



April 26, 2016

The Honorable David Vitter
Chairman
Senate Committee on Small Business
and Entrepreneurship
Washington, D.C. 20510

The Honorable Jeanne Shaheen
Ranking Member
Senate Committee on Small Business
and Entrepreneurship
Washington, D.C. 20510

Dear Chairman Vitter and Ranking Member Shaheen:

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, "Drowning in Regulations: The Waters of the U.S. Rule and the Case for Reforming the RFA." ABC continues to support 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. A perfect example of such behavior was the promulgation of "Waters of the U.S." (WOTUS).

We remain deeply concerned that the final rule jointly issued by EPA and the Corps to redefine WOTUS will have a detrimental impact on the construction industry. This regulation creates uncertainty over what waterways will be subject to federal jurisdiction. The lack of clarity will lead to an unnecessarily longer and more expensive permitting process for contractors, which substantially increases the cost of doing business. Additionally, this flawed regulation will almost certainly lead to fewer projects overall and negatively impact job creation in the construction industry and local communities.

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 Committee for addressing regulatory problems and the environment of uncertainty they create for America's job builders.

Sincerely,

Kristen Swearingen
Vice President of Legislative & Political Affairs