



March 10, 2011

The Honorable Olympia Snowe
United State Senate
Washington, DC 20510

Dear Senator Snowe:

The National Small Business Association is pleased to support the week the *Small Business Regulatory Freedom Act*. Reaching 150,000 small businesses across the nation, NSBA is the country's oldest small-business advocacy organization.

As you know, small businesses in the U.S. bear a disproportionate share of the oppressive federal regulations and paperwork burden. A recent U.S. Small Business Administration Office of Advocacy report found that the per-employee cost for all regulations for the smallest businesses (those with fewer than 20 employees) increased from \$7,647 to \$10,585, since 2005. This represents a 36 percent higher cost per-employee for small firms than large firms. The report also found that the overall cost of regulations continues to rise. It estimated that the total federal regulatory cost is \$1.75 trillion.

The *Small Business Regulatory Freedom Act* would achieve a number of longtime NSBA objectives. Most importantly, the legislation would require federal agencies to consider the indirect impact of proposed regulations on small businesses. NSBA has long advocated that this failure is the largest loophole in the federal regulatory framework. NSBA also supports the bills provisions strengthening how federal agencies conduct their small-business analyses.

NSBA also is highly supportive of the legislation's section expanding the *Small Business Regulatory Enforcement Fairness Act* panel process to all agencies—and not just the Environmental Protection Agency, the Occupational Safety and Health Administration, and the Consumer Financial Protection Bureau. The SBREFA panel process ensures that agencies consider the potential small business economic impact before proposing new rules.

NSBA urges Congress to adopt the *Small Business Regulatory Freedom Act* and thanks you for your critical leadership on the issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd O. McCracken". The signature is stylized and includes a long horizontal flourish at the end.

Todd O. McCracken
President