



April 29, 2025

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, DC 20510

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

Dear Chairman Williams and Ranking Member Velazquez:

Thank you for holding a markup on H.R. 1163, the Prove It Act of 2025, legislation intended to reduce the federal regulatory burden that disproportionately harms small businesses.

The leaders of the Small Business Council at the U.S. Chamber of Commerce have endorsed the Prove It Act. Council Chair, Joe Shamess, a general partner of Flintlock Capital, an early-stage venture firm based in McLean, Virginia, wrote the Committee last September to explain how the Prove It Act would help small businesses. He based his endorsement on his experience founding three businesses, including Flags of Valor in Winchester, Virginia, combined with his current role leading and funding founders who are pursuing transformational technologies.¹ Council Vice-Chair, Traci Tapani, is Co-President of Wyoming Machine in Stacy, Minnesota, a family-owned company that specializes in sheet metal fabrication and offers a variety of services to corporate clients from laser cutting to welding. Traci provided a letter for the record following your committee's hearing last year in which she endorsed the

¹ U.S. Chamber of Commerce, *Letter in support of H.R. 7198 (September 10, 2024)*, viewable at: <https://www.uschamber.com/small-business/hill-letter-on-markup-of-h-r-7198-prove-it-act-of-2024-in-the-house-committee-on-small-business>.

Prove It Act ² and shared a letter of support for the Prove It Act signed by more than 250 local and state chambers of commerce.³

The Chamber's 2016 work with the Bradley Foundation showed that federal regulatory compliance costs that year totaled \$1.1 trillion industry wide and that small businesses shouldered a compliance cost of twenty percent more per employee than their larger business competitors. More recently, the MetLife & U.S. Chamber of Commerce Small Business Index revealed that almost half of small business owners believe they spend too much time and money navigating regulatory requirements and that red tape is stifling their ability to grow.⁴

Attempts to reduce the disproportionate burden federal regulations impose on small firms are not new to the Small Business Committee. Not only did you successfully report out the Prove It Act last year which led to its passage by the U.S. House of Representatives, your committee led the way for passage of the "Regulatory Flexibility Act (RFA) forty-four years ago. That law required regulators to tailor rules and meet government objectives while minimizing the burden on small businesses. Leveling the playing field and reducing regulatory costs allow for small business owners to reinvest more money in their employees, grow their businesses, and contribute even more to their communities.

Under your leadership, the Small Business Committee has explored the challenges small businesses face when confronting one-size-fits-all federal regulation. The Chamber supports your efforts and is pleased you are marking up H.R. 1163, the Prove It Act of 2025. The legislation, authored by Representative Brad Finstad, would strengthen the RFA by updating the "certification" requirements in the law to ensure federal agencies take small business input seriously, and by requiring

² U.S. Chamber of Commerce, *Letter for the Record for the U.S. House of Representatives Small Business Committee Hearing entitled, "Burdensome Regulations: Examining the Biden Administration's Failure to Consider Small Businesses"* (May 22, 2024), viewable at: <https://www.uschamber.com/small-business/statement-for-the-record-traci-tapani-for-the-hearing-burdensome-regulations-examining-the-biden-administrations-failure-to-consider-small-businesses>.

³ U.S. Chamber of Commerce, *local and state chambers of commerce coalition letter in support of the Prove It Act* (May 21, 2024), viewable at: <https://www.uschamber.com/small-business/state-and-local-chamber-letter-on-house-consideration-of-h-r-7198-the-prove-it-act>.

⁴ See MetLife & U.S. Chamber of Commerce Small Business Index for Q4 of 2024 (December 16, 2024), viewable at: <https://www.uschamber.com/sbindex/2024-Q4>.

federal agencies to be transparent about costs by including all reasonably foreseeable impacts in the analysis released to the public for comment.

We urge the Committee to favorably report H.R. 1163. The Chamber looks forward to seeing this legislation enacted to help small businesses across the country.

Sincerely,

A handwritten signature in blue ink, reading "Thomas M. Sullivan". The signature is fluid and cursive, with the first name "Thomas" and last name "Sullivan" clearly legible, and "M." in the middle.

Thomas M. Sullivan
Senior Vice President
Small Business Policy
U.S. Chamber of Commerce