



April 13, 2016

The Honorable Steve Chabot  
Chairman  
House Small Business Committee  
Washington, D.C. 20515

The Honorable Nydia Velázquez  
Ranking Member  
House Small Business Committee  
Washington, D.C. 20515

Dear Chairman Chabot and Ranking Member Velázquez:

On behalf of Associated Builders and Contractors (ABC), a national construction industry trade association with 70 chapters representing nearly 21,000 chapter members, I am writing to applaud the committee for holding the hearing, "Regulation: The Hidden Small Business Tax." Additionally, I want to thank the committee for its work to pass H.R. 527, the "Small Business Regulatory Flexibility Improvements Act of 2015" last year. ABC continues to support this legislation and policies requiring federal agencies to examine economic impacts of proposed rules on small businesses.

For the last seven years, the White House has encouraged federal regulatory agencies to assert their power through rulemaking. These agencies operate relatively unchecked and unsupervised, especially during the early stages of the regulatory process. Many rulemakings are accompanied by poor or incomplete economic cost-benefit forecasting and other data analysis that could have helped to create practical and sustainable rules and regulations. At times, even the will of Congress and the American public are disregarded in order to issue regulations.

Small businesses are the backbone of our nation's economy, and their ability to operate efficiently and free of unnecessary regulatory burdens is critical for our country's economic recovery. Proposed and existing regulations need to be thoroughly examined from cost standpoints to ensure they do not encumber our country's primary job creators.

Requiring federal agencies to more closely examine regulatory impacts on small businesses is paramount to allow small businesses to thrive. Agencies should also conduct a retrospective analysis of existing rules to identify and modify rules in need of reform.

The need for regulatory reform is vital. We applaud the House Small Business Committee for addressing these regulations and the environment of uncertainty they create for America's job builders.

Sincerely,

Kristen Swearingen  
Vice President, Legislative & Political Affairs