

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