



July 29, 2014

The Honorable Steve Scalise  
U.S. House of Representatives  
2338 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Doug Collins  
U.S. House of Representatives  
513 Cannon House Office Building  
Washington, D.C. 20515

Dear Reps. Scalise and Collins:

I write on behalf of the National Small Business Association, the nation's first small business advocacy with more than 65,000 small-business members in every state and every industry across the country, in strong support of the *National Regulatory Budget Act of 2014 (H.R.5184)*. NSBA, a staunchly nonpartisan organization, and our members consistently rank regulatory burden among their top challenges, and voted regulatory reform one of our top ten priorities for the 113<sup>th</sup> Congress. I commend you for your leadership in introducing this legislation in the House.

Small businesses disproportionately bear a larger portion of the federal regulatory burden. According to a study released in 2010 by the U.S. Small Business Administration's (SBA) Office of Advocacy, the total costs of federal regulations in the U.S. had increased to \$1.75 trillion or roughly 12 percent of GDP in 2008. Furthermore, small businesses face an annual regulatory cost of \$10,585 per employee per year, which is 36 percent higher than the regulatory cost facing large firms. For this reason, NSBA played a critical role in developing the idea of a National Regulatory Budget to ensure fairness in regulation as it would constitute great steps toward much needed reform, transparency and priority setting in the regulatory process.

While a number of positive steps have been taken to restrain regulation, including the *Regulatory Flexibility Act of 1980*, the *Small Business Regulatory Enforcement Fairness Act of 1996* and the *Paperwork Reduction Act*, little progress has actually been made. The *National Regulatory Budget Act of 2014* would provide for a regulatory budget process where Congress would establish caps for federal agencies on the total economic cost of federal regulations, and establishes the Office of Regulatory Analysis (ORA) to oversee this new process. This legislation also would encourage agencies to stay within those caps by prioritizing their regulatory portfolios and focusing on regulations that produce the most benefit at the lowest cost.

Therefore, I enthusiastically support H.R.5184 as it is a common sense way to reduce regulatory burdens and will have a positive impact on the business community. Again, we applaud your initiative and look forward to working with you to bring this legislation to the House floor for consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd McCracken". The signature is stylized and written in a cursive-like font.

Todd McCracken  
President & CEO