



July 18, 2023

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nydia Velazquez
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Williams and Ranking Member Velazquez:

Especially during a period of heightened federal regulatory activity, as we are currently experiencing, it is important that the Administrator of the Small Business Administration (SBA) understand and quantify the cost of federal regulation so that she or he – and Congress - can better serve the interests of our nation's small business owners. The Small Business Regulatory Reduction Act directs the Administrator to quantify and monitor such costs on small businesses, which is greatly needed as the cumulative costs are overwhelming for many small businesses.

The Small Business & Entrepreneurship Council (SBE Council) strongly supports this legislation.

The SBA and its Administrator need to provide leadership on federal regulatory matters, and more assertively communicate the negative effects of excessive, unwarranted and outdated regulation on small businesses. The cumulative cost and burden of federal regulation disproportionately harm small firms, and by working to ensure that the annual costs of the Administration's rulemakings are not greater than zero, the SBA can have a profound impact on federal rulemaking design and activity.

The legislation requires the SBA to annually report to Congress on federal regulations that have an impact on small businesses. Again, quantifying these costs and whether rules cumulatively exceed a zero-based regulatory budget will provide important information to Congress and regulators about how federal rules are impacting small businesses. This important tool will help Congress with oversight and continually inform regulators, Administration policy leaders and staff, and the public that federal regulation is not free, it comes with costs, which can profoundly affect the competitiveness and viability of small businesses.

Every member of Congress needs to support this common-sense legislation that will help our nation's small businesses more effectively compete, grow and succeed.

Sincerely,



Karen Kerrigan
President & CEO

cc: The Honorable Beth Van Duyne

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