



molly moon's homemade ice cream  
1122 E. Pine Street.  
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Seattle, WA 98122  
mollymoon.com

Chairman Williams, Ranking Member Velazquez and members of the House Committee on Small Business, I am honored to be here today to share my perspective with you. My name is Molly Moon Neitzel and I am the CEO of Molly Moon's Homemade Ice Cream in Washington state. I am also a founding member of the Main Street Alliance, an organization that champions the voices of small business owners to create a thriving economy, with over 30,000 small businesses in every corner of the country, and a proud member of MomsRising.

At Molly Moon's, we employ about 200 people in nine ice cream shops in Western Washington. Our small batch, homemade ice cream is also sold in grocery stores across our state. Next week, we'll start construction on three more ice cream shops – funded in part with SBA loans. We are a growing, thriving business. Over the past decade, small businesses created 65% of all new jobs created in the United States, and account for 99% of all businesses. We are the foundation of the US economy.

We've been asked to speak today about the real challenges facing our businesses and what you all can do to improve the health of small business in America.

First, I am incredibly concerned about the impact that President Trump's new tariffs will have on my business. As one example, we purchase all of our ice cream cups and pint containers from Canadian and Chinese manufacturers. We spend \$450,000 per year on paper products. A 10 to 25% tariff on those products would cost us over \$100,000, decimating our profits. *My* business model includes sourcing 90% of my ingredients locally, but a quarter of the fruits and vegetables consumed in the U.S. are grown in Mexico and most restaurants and grocery stores will be devastated by 25% increases in their costs.

Now extrapolate these impacts across all U.S. small businesses. We've made steady progress in bringing inflation down. But these tariffs will be a huge setback and will require passing the costs on to our customers, raising prices even higher for families. President Trump and many Republicans ran on bringing costs down, but these tariffs will do the opposite. They will hurt customers and their families, driving demand down and pushing us toward recession. Americans were promised a decrease in inflation. We implore you and President Trump: end this unnecessary trade war now.





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Second, our tax code is not working for small businesses. Instead of *extending* the Tax Cuts and Jobs Act of 2017, major changes need to be made to ensure it works for all businesses, including the 20 million new small businesses that have formed since 2020. We should reform the 199A tax deduction to be much better targeted to smaller operators, helping to spur growth in rural communities, towns and cities. Big corporations don't need more tax deductions. Main Street businesses do. And the IRS needs to be fully funded to enforce the tax law, and make the wealthy pay.

Third and finally, let's then use the revenue from enforcing our tax code to invest in a national childcare system, paid family & medical leave plan, and ensure that every American has access to quality, affordable healthcare.

At Molly Moon's we're proving that investments in care have huge economic returns. We pay \$1,000 per month toward childcare for every child of a Molly Moon's employee who is under kindergarten age, and \$4,000/ year for school age kids.

Since launching our childcare program, we've seen a huge jump in parents able to work full time and parents able to apply for promotions into management because they can now afford consistent, reliable and safe childcare. Parents are excellent employees and leaders and the ROI has been huge.

But the load shouldn't be on small businesses alone. We need a publicly-funded childcare system so that every employee of a Main Street business can have access to affordable, consistent childcare and so our workforce can fuel our economy. As much I love leading on these issues, we do it because Congress has failed to make child care affordable for working parents.

We don't need to continue to allow tax cuts and giant tax loopholes for the wealthy and big corporations – or chaotic tariffs on our goods. We need a stable economy, a fair tax code, and a healthy, available workforce so Main Street businesses across America can thrive. With your help, I hope a bright future for small business is possible. Thank you, and with that I am happy to answer any questions from the Committee.

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