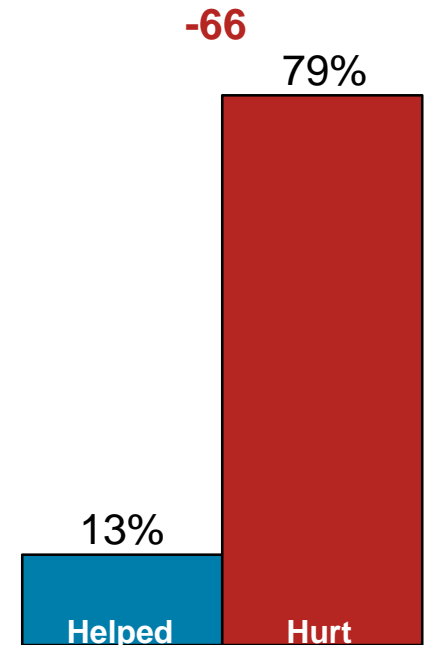
By Number of Employees



**1-4
(55%)**



**5-19
(32%)**

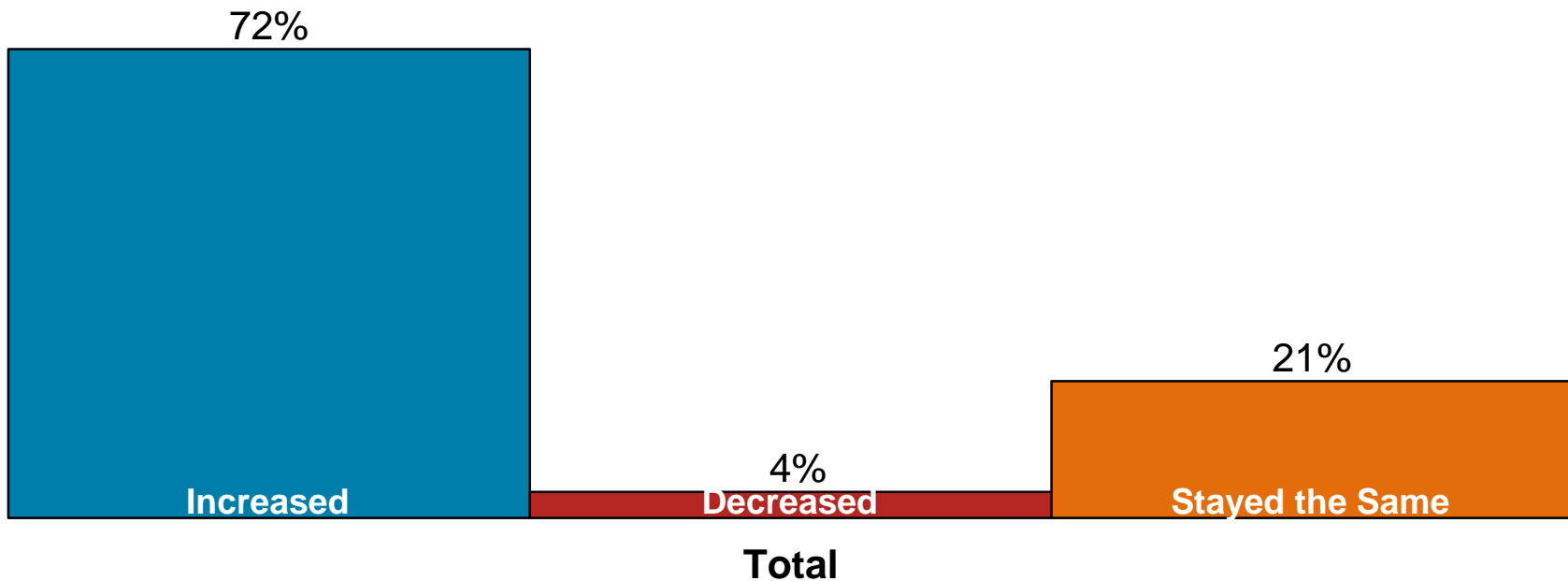


**20+
(13%)**

MORE THAN 7 IN 10 SMALL BUSINESS OWNERS WHO OFFER HEALTH INSURANCE SAY THEIR HEALTH INSURANCE COSTS HAVE INCREASED SINCE PASSAGE OF THE HEALTHCARE LAW.

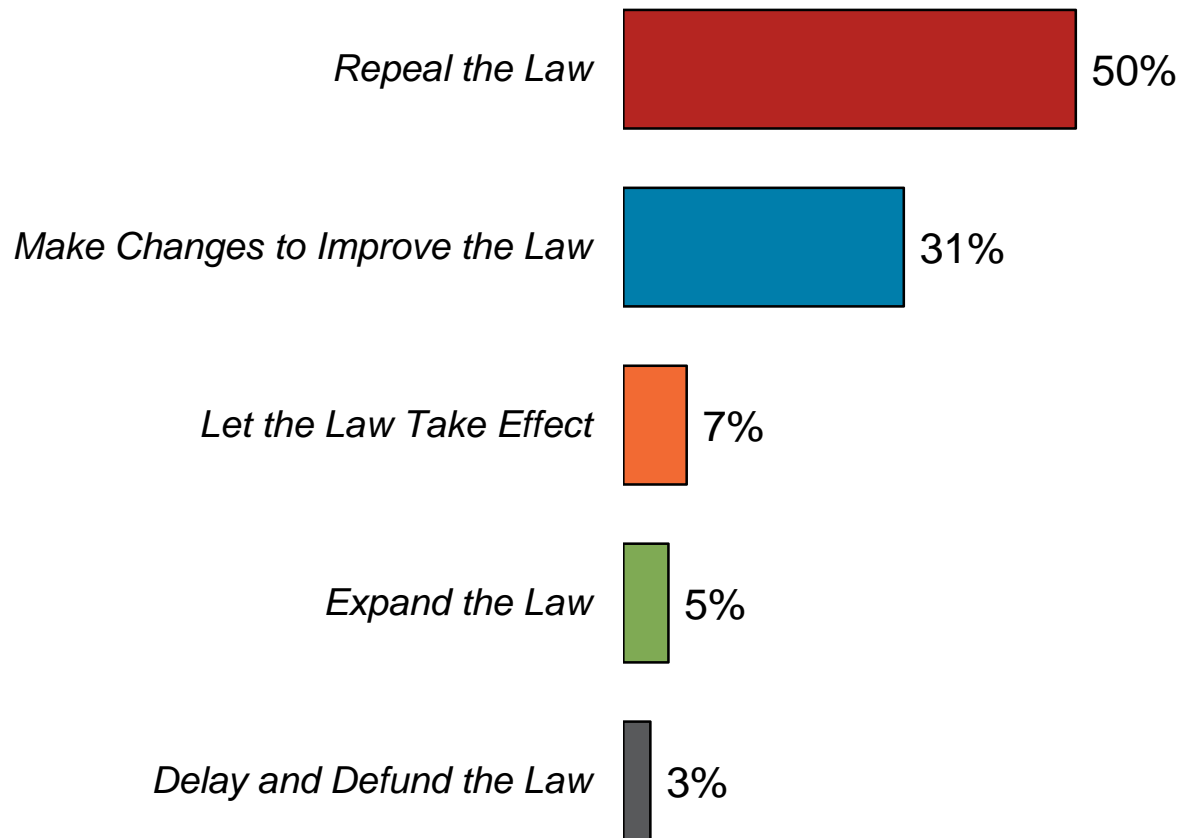
And, since passage of the health care law in 2010, often referred to as the Affordable Care Act or Obamacare, have your health insurance costs per employee increased, decreased or remained the same?

(Asked of those who offer health insurance, N=234)



50% OF SMALL BUSINESS OWNERS WANT CONGRESS TO REPEAL THE LAW.

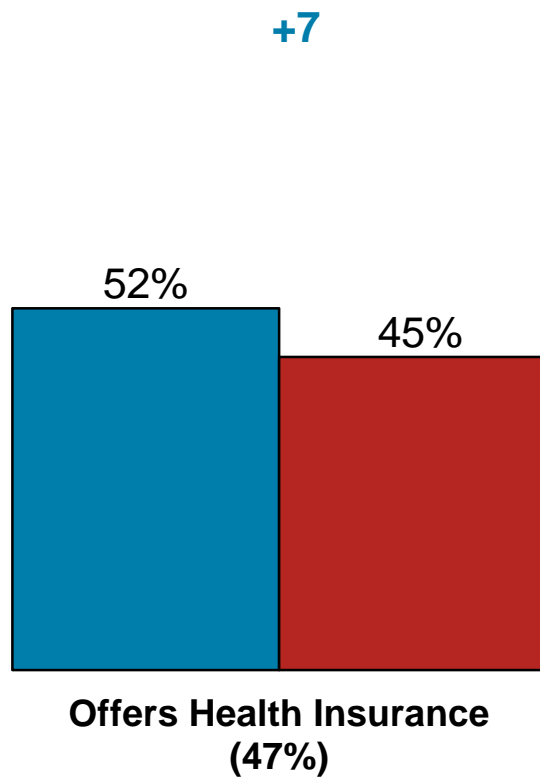
What would you like to see Congress do when it comes to the health care law?



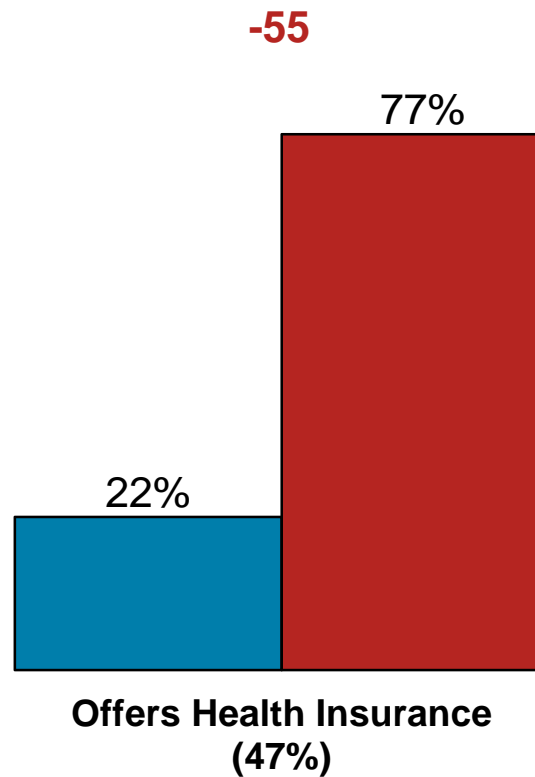
A MAJORITY OF SMALL BUSINESS OWNERS WHO OFFER HEALTH INSURANCE ARE LIKELY TO INCREASE THEIR EMPLOYEES' SHARE OF HEALTH INSURANCE COSTS.

How likely is your business to...

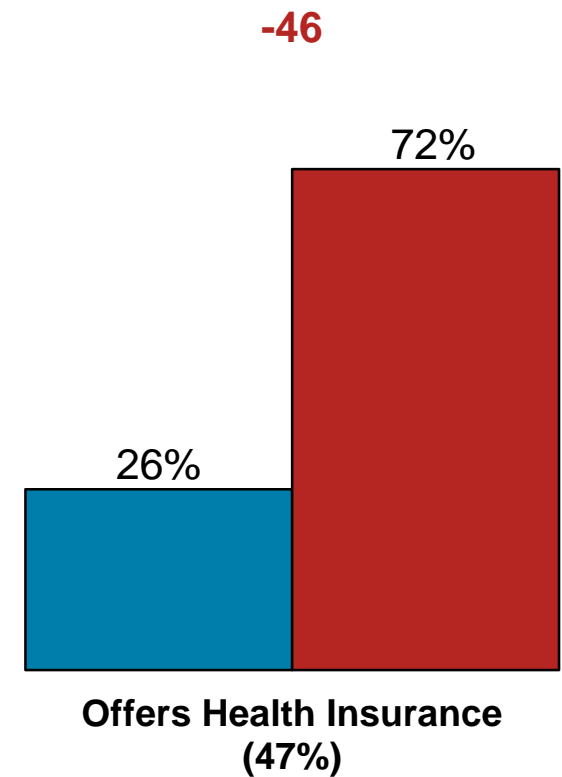
...increase your employees' share of health insurance costs due to the healthcare law?



...reduce your employees' hours due to the healthcare law?



...drop your employees' health insurance coverage due to the healthcare law?



63% OF SMALL BUSINESS OWNERS WHO OFFER INSURANCE SAY THEY ARE LIKELY TO SHIFT COSTS TO EMPLOYEES, REDUCE HOURS OR DROP COVERAGE ALTOGETHER AS A RESULT OF THE LAW.

How likely is your business to...

...increase your employees' share of health insurance costs due to the healthcare law?

52%



Offers Health Insurance (47%)

...reduce your employees' hours due to the healthcare law?

26%



Offers Health Insurance (47%)

...drop your employees' health insurance coverage due to the healthcare law?

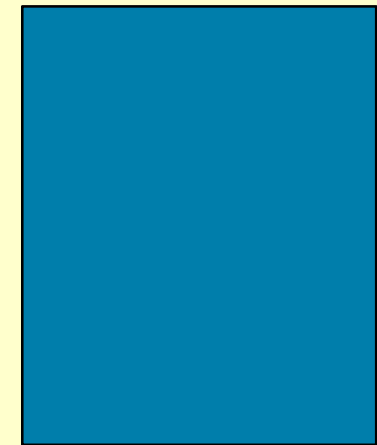
22%



Offers Health Insurance (47%)

(% of unique respondents who answered 'likely' to one of the three questions on the left)

63%



Offers Health Insurance (47%)

