



Small Business Leaders Oppose Anti-Tech Legislation That Will Hurt Their Sales

Small Business Leaders Likely to Vote in Midterm Elections Overwhelmingly Oppose Anti-Tech Legislation

Overview

Millions of small and medium-sized businesses (SMBs) rely every day on affordable, easy-to-use digital tools and services provided by large tech companies to drive growth and success. But many of these tools and services are at risk as Congress continues to consider legislation to force large digital companies to fundamentally change how they operate. These risks are especially problematic in an uncertain economy and ongoing health-related concerns (COVID-19 variants, renewed mask mandates, and monkeypox).

Recent Connected Commerce Council (3C) [research](#), conducted by Catalyst Research, documented that SMB leaders' policy priorities are inflation, gas prices, COVID-19, and ongoing supply chain issues. Only 7% want Congress to prioritize regulating large technology companies and the digital economy. An overwhelming 87% of SMB leaders worry that anti-tech legislation, such as the Senate's American Innovation and Choice Online Act (S. 2992), would make SMB digital tools and services more expensive and less effective.

This survey of 1,000 SMB leaders likely to vote in the November midterm elections ("SMB Voters") follows a recent, independent [economic analysis](#) documenting that S.2992 would cost SMBs selling physical goods ("SMB Sellers") at least \$500 billion in sales over five years. This is the equivalent of a 5.2% tax on SMB sales, which would cost millions of SMBs an average of \$1,712 per month.

The survey's main takeaways include:

SMB Voters still do not consider regulating large tech companies a policy priority. Three months after [initially asking](#) this question, SMB leaders again identified their top concerns as inflation; gas and energy prices; supply chain disruptions; regulatory burdens; and health/COVID.

SMB Voters overwhelmingly characterize digital tools as important or very important:

- 89% report that digital technology and tools are important to their business.
- 55% say they are very important.

SMB Voters oppose legislation that would disrupt integrated digital tools and services: Knowing that anti-tech legislation could cause the elimination or significant disruption of popular, integrated digital tools and services (e.g., Amazon Prime, Apple payments, and Google Maps):

- 48% of SMB Voters are opposed, with 64% of independent voters opposed.
- Only 28% support.

SMB Voters are more likely to oppose legislation that will hurt their business: Upon learning that anti-tech legislation would hamper digital services to such an extent that SMB sales would diminish by more than \$500 billion:

- 54% of SMB Voters oppose the bills, with 68% of independent voters opposed.
- Only 24% support.
- 46% of SMB Voters would be less likely to vote for a member of Congress who supports such legislation.

In summary, SMB Voters are opposed to anti-tech legislation that would disrupt how they use digital tools and services or increase their costs. Their opposition increases when they learn changes forced by the legislation will likely result in a 5% “regulatory tax” on their revenue for several years. Finally, they are less likely to vote for a member of Congress who supports such legislation in the November midterm elections.

The study results, conducted from June 29-July 8, 2022, with a sample size of 1,000 and a margin of error of +/- 3.1% for the overall sample, can be found [here](#). In this survey, SMB Voters are SMB owners and senior leaders who self-identified as at least somewhat likely to vote in the upcoming November elections.

About 3C

The Connected Commerce Council is a non-profit organization with a single goal: to promote small businesses' access to digital technologies and tools. 3C provides small businesses with access to the market's most effective digital tools available, provides coaching to optimize growth and efficiency, and cultivates a policy environment that considers and respects the interests of today's small businesses.