



April 30, 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 U.S. 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 write today in support of [H.R. 1163](#), the Prove It Act of 2025, and urge you to favorably report the bill for a full vote in the U.S. House of Representatives. 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 past four years, small business contractors around the country faced severe economic uncertainty. The Biden administration advanced numerous regulations that imposed substantial burdens on Main Street, picking winners and losers along the way. By circumventing the Regulatory Flexibility Act, agencies implemented almost 900 final rules, crushing small businesses with over \$1 trillion in compliance costs and more than 232 million hours of added paperwork.

Last Congress, this committee released an RFA [report](#) detailing a concerning lack of compliance in the federal rulemaking process. The report revealed that federal agencies' continuously utilized loopholes in the RFA that allowed them to bypass the proper analysis needed to accurately consider the costs and number of affected small businesses when issuing new rules. What's more, the SBA's Office of Advocacy found agencies often improperly certify that rules will not have a significant economic impact on a substantial number of small entities, only consider the direct costs on small businesses or misrepresent the costs on small businesses from regulation.

For this reason, ABC is proud to [support](#) the Prove It Act, which strengthens the RFA by allowing main street businesses, and the groups that represent them, to petition the SBA to examine whether a federal regulation would have significant economic effects on a large number of small businesses. Currently, agencies are not required to perform a regulatory flexibility analysis if they certify that a proposed rule would not have a significant economic impact on a substantial number of small entities. Through the Prove It Act, groups like ABC can call on the SBA to challenge the agency's claim and request an analysis if they see fit. The bill also requires agencies to evaluate both direct and indirect costs on small businesses and exempt them from regulatory action if an agency does not comply with the RFA.

It is crucial that we take the necessary steps to ensure that small businesses are not burdened by excessive red tape. Empowering the SBA and small businesses nationwide will restore balance and ensure that the voices of small businesses are considered during the federal rulemaking process. In doing so, we can help to level the playing field for Main Street America.

ABC calls on you to report H.R. 1163 for a full House vote and remains committed to advocating for policies that support the growth and success of small businesses.

Sincerely,

Kristen Swearingen
Vice President, Legislative & Political Affairs