



AMERICAN SUSTAINABLE BUSINESS COUNCIL

September 10, 2024

The Honorable Roger Williams, Chairman
U.S. House Committee on Small Business
2336 Rayburn HOB
Washington, DC 20515

The Honorable Nydia Velazquez
Ranking Member
U.S. House Committee on Small Business
2069 Rayburn House Office Building
Washington, DC 20515

Re: House Bills 7198, 8083, 9030, 9031, 9032, 9033, 9085

Dear Chairman Williams, Ranking Member Velazquez and members of the House Committee on Small Business,

The American Sustainable Business Council was founded in 2009 and represents thousands of businesses across our networks. Over the years we have provided testimony to Congressional committees, including this committee, many times particularly on the issue of federal regulations.

We have always made the case for that good regulations are essential for creating a level playing field for small businesses to effectively compete with large corporations. We believe that good regulations establish the foundation for small businesses to grow and succeed by promoting a healthier workforce, community and environment.

The signature of good regulations is a vibrant, entrepreneurial economy. That is exactly what we have today in the United States.

According to a recent U.S. Treasury report, applications by entrepreneurs to start small businesses are at all-time highs. In 2024, new business applications are averaging 430,000 per month, 50% more than in 2019. New business applications in 2023 broke a record at 5.5 million. Since 2019, new business applications have reached 19 million.

All this good news is reflected in small business optimism which the National Federation of Independent Business recently said is trending upward based on its monthly surveys. Earlier this year the US Chamber of Commerce stated that “entrepreneurship is booming in the United States.”

This committee is now considering numerous regulatory-related bills that presumably have been offered to protect small businesses from onerous regulations that are unfairly stifling entrepreneurship and small business growth.

There is no evidence that the federal regulatory process is having this impact.

Of course, improvements to the regulatory process can always be made in terms of better outreach to small business owners for input and more resources for federal agencies to conduct this outreach to get a true picture of the impact proposed regulations might have on small businesses.

However, this is not what the bills cited above are intended to do.

Instead, the intent of these bills is clearly to add layers of more bureaucracy to the Regulatory Flexibility Act by imposing unnecessary, duplicative and even counterproductive requirements on federal agencies in the regulatory process, all without providing the additional funding that agencies would need to carry out the new procedures.

At this late point in the legislative session and, to our understanding, the lack of the traditional bipartisan cooperation on these bills being marked up today, we can only conclude that a detailed analysis of each piece of legislation would not have any effect on the decisions this committee will make.

This conclusion is substantiated by the lack of this committee's attention to H.R. 5999, the Small Business Regulatory Relief Act. This bill would actually be beneficial to small businesses that can find themselves confused about how to comply with federal regulations and thus fall under investigation for non-compliance.

H.R. 5999 addresses this actual need in the regulatory process by authorizing the Small Business Administration's Office of the National Ombudsman to work with federal agencies to provide compliance assistance to small businesses. And unlike the bills under consideration today, the Small Business Regulatory Relief Act provides additional funding to the Ombudsman's Office to carry out these new responsibilities.

Thank you for the opportunity to provide input on your proceeding today. In summary, we oppose all the bills being addressed today. None will improve the regulatory process to help small businesses but will instead weaken federal agencies in their ability to promulgate and review regulations to achieve the positive impact sought by well-crafted regulations.

Sincerely,

A handwritten signature in cursive script that reads "David Levine".

David Levine
Co-founder and President