



February 5, 2025

The Honorable Roger Williams
Chair
House Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

The Honorable Nydia Velázquez
Ranking Member
House Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Williams, Ranking Member Velázquez and Members of the House Committee on Small Business:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 67 chapters representing more than 23,000 members, I appreciate the opportunity to comment on the committee's hearing, "[Hope on the Horizon: Prioritizing Small Business Growth in the 119th Congress](#)." The majority of ABC's general contractor and subcontractor members qualify as small businesses as defined by the Small Business Administration. The industry consistently has one of the highest concentrations of small business participation, and its members play an integral role in building America's infrastructure.

Throughout the last four years, small business contractors around the country have faced severe economic uncertainty. The Biden-Harris administration advanced numerous regulations that imposed substantial burdens on Main Street, picking winners and losers along the way. What's worse, federal agencies utilized loopholes in the Regulatory Flexibility Act to implement these regulations at the expense of America's small business community. Now, with a business-friendly administration and like-minded Congress, businesses can expect some much-needed relief.

ABC's [Construction Confidence Index](#), based on an ABC member survey conducted between Dec. 20 and Jan. 6, details a growing sense of positivity in the construction industry. The readings for sales, staffing levels and profit margins remain above the threshold of 50, indicating expectations for growth over the next six months. Specifically, the share of contractors that expect their sales to increase during this time is now at the highest level since early 2022. These statistics are welcome grounds for optimism for an industry that has been bogged down with overly burdensome regulations.

In the 118th Congress, this committee released an RFA [report](#) detailing a concerning lack of compliance in the federal rulemaking process. The report revealed that, in less than four years, 891 final rules had been issued, crushing small businesses with \$1.47 trillion in costs and over 232 million hours in paperwork. Moreover, federal agencies' continued use of loopholes in the RFA allow them to circumvent the proper analysis needed to accurately consider the costs and number of affected small businesses.

For this reason, ABC was proud to [support](#) the Prove It Act of 2024 in the 118th Congress ([H.R. 7198](#)), which strengthens the RFA and increases small business input in the regulatory process, ensuring federal agencies fully account for the impact of regulations on small businesses. ABC appreciates the committee's attention to federal overreach and looks forward to supporting legislative solutions in the 119th Congress to ensure agencies have a check on their rulemaking power.

In addition to necessary improvements to the rulemaking process, ABC supports the permanent 20% deduction of qualified income for pass-through businesses through Section 199A of the 2017 Tax Cuts and Jobs Act. ABC joined over 235 trade associations in a [letter](#) supporting the Main Street Tax Certainty Act, which will help Main Street compete with large public corporations, lead to higher

economic growth and more employment and help prevent a significant tax hike on the very businesses we rely on to drive our economy.

America's small businesses are the backbone of our nation's economy. ABC remains committed to working together to ensure that these critical entities succeed and looks forward to being a resource to the committee for issues affecting our membership and the industry.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristen Swearingen". The signature is fluid and cursive, with a prominent initial "K".

Kristen Swearingen
Vice President, Legislative & Political Affairs