



Statement

ABC CRITICIZES FINANCIAL REFORM BILL; APPLAUDS AMENDMENT TO PROTECT SMALL CONSTRUCTION BUSINESSES

Contact: Gail Raiman, (703) 812-2073
Gerry Fritz, (703) 812-2062

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Washington, D.C. – Associated Builders and Contractors (ABC) today released the following statement criticizing the passage of the Restoring American Financial Stability Act of 2010 (S. 3217), while applauding a bi-partisan amendment to the bill, requiring that small businesses would be active participants in a new Bureau of Consumer Financial Protection’s (CFPB) regulatory process.

“ABC has voiced strong opposition to the financial reform bill because it creates a Bureau of Consumer Financial Protection with new regulations, enforcement authority and supervisory requirements, adding to the already formidable federal government bureaucracy,” said Geoff Burr, ABC vice president of federal affairs. “This is the last thing small businesses and our struggling economy need. The language creating this new ‘independent’ federal agency is vague as to how many and which small business industries and entities will be regulated under this new bureaucracy.

“We are pleased that the Snowe/Pryor amendment ensures that this new agency cannot regulate with carte blanche authority. At a minimum, small businesses will now have a seat at the table. The amendment also provides for much-needed transparency within the regulatory process,” said Burr. (May 19 letter in support of Snowe/Pryor amendment)

“Rulemakings by federal agencies and the CFPB have the potential to cause severe restrictions in credit and effectively harm small business job creation and economic growth. According to the Small Business Administration’s Office of Advocacy, the annual cost of federal regulations totals \$1.1 trillion. Small firms bear a disproportionate burden, paying approximately 45 percent more per employee in annual regulatory compliance costs than larger firms,” Burr said.

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