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July 24, 2019

The Honorable Marco Rubio  
Chairman, Senate Committee on Small Business & Entrepreneurship  
428A Russell Senate Office Building  
Washington, DC 20510

The Honorable Ben Cardin  
Ranking Member, Senate Committee on Small Business & Entrepreneurship  
428A Russell Senate Office Building  
Washington, DC 20510

Dear Chairman Rubio and Ranking Member Cardin,

On behalf of NFIB, the nation's leading small business advocacy organization, I am writing in support of Title IX of the Chairman's Mark of the *Small Business Administration (SBA) Reauthorization and Improvement Act of 2019*. Title IX focuses on regulatory reform and includes multiple bipartisan provisions requiring agencies to consider the impact regulations have on small businesses.

According to the most recent *NFIB Small Business Problems and Priorities* report, "unreasonable government regulations" ranks as the second most important problem small business owners face.<sup>1</sup> In a *Small Business Poll* on regulations, NFIB found that almost half of small businesses viewed regulation as a "very serious" (25 percent) or "somewhat serious" (24 percent) problem.<sup>2</sup> Compliance costs, difficulty understanding regulatory requirements, and extra paperwork are the key drivers of the regulatory burdens on small business.<sup>3</sup>

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<sup>1</sup> Holly Wade, *Small Business Problems and Priorities*, NFIB Research Foundation, (August, 2016), available online at <https://www.nfib.com/assets/NFIB-Problems-and-Priorities-2016.pdf>.

<sup>2</sup> Holly Wade, *Regulations*, Vol. 13, Issue 3, (2017), 6, available online at <http://411sbfacts.com/files/Regulations%202017.pdf>.

<sup>3</sup> *Id.*

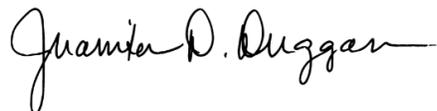
This legislation requires that federal agencies adhere to the intent of the *Regulatory Flexibility Act* (RFA) and the *Small Business Regulatory Enforcement Fairness Act* (SBREFA) in considering the effects their rules will have on small businesses. Title IX incorporates provisions of bipartisan bills including the *Prove It Act* (S. 1339), the *SMART Act* (S. 1420), and the *HEARD Act* (S. 2142).

NFIB is pleased that Title IX would expand the applicability and availability of Small Business Advocacy Review (SBAR) Panels. SBAR panels would be expanded to apply to the Department of Labor, the Internal Revenue Service, the Department of Interior, and the Small Business Administration. Title IX would also make SBAR panels more accessible to small business owners by allowing for remote participation. Together, these expansions would allow more small business owners to participate in the rulemaking process.

Lastly, NFIB appreciates that Title IX will require agencies to provide quantifiable and numerical descriptions of the effects of a proposed rule during the initial and final regulatory flexibility analyses. This change will require agencies to take the time to fully comprehend the consequences their regulations will have on small businesses.

NFIB strongly supports Title IX of the *SBA Reauthorization and Improvement Act of 2019* Chairman's Mark and urges its approval by the Senate Small Business & Entrepreneurship Committee.

Sincerely,

A handwritten signature in black ink that reads "Juanita D. Duggan". The signature is written in a cursive, flowing style.

Juanita D. Duggan  
President & CEO  
NFIB