



January 7, 2026

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

The Honorable Nydia Velázquez
Ranking Member
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 and more than 23,000 members, I thank you for holding today's hearing, "[A Voice for Small Business: How the SBA Office of Advocacy is Cutting Red Tape](#)." The majority of ABC's general contractor and subcontractor members qualify as small businesses as defined by the U.S. Small Business Administration. Construction remains one of the most small-business-intensive industries in the nation, and our members play a vital role in building America's infrastructure and local economies.

ABC appreciates the SBA Office of Advocacy providing small businesses with a voice in the federal regulatory process and pushing back against unnecessary and overly burdensome regulations. The office's work is essential to continuing to resolve federal agency failures to comply with the Regulatory Flexibility Act.

Recent oversight findings underscore the magnitude of RFA noncompliance. Reports from the [House Committee on Oversight](#) and [this committee](#) have documented widespread agency misuse of RFA loopholes, allowing regulators to bypass meaningful analysis of the impact of rules on small businesses. Throughout the Biden administration, federal agencies finalized hundreds of rules without proper consideration of small business impacts, imposing over \$1 trillion in compliance costs and hundreds of millions of hours of added paperwork. The SBA Office of Advocacy itself has found that agencies frequently misrepresent or underestimate regulatory costs, improperly certify rules as having no significant economic impact on small entities or ignore indirect costs altogether.

While the Office of Advocacy has worked to address these shortcomings, ABC believes Congress must codify and strengthen Advocacy's authority through legislation to guarantee small businesses a consistent voice in the process. For this reason, ABC is proud to [support](#) the DUMP Red Tape Act ([H.R. 5305](#)), which requires the SBA's chief counsel for advocacy to establish a "Red Tape Hotline," accessible by email, web form or phone, where small businesses can report burdensome regulations. Each year, the chief counsel must submit a report to Congress identifying the most frequently cited regulatory problems, the industries and regions affected, recommended reforms for federal agencies and steps taken to reduce these barriers.

In addition, ABC [supports](#) the Prove It Act ([H.R. 1163](#)), 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 may call on the SBA to challenge an agency's claim and request an analysis if the SBA sees 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.

We were encouraged that both bills were successfully reported for a full House vote, and thank members of the committee who voted for the DUMP Red Tape Act on the House floor, which passed in a [269-146 vote](#). It is crucial that Congress act to restore balance to the federal regulatory process. Codifying legislation to strengthen the SBA Office of Advocacy will help prevent regulatory overreach, protect Main Street businesses from excessive red tape and ensure that small business voices are meaningfully considered before rules are finalized.

ABC appreciates the committee's leadership on these issues and remains committed to working with Congress to advance policies that promote fair and open competition, regulatory accountability and the long-term success of America's small businesses.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristen Swearingen".

Kristen Swearingen
Vice President, Government Affairs