



March 11, 2025

The Honorable Mark Alford
Chair
House Committee on Small Business
Subcommittee on Oversight, Investigations
and Regulations
U.S. House of Representatives
Washington, DC 20515

The Honorable Derek Tran
Ranking Member
House Committee on Small Business
Subcommittee on Oversight, Investigations
And Regulations
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Alford, Ranking Member Tran, and Members of the House Committee on Small Business Subcommittee on Oversight, Investigations, and Regulations:

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, "[Restoring the SBA: Putting Main Street America First](#)." 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 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, all while ignoring the advice of the Small Business Administration. Now, with a business-friendly administration and like-minded Congress, the SBA can once again be empowered to properly advocate for Main Street businesses.

Last Congress, the House Small Business 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 circumvent 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 in the 119th Congress ([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 can call on the SBA to challenge the agency's claim and request an analysis if they see fit.

It is crucial that we take the necessary steps to ensure that small businesses are no longer 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 remains committed to advocating for policies that support the growth and success of small businesses, and we look forward to working with the committee and the SBA to put small businesses first.

Sincerely,

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

Kristen Swearingen
Vice President, Legislative & Political Affairs