



February 3, 2015

The Honorable Steve Chabot
Chairman
Committee on Small Business
U.S. House of Representatives
2361 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Chabot,

On behalf of the National Small Business Association (NSBA), I am pleased to support *H.R. 527*, the *Small Business Regulatory Flexibility Improvements Act of 2015*. This legislation will modernize and strengthen the *Regulatory Flexibility Act of 1980 (RFA)* by requiring federal agencies to consider the impact of regulations on small businesses before imposing burdensome mandates.

NSBA is the nation's first small business advocacy with more than 65,000 small-business members representing every state and every industry across the country. NSBA, a staunchly nonpartisan organization, and our members consistently rank regulatory reform as one of our top ten priority issues for the 114th Congress. I commend you for your leadership in introducing this legislation in the House.

The total annual cost of the federal regulatory burden on the American public has ballooned to nearly \$2 trillion and continues to grow each year. Unfortunately, small businesses disproportionately face higher annual regulatory costs of \$10,585 per employee per year, which is 36 percent above the regulatory cost facing large firms.

Under this legislation federal agencies would be required to enhance their analysis of proposed rules, provide greater opportunity for small business input, and ensure agencies regularly review existing rules for their economic impact on the small business community. Furthermore, NSBA is pleased with the bill's directive requiring each department to convene a small-business review panel to discuss any major new regulations before the rules can be implemented. To minimize any significant adverse impact, *H.R. 527* would also expand the scope of the required economic impact analysis to include indirect effects.

For these reasons, NSBA enthusiastically supports *H.R. 527*. Thank you for your leadership on this issue and I look forward to working with you to bring this legislation to enactment.

Sincerely,

A handwritten signature in black ink that reads "Todd McCracken". The signature is written in a cursive style with a long horizontal line extending to the right.

Todd McCracken
President & CEO