

February 3, 2015

Dear Representative:

We are writing to express our support for H.R. 527, the Small Business Regulatory Flexibility Improvements Act of 2015. This bipartisan legislation would reform the regulatory process to ensure that all federal agencies appropriately consider the impact of their rules on small businesses across America. As a result, federal agencies would issue smarter regulations that minimize inefficiencies and unnecessary burdens while still protecting public health, worker safety and the environment.

Small businesses are the backbone of the nation's economy. According to the U.S. Census Bureau, there were over 28 million small businesses employing 55 million workers, or about half of all private sector employees. These firms are responsible for 59 percent of all net new jobs from 2010 through 2013, yet they are disproportionately impacted by compliance burdens associated with regulation. A recent study found that small businesses pay \$11,724 per employee per year in regulatory compliance. Their ability to operate efficiently and free of unnecessary regulatory burdens is critical for their ability to compete and create jobs. The Act directly addresses that small business challenge.

H.R. 527 would improve and modernize the Regulatory Flexibility Act (RFA), a 1980 law that requires federal agencies to transparently account for the impact of regulation on small businesses. However, each agency interprets important terms in the existing statute in widely divergent ways and is able to avoid the RFA's requirements as Congress intended. This bill would streamline and make uniform those determinations of when the RFA would apply to a rule.

Despite limited adherence by federal agencies to the RFA's provisions, the RFA has yielded billions in savings for small businesses. In fiscal year 2014, the U.S. Small Business Administration's Office of Advocacy reported compliance cost savings of \$4.8 billion for small businesses. Over the past ten years, the small business compliance cost savings due to the RFA is greater than \$90 billion. These savings were derived from a small number of regulatory alternatives that were less costly to small businesses. If all federal rules with small business impacts included the type of analysis required by this legislation, the savings could be significantly higher and our regulatory system could more efficiently meet our objectives.

Many rules that have significant impacts on small entities are not covered by the RFA because the small businesses adversely impacted are not directly regulated entities. The Act would require agencies to consider the true impact of their rules on the regulated community. It also would give the Office of Advocacy additional authorities and require it to establish standards for conducting a regulatory flexibility analysis during the rulemaking process. H.R. 527 improves transparency and ensures that agencies thoughtfully consider the impact of regulations on small businesses.

The organizations represented on this letter cover virtually every sector of the small business community. The Small Business Regulatory Flexibility Improvements Act would help alleviate unnecessary regulatory burdens placed on small businesses. We urge your support for this commonsense bipartisan legislation.

Sincerely,

Adhesive and Sealant Council
Aeronautical Repair Station Association
Air-Conditioning, Heating, and Refrigeration
Institute
Alabama Forestry Association
Alaska State Chamber of Commerce
American Apparel & Footwear Association
American Bakers Association
American Beverage Association
American Chemistry Council
American Cleaning Institute
American Coatings Association
American Coke and Coal Chemicals
Institute
American Composites Manufacturers
Association
American Dental Association
American Farm Bureau Federation
American Forest & Paper Association
American Foundry Society
American Highway Users Alliance
American Home Furnishings Alliance
American Loggers Council
American Moving and Storage Association
American Rental Association
American Society of Travel Agents
American Trucking Associations
American Wire Producers Association
American Wood Council
America's Small Business Development
Center (SBDC)
Associated Builders and Contractors
Associated Equipment Distributors
Associated Industries of Massachusetts
Associated Oregon Industries
Association for Manufacturing Excellence
Association of Equipment Manufacturers

Auto Care Association
Automotive Recyclers Association
Brick Industry Association
Business Council of Alabama
Colorado Association of Commerce &
Industry
Consumer Electronics Association
Consumer Specialty Products Association
Corn Refiners Association
Council of Industrial Boiler Owners
Council of Industry of Southeastern New
York
Council of Producers & Distributors of
Agrotechnology
Credit Union National Association
Fabricators and Manufacturers Association,
International
Fashion Jewelry and Accessories Trade
Association
The Fertilizer Institute
Food Marketing Institute
Forest Resources Association
Forging Industry Association
Foundry Association of Michigan
Global Cold Chain Alliance
Golf Course Superintendents Association of
America
Grocery Manufacturers Association
Halloween Industry Association
The Hardwood Federation
Heating, Air-Conditioning & Refrigeration
Distributors International
INDA, Association of the Nonwoven Fabrics
Industry
Independent Bakers Association
Independent Lubricant Manufacturers
Association

Independent Petroleum Association of America
Indiana Cast Metals Association
Industrial Fasteners Institute
Industrial Minerals Association - North America
Institute of Makers of Explosives
Institute of Scrap Recycling Industries, Inc.
Interlocking Concrete Pavement Institute
International Franchise Association
International Sign Association
Iowa Association of Business and Industry
IPC - Association Connecting Electronics Industries
ISSA, The Worldwide Cleaning Industry Association
Juvenile Products Manufacturers Association
Kitchen Cabinet Manufacturers Association
Louisiana Association of Business and Industry
Manufacturers Association of Florida
Mason Contractors Association of America
Metal Powder Industries Federation
Metals Service Center Institute
Mississippi Manufacturers Association
Montana Chamber of Commerce
Motor & Equipment Manufacturers Association
Motorcycle Industry Council
NanoBusiness Commercialization Association
National Association for Surface Finishing
National Association of Federal Credit Unions
National Association of Manufacturers
National Association of REALTORS®
National Association of Trailer Manufacturers
National Automatic Merchandising Association
National Concrete Masonry Association
National Confectioners Association
National Council of Chain Restaurants

National Council of Textile Organizations
National Electrical Contractors Association
National Federation of Independent Business
National Grain and Feed Association
National Grocers Association
National Lumber and Building Material Dealers Association
National Marine Manufacturers Association
National Mining Association
National Restaurant Association
National Retail Federation
National Roofing Contractors Association
National Rural Electric Cooperative Association
National Shooting Sports Foundation
National Stone, Sand and Gravel Association
National Tooling and Machining Association
National Utility Contractors Association
National Wooden Pallet and Container Association
Nebraska Chamber of Commerce & Industry
Nevada Manufacturers Association
Non-Ferrous Founders' Society
North American Die Casting Association
North American Equipment Dealers Association
North American Millers' Association
Northeast Pennsylvania Manufacturers and Employers Association
NTCA—The Rural Broadband Association
Ohio Cast Metals Association
The Ohio Manufacturers' Association
Owner-Operator Independent Drivers Association
Pennsylvania Foundry Association
Pennsylvania Manufacturers' Association
Petroleum Marketers Association of America
Plastic Pipe and Fittings Association
Precision Machined Products Association
Precision Metalforming Association

Secondary Materials and Recycled Textiles Association
Security Industry Association
Small Business & Entrepreneurship Council
Small Business Legislative Council
Snack Food Association
Society of Glass and Ceramic Decorated Products
South Carolina Timber Producers Association
Southeastern Lumber Manufacturers Association
Southern Pressure Treaters' Association
Specialty Equipment Market Association
Specialty Tools & Fasteners Distributors Association
SPI: The Plastics Industry Trade Association
Spring Manufacturers Institute
The State Chamber of Oklahoma

Tennessee Chamber of Commerce & Industry
Texas Association of Business
Texas Cast Metals Association
Textile Rental Services Association
Toy Industry Association
Treated Wood Council
Truck Renting and Leasing Association
U.S. Chamber of Commerce
Utah Manufacturers Association
Valley Industrial Association
Valve Manufacturers Association
West Virginia Manufacturers Association
Window and Door Manufacturers Association
Window Covering Manufacturers Association
Wisconsin Cast Metals Association
Wisconsin Manufacturers & Commerce
Woodworking Machinery Industry Association