

MARKUP OF: H.R. 8033, THE REGULATORY TRANSPARENCY FOR SMALL BUSINESSES ACT; H.R. 9031, THE ASSURANCE FOR SMALL BUSINESS ACT OF 2024; H.R. 9032, THE ENHANCED REGULATORY FLEXIBILITY ASSESSMENT ACT; H.R. 9030, THE AGENDA CLARITY ACT; H.R. 9085, THE REGULATORY REVIEW IMPROVEMENT ACT OF 2024; H.R. 9033, THE LET AMERICAN BUSINESSES BE ON RECORD (LABOR) ACT; H.R. 7198, THE PROVE IT ACT OF 2024

HEARING

BEFORE THE

COMMITTEE ON SMALL BUSINESS

UNITED STATES

HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

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ON RECORD (LABOR) ACT; H.R. 7198, THE
PROVE IT ACT OF 2024**

TUESDAY, SEPTEMBER 10, 2024

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,

Washington, DC.

The Committee met, pursuant to call, at 9:52 a.m., in Room 2360, Rayburn House Office Building, Hon. Roger Williams [chairman of the Committee] presiding.

Present: Representatives Williams, Stauber, Meuser, Van Duyne, Salazar, Mann, Ellzey, Molinaro, Alford, Crane, Bean, LaLota, Maloy, Velázquez, Golden, Phillips, Landsman, McGarvey, Gluesenkamp Perez, Scholten, Thanedar, Chu, Davids, and Pappas.

Chairman WILLIAMS. The committee will now come to order and a quorum is present. Without objection the Chair is authorized to declare a recess of the committee at any time.

As required by the House rules a copy of legislative measures have been made available to Members and the public at least 24 hours in advance. Pursuant to Committee Rule 13 and House Rule 11, all votes will be rolled to the end of this meeting.

Good morning, and welcome to today's markup where we will be discussing 7 bills that highlight our nation's small businesses and the burdensome regulations imposed on them by this Administration. I am going to be speaking on each of the bills we bring up today in much greater detail, so I will keep these remarks very brief.

To put it bluntly, Main Street America has been crippled by the over \$1.68 trillion in new costs imposed by new regulations during President Biden's time in office.

My colleagues and I on this committee have the privilege of being main street's voice in Washington and began investigating how

these staggering numbers are possible. We sent letters to federal agencies and questioned how they were adhering to the laws on the books that are supposed to insulate small businesses from the most damaging regulations coming out of Washington, D.C.

The markup we are having today is a result of the information that we gained through our investigation and the various hearings we have had on the impacts of these actions throughout this Congress.

These bills are intended to prevent this type of harmful regulatory regime from being implemented by the future administrations. By requiring government agencies to assess and limit the direct and indirect costs of their rules and regulations, federal agencies are forced to consider the interests of small businesses.

Main Street America cannot afford more red tape, nor can they afford more—spend any more valuable time on compliance. They need a regulatory environment they can survive in so they can continue to fuel our nation's economy, and that is exactly what these bills seek to give them.

I would like to thank our Members for bringing these bills forward for consideration in today's markup. Every piece of legislation we are going to look at today is the product of hearings and investigations we have conducted.

Here on this committee, we know it is our job to put forward meaningful policy solutions that will help and not harm our nation's job creators. They are already dealing with enough thanks to the current economic landscape.

We must continue the fight for Main Street America, and these pieces of legislation are a great step in the right direction. I am extremely proud to see how our committee is generating sound and responsible legislation that will free up our nation's small businesses to focus on their core operations.

The policy solutions we plan to markup here today have received statements of support from 50 stakeholders including the American Farm Bureau, who is the voice of 5.9 million farmers across the country, to the National Federation of Independent Business, who represents 325,000 small businesses. They recognize these bills are not duplicative and are vital for small businesses to survive in the harsh regulatory environment brought by the Biden-Harris Administration.

I would like to ask unanimous consent to enter this letter into the record. And without objection it is so order.

So, with that, I look forward to today's markup, and I yield to the distinguished Ranking Member from New York, Ms. Velázquez.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

Part of our role as Members of the Small Business Committee is to recognize the impact regulations have on small businesses and work to find ways to balance the shared goal of minimizing the burdens and achieving the intended effects of regulations.

Throughout committee hearings, we have heard that agencies have been better about considering the impact of their rules on small entities since the passage of the Regulatory Flexibility Act.

To that end, the Office of Advocacy has been working diligently to educate and train rule-writing staff about their responsibilities. We have seen the fruits of their labor, the analysis agencies are

conducting has improved significantly. Agencies are responsive to Advocacy's letters and have made meaningful changes to the rules to minimize the burden on small businesses.

In fact, Advocacy's efforts resulted in more than \$90 million in estimated regulatory costs for small businesses in fiscal year 2023 alone.

Contrary to what we will hear today, the process is working, and federal regulations can and do benefit our economy. Let me share some examples.

Regulations that protect our air and waters boost small businesses in the outdoor recreational industry, accounting for \$564 billion of our GDP in 2022.

Regulations to combat climate change protect small businesses that do not have the resources to recover from a climate disaster.

With smart, well-crafted regulations we can grow our economy, protect the health and safety of Americans, and limit the burden on small businesses.

Moreover, smart, well-crafted regulations have the potential to unleash innovation. Small businesses all across the nation have found new opportunities to invest cost-effective and efficient solutions to pressing policy problems as a result of a regulatory change.

And regulations help to level the playing field for small businesses, enabling them to better compete against anti-competitive big business practices.

Unfortunately, we will hear talking points that the Biden Administration unleashed a regulatory onslaught on small businesses across the country or that agencies do not take into consideration the best interests of small business when making rules. Let us take it for what it is, political themes for partisan gains.

Let us look at the facts. The Biden Administration proposed rules to improve the lives of Americans. One rule would make it easier to cancel subscriptions and speak to customer service agents directly, freeing small business owners of the hassle of being placed on hold or endless automated instruction will save them time and money.

Unfortunately, the bills we are considering today will grind the regulatory process to a halt and harm the health, safety, and welfare of Americans and small businesses. These bills adds numerous procedural and analytical requirements that will complicate rule-making and redirect limited agency resources, without improving the process. Put simply it is paralysis by analysis.

These bills also mandate overly extensive information about regulatory impacts that would not only burden the agencies, but also the small businesses that will have to provide information.

These bills reflect many of the major antiregulatory themes included in Project 2025, a radical plan to gut environmental, health, and safety protections. Even Larry Hogan, the former Republican Governor of Maryland has said there is no clearer threat to American values than Project 2025.

To that end, I cannot support these bills, and plan to support amendments to make much-needed improvements.

Thank you, Mr. Chairman. I yield back.

Chairman WILLIAMS. The lady yields back and does any other Member seek recognition for the purpose of making an opening

statement? Okay. Seeing none, we will now move to the consideration of the first bill.

The first bill we will mark up is H.R. 8033, the Regulatory Transparency for Small Business Act introduced by Representative Luetkemeyer. I now recognize Mr. Mann, from the great State of Kansas, for an opening statement on the bill.

H.R. 8033

Mr. MANN. Thank you, Mr. Chairman. Before I get started, Mr. Luetkemeyer, the sponsor of this bill isn't able to be here today. I would like to ask unanimous consent to enter his statement into the record. Thank you, Mr. Chairman.

My district of Big First District of Kansas is home to more than 20,000 small businesses and more than 80 percent of employees in the district are employed by small businesses.

The Biden-Harris Administration's burdensome and overreaching regulations on America's small business owners has wreaked havoc on small business throughout the Big First and across the country.

Less than a century ago the laws of the United States could fit into a single book but today bureaucrats have filled enough volumes to fill up this entire dais with the Federal Register of government regulations sitting at more than 90,000 pages.

Between ramped inflation and high interest rates, a disrupted supply chain and burdensome federal regulations our small businesses are struggling. The last thing they need are more rules from Washington, D.C. that make it harder for them to make an honest living and serve their community as well.

Unfortunately, President Biden and Vice President Harris have done just that, issuing more than 817 rules that have cost small business owners more than \$482 billion and millions of hours of paperwork.

Our bill, this bill, the Regulatory Transparency for Small Business Act forces federal agencies to identify the approximate number of small business that will be affected by the proposed regulation, the cost associated with this implementation, and to provide the data the agencies use to make their determinations. We need more transparency.

I urge my colleagues to support this bill and I yield back.

Chairman WILLIAMS. The gentleman yields back. Are there any other Members who wish to be recognized for a statement on the bill? Okay. If there are no other Members who wish to be recognized, I would like to recognize the Ranking Member to speak on the bill.

Ms. VELÁZQUEZ. Thank you, Mr. Chairman. Under current law agencies are required to certify whether a rule would have a significant economic impact on a substantial number of small entities and submit their certification and factual basis in the Federal Register.

My colleagues on the other side of the aisle say they are concerned that agencies are improperly certifying the rules and that it negatively impacts small businesses. However, the facts prove otherwise.

If a certification is inadequate the courts will overturn it. Agencies recognize this and understand information must be meaningful to withstand a legal challenge. If there is a disagreement over the

certification, the Office of Advocacy can send a comment letter to an agency expressing concerns.

And for the most part, this process works.

For example, EPA proposed a rule that will impose a one-time requirement to electronically report data related to asbestos. Advocacy sent a letter to EPA stating the agency improperly certified the rule under the RFA. When EPA published the final rule in July 2023, it provided an exemption to business with an annual sales threshold of \$500,000 or less in any calendar year from 2019 to 2022, which saved \$144 million for small businesses.

Despite the mechanism in place to hold agencies accountable today's bill requires agencies to identify the approximate number of small entities affected by the regulation. The next goal and the cost per entity, that might sound good at first. But it is not that simple.

As drafted H.R. 8033 imposes a cost estimate for every proposed rule. Under current law only economically significant rules are required to have a cost benefit analysis. Let me put this requirement into perspective.

The Coast Guard has issued thousands of rules to declare temporary safety zones for sport races, firework shows, and other public events. Why would we vote to require the agency to conduct a cost estimate for thousands of rules that will not impact small businesses? It is a waste of taxpayer resources.

To add insult to injury the information required by the bill is frequently unavailable to agencies at the proposed rule stage. That is why we have a notice and comment period which allows the public to weigh in and provide rule writers with information necessary to make informed choices.

Because this bill makes the rule making process far more burdensome, I urge my colleagues to oppose this bill, and I yield back.

Chairman WILLIAMS. The lady yields back. I now recognize myself to speak in support of this legislation.

H.R. 8033, the Regulatory and Transparency for Small Business Act will require agencies to show their work when determining whether a rule will have a significant economic impact on a substantial number of small entities.

When agencies are drafting proposed rules they must determine whether the rule will have a significant impact on a substantial number of small entities. If it does then the agency must complete an analysis under the Regulatory Flexibility Act or RFA. If it does not the agency merely must justify that it does not.

Certifying saves the agency the headache of doing an analysis so often times despite the true impact of a rule an agency will improperly certify that the rule will not have a significant impact despite evidence to the contrary.

H.R. 8033 will require agencies to show their work when certifying that a bill will not have a significant economic impact on a substantial number of small entities to ensure that a proper certification is done.

They are already required to do this type of an analysis, so as long as the agencies are following the law this should not be much additional work.

I thank the Vice-Chairman of this committee, Mr. Luetkemeyer, for his hard work on this legislation, which will address one of the

largest gaps in the RFA process. If there is no further discussion the committee now moves to consideration of H.R. 8033.

The clerk will report.

The CLERK. H.R. 8033, to amend Title 5—

Chairman WILLIAMS. Without objection the first reading of the bill is suspended with and without objection the bill is considered as read and open for amendment.

Do any Members seeks recognition for the purpose of offering an amendment? Okay. If seeing none, the question is now in the adoption of H.R. 8033. In favorably reporting to the House. All those in favor say aye.

Mr. MANN. Mr. Chairman, I request a recorded vote.

Chairman WILLIAMS. Okay. A Member was okay, and for purpose does the gentleman seek recognition?

Mr. MANN. Oh I am sorry, Mr. Chairman. To request a recorded vote.

Chairman WILLIAMS. Okay. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

H.R. 9032

The next bill we will markup is H.R. 9032, the Enhanced Regulatory Flexibility Assessment Act introduced by the Representative Maloy. I know recognize the bill's sponsor, Ms. Maloy for an opening statement.

Ms. MALOY. Thank you, Mr. Chairman. It is kind of uncomfortable for me to find myself in the position of advocating for more analysis or more red tape. I am usually talking about how we need less bureaucracy and agencies need to have less power to hold things up but the reason this is important is because the Regulatory Flexibility Act is supposed to provide some accountability and transparency.

The problem with the regulatory administrative state is that agencies and bureaucrats are making decisions that have the force of law without accountability or transparency.

So Congress passed the Regulatory Flexibility Act to increase transparency and help agencies make better decisions but it included some squishy language that isn't accomplishing the goals that Congress was trying to accomplish so the Enhanced Regulatory Flexibility Act requires agencies to answer questions like, why is an agency considering this action, what objectives and legal basis exist for this rule and estimate of the number of small entities that are impacted, whether access to credit will be impact, whether some entities will be more impacted than others.

And agencies are required to actually respond to comments and concerns, give a detailed statement that includes an economic assessment, quantifiable description of the rules impact or a descriptive statement of why that isn't possible.

And so that is the kind of agency action that benefits main street businesses and helps keep Americans freer and the government more accountable and that is why I urge my colleagues to support the Enhanced Regulatory Flexibility Act and I yield back.

Chairman WILLIAMS. The lady yields back. And are there any other Members who wish to be recognized for a statement on the

bill? Okay. If there are none, other Members to be recognized. I would like to recognize the Ranking Member to speak on the bill.

Ms. VELAZQUEZ. Thank you, Mr. Chairman. This bill adds a number of procedural and analytical requirements to the initial and final regulatory flexibility analysis. The addition of an estimate of the total impact of the ERFA will require agencies to look not just at the rule but look at it in the context of all rules as well as the past, present, and future costs.

Agencies have never been required to complete this analysis, so the information is not even available. Moreover, an estimate of the total impact will also require an economic assessment justifying certification for ERFA.

This is just another attempt by the majority to require agencies to add a cost estimate for every proposed rule which has never been required because it was prohibited and nonsensical.

The bill provides no resources for agencies to conduct this detail analysis. Moreover, agencies are required to make sure benefits of the rules outweighed the costs and this bill will ignore health and safety benefits.

Americans want clean air, safe food, and consumer protections, and small business want a level playing field. They don't want these safeguards rolled back for big businesses all under the guise of protecting small businesses.

The addition of this very detailed ERFA Act requirements make it easier to overturn a rule through the courts and would deter the implementation of rules that benefits that small businesses without improving the rule making process.

I urge my colleagues to oppose this bill which is just another page out of the Project 2025 playbook. I yield back.

Chairman WILLIAMS. The lady yields back. And I now recognize myself to speak in support of this legislation.

H.R. 9032, the Enhanced Regulatory Flexibility Assessment Act addresses a key issue within the RFA by requiring agencies to be more detailed and precise with their analysis.

As currently written the RFA includes flexible language such as where feasible and to the extent possible. H.R. 9032, strengthens this language and requires agencies to provide more descriptive and concrete details when conducting an RFA analysis.

This committee has recently and consistently heard how woefully inadequate agencies' analysis of their own regulations are. This legislation aims to strengthen that review and ensure that if an agency expects main street to comply they are doing their best to understand the impacts it will have.

This bill closes a loophole that has been taken advantage of to force more expensive regulations on our nation's job creators. I thank Ms. Maloy for her work on this legislation. I urge a yes vote and if there's no further discussion the committee now moves to consideration of H.R. 9032.

The clerk will report.

The CLERK. H.R. 9032, to amend chapter—

Chairman WILLIAMS. Without objection the first reading of the bill is suspended with and without objection or the bill is considered as read and open for amendment. Does any Member seek recognition for the purpose of offering an amendment? Seeing none,

the question is now in the adoption of H.R. 9032 in favor of reporting it—

Ms. MALOY. Mr. Chairman?

Chairman WILLIAMS.—to the house.

All those in favor say aye?

Ms. MALOY. Mr. Chairman?

Chairman WILLIAMS. Yes, ma'am?

Ms. MALOY. I request a record vote.

Chairman WILLIAMS. Okay. A recorded vote has been requested. And a roll call vote is ordered, now pursuant to—

Ms. VELAZQUEZ. Mr. Chairman?

Chairman WILLIAMS. Yes, ma'am?

Ms. VELAZQUEZ. Are you planning to call for a yes and no? You vote yes. We vote no.

Chairman WILLIAMS. Okay. We missed that. Okay. All right. Thank you. All right. In the opinion of—okay. All right. Seeing the—yeah, right here. The question is now adoption of H.R. 9032 favorably reporting to the House.

All those in favor say aye?

All those opposed say no?

Okay. In the opinion of the Chairs, the ayes have it. And H.R. 9032 is agreed to and ordered in favor to the House.

Sorry?

Okay. A recorded vote has been requested. A roll call vote is order and pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

H.R. 9030

Consideration of H.R. 9030, the next bill the Regulatory Agenda Clarity Act introduced by Representative Alford. I now recognize the bill's sponsor, Mr. Alford from Missouri for an opening statement.

Mr. ALFORD. Well thank you, Mr. Chairman and Ranking Member Velázquez for holding this important markup today. You know, this committee exists and we say it time after time after time, but it's the truth, it's to champion main street to ensure that small business that employ about half of all Americans can continue to thrive. And I want to make one thing perfectly clear, with all due respect this has nothing to do with Project 2025.

These bills today are for project Main Street America. And we need to start telling the truth about that. Our role is to help lower the barriers. Yes, establish guard rails but not road blocks that stand in the way of small businesses in America and to support the ones that already exist.

A major impediment to small business is the plethora of rules agencies finalize each and every year that our small businesses are forced to comply with. In 2023 alone Mr. Chairman, federal agencies collectively finalized \$129.2 billion in net regulatory costs.

These rules created 60.5 million new hours of paperwork each year for Americans. It's almost as bad as putting furniture together from Ikea from the instructions they have if you've ever done that.

Small business owners are already straining under the weak Biden-Harris economy and skyrocketing inflation and do not have time to read hundreds and hundreds of pages of new regulations they are required to comply with. To help these American's Mr.

Chairman I am proud to have introduced the Regulatory Agenda Clarity Act, a bill that would require federal agencies to publish their regulatory agendas in plain, simple language in the Federal Register. How can anyone be opposed to that?

Additionally, agencies would be required to include the North American Classification System, codes of small entities that would be impacted by any proposed rule making. So, thank you, Chairman Williams for including this legislation in our markup today and I hope that all of my colleagues on both sides of the aisle will agree that simple, clear language is a way to ensure prosperity for our small businesses which is why we are here on this committee. Thank you and I yield back.

Chairman WILLIAMS. Are there any other Members who wish to be recognized for a statement on the bill? Okay. If there are no other Members who wish to be recognized, I'd like to recognize the Ranking Member to speak on the bill.

Ms. VELAZQUEZ. Thank you, Mr. Chairman. It's interesting to hear the other side. Almost two months ago it was referred to the Biden Administration. All of a sudden today is Biden-Harris. But we welcome that.

Currently a regulatory flexibility agenda is required to be published in the Federal Register twice a year along with a list of rules that have a significant economic impact on a substantial number of small entities.

There are a number of requirements including a summary of each rule under consideration, the objective, and the legal basis for issuing a rule and schedule for completing action on proposed rule.

Despite these requirements the majority doesn't believe agencies are taking their responsibility seriously. Instead, they want each agency along with Advocacy to publish a plain language summary on its website and provide a brief description of the sector by the NAICS code.

The good news is most of this information is already provided on regulations.gov and most agency publish this information or a link to regulations.gov on their websites. Requiring Advocacy to duplicate the work of agencies is duplicative and provides no additional value. Furthermore, agencies do not always know every NAICS code of every sector affected by the rule. That is what the rule making process is designed to do, get feedback on proposed regulations. I urge my colleagues to oppose this bill and I yield back.

Chairman WILLIAMS. The lady yields back. I now recognize myself to speak in support of this legislation.

I want to thank Mr. Alford for sponsoring H.R. 9030, the Regulatory Agenda Clarity Act, which will help streamline the regulatory information agencies post in their annual regulatory agenda.

This bill will require agencies to post their regulatory agenda to their own websites along with NAICS codes of the primary impacted industries and a plain language summary of the proposed regulation.

Main street should not have to search far and wide in order to know what regulations are coming in their direction requiring agencies to post their agendas on their own website will be a good step in ensuring that job creators can adequately prepare for new requirements that may be imposed upon them.

Agencies are already supposed to know how many and what type of businesses are being affected by these rules. So as long as the agencies are properly following the law, this bill should not impose much of a burden. I urge my colleagues to support this common-sense legislation. If there is no further discussion the committee now moves to consideration of H.R. 9030.

The clerk will report.

The CLERK. H.R. 9030, to amend Chapter 6—

Chairman WILLIAMS. Without objection, the first reading of the bill is dispensed with and without objection the bill is considered as read and open for amendment. Do any Members seek recognition for the purpose of offering an amendment?

Mr. THANEDAR. Mr. Chair, I would like to propose an Amendment to 9030.

Chairman WILLIAMS. Okay. What amendment. I would ask the Clerk to designate the amendment.

The CLERK. Amendment in the nature of a substitute to H.R. 9030—

Chairman WILLIAMS. Without objection the reading of the amendment is dispensed with. The Member is recognized to explain their amendment.

Mr. THANEDAR. Thank you, Chairman. I would like to offer an amendment to the nature of a substitution to H.R. 9030, the Regulatory Agenda Clarity Act as currently constructed.

This bill would only impose unnecessary and duplicative requirements that would complicate the process and redirect limited agency resources without improving regulatory outcomes.

A brief description and summary of the rule is already posted on regulations.gov. And some agencies currently post this information on their websites requiring Advocacy to post the information on its website is redundant and provides no additional value to small businesses.

It is also important to note that the Regulatory Flexibility Agenda is a comprehensive collection of rules the agencies are considering and working on. Agencies do not always move forward with every rule requiring more detailed information at this preplanning stage like the NAICS code may lead agencies to exclude rules from the Regulatory Flexibility Agenda unless they are certain to move forward with the rule making process.

This legislation currently does not provide additional value to small businesses. Instead, it only burdens them and critical federal agencies with additional regulations that do nothing to help.

My amendment will help achieve the majority's goal from this legislation by ensuring that the information that is currently posted on regulations.gov will be posted on agencies websites within 5 days of the publication of the Regulatory Flexibility Agenda and that this description is written in easy-to-understand terms.

Having experienced the challenges of running a small business I recognize the urgent need to provide a clear, concise, and accessible information to our nation's small business owners.

I urge my colleagues to vote yes on this amendment to make these critical regulations more understandable for small business owners and all across America. I thank Chairman Williams and Ranking Member Velázquez for their time and I yield back.

Chairman WILLIAMS. The gentleman yields back and does anyone else wish to be recognized for—

Mr. ALFORD. Mr. Chair, I seek recognition for a rebuttal.

Chairman WILLIAMS. I now recognize Representative Alford from Missouri for 5 minutes.

Mr. ALFORD. Thank you, Mr. Chair. I want to start out by saying one thing, I will be more than happy to link Kamala Harris to the overburdensome, over regulation America that is stifling small businesses.

This amendment undermined the intent of this legislation by removing the requirement for agencies to include the NAICS codes in their annual regulatory agenda and the requirements for the Office of Advocacy to also post agencies regulatory agendas. These requirements are not burdensome. There is part of this committee that is more concerned about the burden put on agencies than the burden put on our small businesses. We should be looking out for the small businesses.

This change would be immensely beneficial for small businesses, which may be looking for a better understanding of the regulations and the framework that they are required to work under. Agencies should be doing everything in their power to make sure that small businesses can comply with a regulation as easily as possible. Perhaps if workers at the Small Business Administration were at their desks actually working down the street here they wouldn't be so concerned about what they need to be doing and these added clarifications that we are proposing here today. This bill makes incremental commonsense changes that will help small business owners. I urge opposition to this amendment and I yield back, Mr. Chair.

Chairman WILLIAMS. The gentleman yields back. Does anyone else wish to be recognized for a statement on this amendment?

Ms. VELAZQUEZ. Mr. Chairman?

Chairman WILLIAMS. Yes, ma'am?

Ms. VELAZQUEZ. I rise to support the amendment being offered by Mr. Thanedar, and it makes commonsense improvements to the bill and what you are accomplishing here today is setting up all these agencies to fail. You are adding duplicative efforts that are already in the law and yet you don't provide one single penny for them to do their job. It just doesn't make sense. I urge my colleagues to support this amendment and I yield back.

Chairman WILLIAMS. The gentlelady yields back. And does anyone else wish to be recognized for a statement on this amendment? Seeing none I now recognize myself for a statement on this amendment.

This amendment would gut the purpose of this bill, which simply to ask federal agencies to provide enough detail about rule making so small businesses know what applies to them. I urge opposition and I yield back. And I urge all my colleagues to oppose this amendment. The question is now on the amendment H.R. 9030 offered by Representative Thanedar. All those in favor say aye?

All those opposed say no?

In the opinion of the Chair the ayes have it. Or the nos have it and, in the opinion of the Chair the nos have it.

Mr. THANEDAR. Mr. Chair?

Chairman WILLIAMS. Yes.

Mr. THANEDAR. I ask for a recorded vote.

Chairman WILLIAMS. Okay. There has been a recorded vote asked for and is being requested. A roll call vote is ordered, pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

Ms. VELAZQUEZ. I agree with you, the ayes have it.

Chairman WILLIAMS. Does anyone else wish to offer an amendment?

Ms. CHU. Mr. Chair, I have an amendment at the desk.

Chairman WILLIAMS. The lady's recognized. There is an amendment at the desk. The clerk will designate the amendment.

The CLERK. Amendment in the nature of a substitute to H.R. 9030 offered by Ms. Chu.

Chairman WILLIAMS. The reading of the amendment is dispensed with. The Member is recognized to explain their amendment.

Ms. CHU. Mr. Chair, I oppose H.R. 9030, as written because it is duplicative of current law and does not pose a clear benefit to the small businesses we intend to serve. Under existing law federal agencies are already required to list the rules it expects to publish in their regulatory flexibility agendas that would have a significant economic impact on small entities. Adding an extra requirement for the Office of Advocacy to also post the summaries on its website is not only redundant but incredibly burdensome to an agency that can't afford to spread its already thin resources even thinner. What is more, requiring agencies to post even more details for every rule that is considering not necessarily even publishing is equally as burdensome and restrictive. This requirement is clearly intended to undermine the SBA's ability to issue regulations by putting up new administrative burdens designed to discourage the agency from pursuing new rulemaking.

And by the way I take exception to the comment made earlier on the other side that all SB employees are lazy and doing nothing. But these gross stereotypes are all throughout Project 2025 and this regulation is part of a playbook to bring the regulatory process to a screeching halt.

Of course, we want to ensure that agency rulemaking helps small business but this bill is not the right way to accomplish this. Instead, agencies should be engaging with small entities to ensure that the rules it is considering are effective and beneficial. My amendment would strike the language in the underlying bill and instead replace it with language that would require agencies to conduct comprehensive outreach to small businesses when developing the regulatory flexibility agendas. Specifically, this would include community-based outreach, outreach to organizations that work with small entities, agencies field offices and the use of alternative platform and media for engaging with small entities. These requirements are similar to the provisions included in the Biden-Harris Administration's executive order to modernize regulatory review.

And by the way, I have experienced SBA employees in my district and I think they are very, very hard working and have a deep desire to help small businesses. Rather than implement policies that would unnecessarily burden agencies with requirements that

don't even pose a clear benefit to small businesses we would be directing our focus to incorporating the perspectives and feedback of small entities from the get-go, about agency rules that may affect them.

I urge support for any amendment and yield back.

Chairman WILLIAMS. The lady yields back.

Mr. ALFORD. Mr. Chair, I seek recognition for rebuttal.

Chairman WILLIAMS. All right. Then I recognize Representative Alford from Missouri for 5 minutes.

Mr. ALFORD. Mr. Chair, thank you so much. Just to be clear, Mr. Chair and you can go back and check the record for yourself, I did not say SBA workers were lazy and doing nothing. That has never been my contention. I think their focus is wrong in many areas. Instead of focusing on making it easier for businesses to do business in America, they are out registering Democrat voters in Michigan. This amendment is another unserious attempt to shield agencies from having to do their job and consider small businesses in every step of the rulemaking process. Representative Chu's amendment would remove any requirement for the agency to explain in plain, simple language what their regulation will do as well as remove any requirement to include NAICS codes to help small businesses identify which regulations they have to comply with. It is not that difficult. To speak in plain words myself this amendment would completely gut this bill and simply tell the agencies to do whatever you want to do. This amendment does nothing to address the problems at hand and I urge this committee to oppose this amendment and let us get on helping businesses build their businesses in America and not contribute to the closing of small businesses which is the fabric of America. Thank you and I yield back.

Chairman WILLIAMS. The gentleman yields back. Does anyone else wish to be recognized for a statement on this amendment? Okay. If no, this amendment—

Ms. VELAZQUEZ. Mr. Chairman?

Chairman WILLIAMS. Yes, ma'am, you are recognized.

Ms. VELAZQUEZ. Mr. Alford wants agencies to provide a description by NAICS code of each sector that may be affected for every rule even if the rule may never come to fruition. It is busy work and a far better solution is to get ANC, to get out of out of the Capitol Beltway, to connect directly with small businesses and learn how rules may impact them. That is why I strongly support Ms. Chu's amendment which will ensure agency outreach and engagement to small businesses as this happening at the earliest stage of the rulemaking process. This amendment will go a long way to where helping agencies craft meaningful regulations to protect our health and safety but not unduly burden small businesses. I urge my colleagues to support this amendment. I yield back.

Chairman WILLIAMS. The lady yields back. Does anyone else wish to be recognized for a statement on this amendment? All right. Seeing none I now recognize myself for a statement on this amendment.

This amendment also guts the purpose of this bill by directing agencies to do something already within their purview, urge oppo-

sition, I urge all my colleagues to oppose the amendment, meant to oppose this amendment.

Now the question is now on the amendment H.R. 9030 offered by Representative Chu.

All those in favor say aye?

All those opposed say no?

In the opinion of the Chair the no's have it.

Ms. VELAZQUEZ. Mr. Chairman?

Chairman WILLIAMS. The lady's recognized.

Ms. VELAZQUEZ. I would like to request a roll call.

Chairman WILLIAMS. All right. A recorded vote has been requested and a roll call vote is ordered pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

And does anyone else have a wish to offer an amendment? Seeing none the question now in the adoption of H.R. 9030 and favorably reporting it to the House.

All those in favor say aye?

All those opposed say no?

In the opinion of the Chair the ayes have it. H.R. 9030 is agreed to and ordered favorably to the House.

Mr. ALFORD. Mr. Chair?

Chairman WILLIAMS. Seek recognition?

Mr. ALFORD. I request a recorded vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

H.R. 9085

The next bill we have we will markup is H.R. 9085, the Regulatory Review Improvement Act of 2024 introduced by Representative Meuser. I now recognize the bill's sponsor Mr. Meuser for an opening statement.

Mr. MEUSER. Thank you, Mr. Chairman. My legislation H.R. 9085, the Regulatory Review Improvement Act of 2024, is a step towards enhancing transparency, accountability and efficiency in how federal agencies review the rules and regulations that impact our small businesses.

As it stands agencies are required to review their rules ever 10 years, however the current system allows these reviews to be delayed year after year up to five times without any clear explanation as to why. This creates an environment where burdensome regulations issued by federal agencies can persist indefinitely with little to no scrutiny. This bill introduces several important requirements.

First it mandates that during each 10-year review agencies must consider public feedback through a comment period. This ensures that small businesses, entrepreneurs, and stakeholders are able to share how these regulations have impacted them and forces the agency to listen to the stakeholder.

Second agencies will be required to conduct both a qualitative and quantitative analysis looking at the actual cause, compliance burdens and a paperwork hours required since the rule was implemented. This is crucial for understanding the real world impact these regulations have had on small businesses and communities,

current economic analyses employed by CFPB, SEC, and the Fed other injuries are woefully inadequate.

And finally, this bill demands action requiring agencies to determine whether these rules should remain on the books. We want to streamline the regulatory environment not have it grow and stifle innovation. So, since the Biden-Harris Administration took office three and a half years ago, federal rulemakings have added \$1.68 trillion in costs and increased annual paperwork by 324 million hours. Small businesses simply do not have the ability to hire, you know, extensive legal teams and lawyers and accountants to navigate the complexities forced on them by these federal agencies.

H.R. 9085 seeks to reduce that burden by ensuring federal agencies are actively reviewing and streamlining regulations. I ask my colleagues to support the passage of this commonsense reform. Thank you, Mr. Chairman, I yield back.

Chairman WILLIAMS. The gentleman yields back. Are there any other Members who wish to be recognized for a statement on the bill? Okay. If there are no other Members who wish to be recognized, I would like to recognize the Ranking Member to speak on the bill.

Ms. VELÁZQUEZ. Thank you, Mr. Chairman. Throughout the years the issue of retrospective review has been a bipartisan issue and one which Democrats and Republicans could work together to remove unnecessary regulations from the book. In fact, President Obama issued executive orders to reaffirm the need for agencies to carry out their reviews.

More than 800 reviews were completed with 70 notable regulatory provisions removed from the books, resulting in \$37 billion in savings from paperwork reductions during his tenure in office. With that said we have held a number of regulatory hearings and this issue has never come up, nor have we invited any agencies to hear feedback on this particular issue.

Legislation should not operate in vacuum, nor should we ignore regular order. We need good data to legislate. We need to know which agencies are delaying, the retrospective reviews for how long and why. Instead, we just pulled this bill out of thin air and require agencies to delay their review for no more than one year.

What happens, I just ask my colleagues here, what would happen in the event of a national emergency, like COVID-19? Would we have agencies delay getting the economic aid out of the door to small businesses and focus instead of retrospective reviews? I think not.

And if you sit here, there and claim otherwise, I assure you this was not brought up once during negotiations because there was a need for agencies to be nimble.

I have tried to no avail to reach a compromise with the majority to first determine the scope of the problem and ask agencies to make recommendations to Congress. Unfortunately, that effort wasn't particularly fruitful. Therefore, I will have no choice but to oppose this bill. I yield back.

Chairman WILLIAMS. The lady yields back and I now recognize myself to speak in support of this legislation. H.R. 9085, the Regulatory Review Improvement Act of 2024 makes important changes to the agencies period review of rules. Agencies required to review

their rules once they have been in effect for 10 years and determine whether they should be continued or rescinded. Currently agencies have the opinion to delay the review of the rules for a year up to five times without giving a reason for doing so. H.R. 9085 would allow agencies to spin their review for only a year, one at a time and then require them to give a rationale for why they were unable to complete their review within the time frame allotted.

This bill will force agencies to review what regulations are already on the books and determine if they are still fulfilling their intended purpose.

Further when considering the review our agencies will be required to offer a comment period for stakeholders to weigh in on the rules impact over the past 10 years. It is important that we continue to elevate small businesses voices throughout the rule making process including if past rules are necessary.

I want to thank Mr. Meuser for his work on H.R. 9085, and I look forward to supporting it. If there is no further discussion the committee now moves to consideration of H.R. 9085.

The clerk will report.

Mr. MEUSER. Mr. Chairman.

The CLERK. Mr. Chairman?

Chairman WILLIAMS. Yes, sir?

Mr. MEUSER. May I make a remark?

Chairman WILLIAMS. So move?

Mr. MEUSER. Mr. Chairman, I think we all agree or at least on this side of the aisle that bureaucrats need bright lines, not guidelines. We are in a stage of our federal government where the burdens of big government are not neutral. They are very problematic particularly for small business.

We must—this bill provides urgency, a requirement for the bureaucrats to do their job in a timely manner and too many, too many small businesses feel that they are pushing against the ocean. So, such this amendment guts the entirety of a bill that will have such an impact in reducing regulatory burdens and the onslaught from particularly this administration needs to be, needs to be dealt with. And this bill helps do that and it supports Main Street American needs. I yield back.

Ms. DAVIDS. Mr. Chairman?

Ms. VELAZQUEZ. Mr. Chairman? May I ask, make a parliamentary inquiry? Here. So, the gentleman is granted five more minutes to speak on an amendment that has not been offered yet and so we need some clarifications here.

Chairman WILLIAMS. Okay.

Ms. VELAZQUEZ. Is she going to be given the opportunity to go up?

Ms. DAVIDS. Yes. Mr. Chairman, I have an amendment at the desk.

Chairman WILLIAMS. All right. Do any Members seek recognition for the purpose of offering an amendment?

Ms. DAVIDS. Mr. Chairman?

Chairman WILLIAMS. Yes, ma'am?

Ms. DAVIDS. I have an amendment at the desk.

Chairman WILLIAMS. Okay. There is an amendment at the desk and the Clerk will designate the amendment.

The CLERK. Amendment in the nature of a substitute to H.R. 9085—

Chairman WILLIAMS. Without objection the reading of the amendment is dispensed with. The Member is recognized to explain their amendment.

Ms. DAVIDS. Thank you, Chairman. We certainly have an obligation to ensure that small businesses across the country are helped and not hurt by regulatory guardrails. A key part of that is making sure that agencies regularly review their rules and see what is working and what is not. These reviews help agencies understand how small businesses would have been impacted by regulations and what rules are both overlapping or duplicative. A mouthful. These can lead to, these reviews can lead to cutting government waste and lead to cutting regulations that burden entrepreneurs unnecessarily and to make sure that agencies are complying with that standard, Congress needs more data on how to successfully do retrospective reviews and how those have gone. And at the same time, we shouldn't be hindering agencies' ability to conduct those reviews. You know, we can, we can make sure we are not hindering agencies' abilities to conduct those reviews at the same time that we are making sure that we are not hurting small businesses by adding uncertainty to the regulatory process. Therefore, my amendment would ensure that when agencies ask for a delay in reviewing their rules that they give the public a reason why. It also would mandate that agencies report to our committee each year on whether they are actually meeting their review requirements, how they are conducting their reviews and any legislative recommendations to improve the review process.

My amendment does all of this without hampering the flexibility that agencies need to ensure that these reviews are done correctly and I would urge and request all my colleagues to vote in support of this amendment to improve this piece of legislation and increase congressional oversight. I yield back.

Chairman WILLIAMS. The lady yields back. And does anyone else wish to be recognized for a statement on this amendment?

Mr. STAUBER. Mr. Chair?

Chairman WILLIAMS. I now recognize Representative Stauber from Minnesota for 5 minutes.

Mr. STAUBER. Thank you, Mr. Chair. Mr. Chair, I want to yield my time to Representative Meuser from Pennsylvania.

Mr. MEUSER. I thank my colleague and my apologies for jumping ahead. I am just anxious about the idea of trying to improve the regulatory situation for our small businesses versus attempts to minimize or even gut them.

We must accept the fact that our bureaucracies have gotten far too burdensome. Every small business will tell you that. Spend some time on main street and we know that. We need to do what we can do to require the bureaucracies, the agencies to listen to their stakeholders and provide information and handle regulatory burdens that they are deemed to remove or consider in a timely manner.

That is all my bill does. It requires a sense of urgency, a time frame to do their job and create assessments and to provide information so small business can weigh in on why it is so burdensome.

So therefore, I greatly oppose any amendment to minimize my bill and I yield back, Mr. Chairman.

Chairman WILLIAMS. The gentleman yields back. Does anyone else wish to be recognized for a statement on this amendment? Okay. Seeing none, I now recognize myself for a statement on this—

Ms. VELÁZQUEZ. Mr. Chairman?

Chairman WILLIAMS. Yes, ma'am.

Ms. VELAZQUEZ. Yes, I would like to—

Chairman WILLIAMS. Recognized.

Ms. VELAZQUEZ.—comment on the amendment.

Chairman WILLIAMS. All right.

Ms. VELAZQUEZ. Mr. Chairman, let me applaud Ms. Davids for her thoughtful amendment which will require agencies to report to Congress every two years on their efforts to conduct these reviews and include recommendations to make the 610-review process work better. I do not understand why asking the agencies to report back to Congress every two years will minimize or undermine the baseline bill. I support the amendment being offered by Ms. Davids and I urge my colleagues to as well. I yield back.

Chairman WILLIAMS. Back. Does anyone else wish to be recognized for a statement on this amendment? Seeing none, I now recognize myself for a statement on the amendment.

This amendment guts the entirety of a bill that will have concrete impact on reducing burdens on small businesses and replace it with a, with a report bill. We have seen some of the outrageous regulatory numbers coming from this administration. Replacing this bill with a study is not what main street needs. I urge my colleagues to oppose and I yield back. I urge all my colleagues to oppose this amendment.

The question is now in the amendment of H.R. 9085 offered by Representative Davids.

All those in favor say aye?

All those opposed—

Ms. VELAZQUEZ. Yes, aye. I am sorry.

Chairman WILLIAMS. We are even now. All right. Here we go.

All those in favor say aye?

All those opposed say no?

In the opinion of the Chair the no's have it. And the amendment is now—

Ms. DAVIDS. Mr. Chairman? Mr. Chairman?

Chairman WILLIAMS. Yes, ma'am, so recognized.

Ms. DAVIDS. I request a recorded vote.

Chairman WILLIAMS. Okay. A recorded vote has been requested and a roll call vote is order. Pursuant to Committee Rule 13, and Rule 11, House Rule 11, further proceedings on the bill are postponed.

Mr. MEUSER. Mr. Chairman?

Chairman WILLIAMS. Yes, recognized. Does anyone else wish to have, offer an amendment? Okay. Seeing none the question is now in the adoption of H.R. 9085 in favor of reporting it to the House.

All those in favor say aye?

All those opposed say no?

Ms. DAVIDS. In the opinion of the Chair the ayes have it.

Mr. MEUSER. Mr. Chairman?

Chairman WILLIAMS. Yes, so moved?

Mr. MEUSER. I request the ayes and nays to be recorded.

Chairman WILLIAMS. Okay. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

H.R. 9031

The next bill we will mark up is H.R. 9031, the Assurance of Small Business Act of 2024 introduced by Representative Stauber. I now recognize the bill's sponsor, Mr. Stauber from the great State of Minnesota for an opening statement.

Mr. STAUBER. Thank you, Mr. Chairman. I rise today to speak in favor of my bill, H.R. 9031 the Assurance for Small Business Act of 2024. This year we have held many hearings examining the regulatory burdens placed on American small businesses by the Biden-Harris Administration.

Across 17 different agencies the rulemaking process has grown out of control and Main Street America has paid the price. Over 700 regulations that have been added to the Federal Register since the Biden-Harris Administration took office, costing nearly \$440 billion and adding more than 236 million paperwork hours to our small businesses and family farms.

We have an existing system in place that helps prevent burdensome regulation. The Regulatory Flexibility Act requires agencies to take into consideration whether the proposed regulation causes a significant economic impact on a substantial number of small entities. However individual agencies use various definitions of "significant economic impact" and "substantial number of small entities" when considering a rule's affect.

While one size fits all definitions often cause more harm than good agencies are creating definitions that benefit their causes rather than protect the small businesses. And with every agency using their own unique analysis to determine what qualifies as significant economic impact it makes oversight extremely difficult.

My bill the Assurance for Small Business Act of 2024 addresses this concern. This bill will require each agency to submit to Congress their definitions used and a comprehensive list of factors the agency considers when conducting RFA analysis. This will allow Congress to keep proper oversight of agencies and hold them accountable to the intent of the FRA. I urge my colleagues to support this legislation as it will help ensure that the federal government does not further hinder the growth of American small businesses. Mr. Chair, thank you and I yield back.

Chairman WILLIAMS. The gentleman yields back. Are there any other Members who wish to be recognized for a statement on the bill? If there are no other Members who wish to be recognized I would like to recognize the Ranking Member to speak on the bill.

Ms. VELAZQUEZ. Thank you, Mr. Chairman. I am not in the habit of opposing bills that call on agencies to report to Congress. In fact, a good data leads to good policy decisions. However, I cannot in good conscious support this bill which amounts to nothing but busy work for agencies with leader to no value for policymakers or small businesses.

The RFA does not define the terms significant economic impact and substantial number of small entities. The Office of Advocacy has said these terms should not be measured in absolute terms the Office has developed guidance for agencies to follow. Despite this the first requirement of H.R. 9031, would require every rule writing agency to review every single rule going all the way back to 1980 and report on how the agency define these terms.

We already know that the application of these terms has varied. And there is a legitimate reason why 5 URNs in an industry of more than 1,000 regulated entities is not the same as 5 URNs in an industry of 20 regulated entities. Looking back over of a period of nearly 45 years as this report will do is a waste of resources. If my colleagues want to see the current guidelines for these terms I respectfully suggest they look on agencies' websites.

Even more troubling is the second requirement of the bill which would have agencies report on a comprehensive list of factors including the threshold analysis, the initial regulatory threshold analysis, and the final regulatory threshold analysis for each and every rule going all the way back to the passage of the build in 1980. The scope is overly broad and I am not quite sure what would be gained from this type of report given the lack of analysis.

Finally, it requires agencies to report to Congress in 90 days, which a sort time frame to compile broad based requests for data going back to the 1980s. I suspect this is a messaging bill and therefore oppose it because it lacks substance, scope, and requirements for solid analysis.

I urge my colleagues to oppose this bill and I yield back.

Chairman WILLIAMS. The lady yields back. And I now recognize myself to speak in support of this legislation.

H.R. 9031, the Assurance for Small Business Act will require rulemaking agencies to issue a report to Congress on how they define a significant economic impact on a sustainable number of small entities. There is no one size fits all definition of significant economic impact on substantial numbers of small entities.

However, it seems agencies will use this to their advantage and use varying definitions to fit their own narratives by reporting to Congress agency-wide definitions of a significant economic impact and a substantial number of small entities, it will be easier to hold them to their own standards.

This bill will help our committee perform better oversight as we examine agencies that we are following the law and are truly taking the interest of small business into account during the rule-making process. I thank Mr. Stauber for introducing this common-sense piece of legislation. I urge my colleagues to support it. If there is no further discussion the committee now moves to consideration of H.R. 9031.

The clerk will report.

The CLERK. H.R. 9031, to require—

Chairman WILLIAMS. Without objection, the first reading of this bill is dispensed with—and without objection this bill is considered as read and open for amendment. Do any Members seek recognition for the purpose of offering amendment?

Okay. If no, seeing none the question is now on the adoption of H.R. 9031 favorably reporting to the House.

All those in favor say aye?

All those opposed say no?

In the opinion of the Chair the ayes have it. H.R. 9031 is agreed to and ordered favorably to the House.

Mr. STAUBER. Mr. Chair, I request a recorded vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered now pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

H.R. 9033

The next bill we will markup is H.R. 9033, the Let Americans Businesses be On Record Act introduced by Representative Bean. I now recognize the bill's sponsor, Mr. Bean from the great State of Florida for an opening statement.

Mr. BEAN. Thank you very much, Mr. Chairman. A very good morning to you and good morning small business committee. It is good to see everybody back. Let us review. If you have been paying attention to what happens in small business, we have had dozens and dozens of witnesses that run small business from all over America sit at that table right there and they have come to tell us what is it like running a small business in America right now. And guess what they have told us? I will review it with you. They have told us these are the challenges, the top four challenges, skilled labor, taxes, inflation, and regulation.

One of the questions that I always ask, have you ever seen this bad? Have you ever seen regulations this bad? And they say, the majority, not all but the vast majority, no, we have never seen it this bad.

So, during the break, I don't know what you did during the break. We went to work. The Bean team partnered with the Clay County Chamber of Commerce and we did a roundtable. We did a listening session and thanks to the Chamber of Commerce, Clay County Chamber of Congress invited dozens of businesses. We did a listening sessions at the Orange Park Townhall. Thank you City of Orange Park for letting us have the townhall to invite businesses to come in and tell us what they are worried about. What are their challenges running small businesses in Northeast Florida? Guess what? Same thing, skilled labor, taxes, inflation, and regulation. Far too often small business owners have to pay thousands of dollars, they have to hire attorneys that can speak swamp speak. They can—have to challenge up with all the crazy town things that happens in this town. And often government will issues these rules and regulation without even listening to main street. What will the impact be? We don't know. We just going to do it. Today Members of this committee we have an opportunity to change that. I am proud Mr. Chairman with your leadership and your guidance, I am proud to present this bill, Let Americans Businesses be On Record Act, or you can call it the LABOR Act, how about that? The LABOR Act expands small business regulatory enforcement fairness act panels to the Department of Labor. The Department of Labor. You see right now, Mr. Chairman, everybody knows this that has been paying attention, other agencies, the Consumer Financial Protection Agency, the EPA, the Environmental Protection Agency, OSHA, Occupational Safety & Health Administration, they are required before they publish these crazy rules lis-

tening to main street. They have to have these panels where people get to have input of how this rule will affect them. Now Mr. Chairman your leadership and the hearings that you have held, we have held dozens, we all know the culprit in issuing rules without having hearings with—that is harming main street is the Department of Labor. For some reason they are exempt from having these panels. So today the LABOR Act will change that. We will ask this body and this bill should it pass we will ask the Department of Labor before you do any rules what does main street think about it? How will it, how will it impact? So that is what we are doing. That is what the bill does. And I say to my colleagues across the aisle, this is one, this is one that we can all agree on. Can't we all agree? Can't we agree that before we enact any type of rules or regulations on the backbone America because that is what small business is, it is the backbone of America. We want them healthy because when small business is health, America is healthy, is healthy. They are struggling right now. So let us do that before we put any more obstacles, any more things in their way let us hear how will this affect them? So, with that I ask everybody to join me in pushing this bill, the LABOR Act and let us get it done. I yield back Mr. Chairman?

Chairman WILLIAMS. Gentleman yields back. Are there any other Members who wish to be recognized for a statement on the bill? Okay. If no other Members wish to be recognized I would like to recognize the Ranking Member to speak on the bill?

Ms. VELAZQUEZ. Thank you, Mr. Chairman. On the RFA, three agencies are required to hold and brief of panels when they RFA is triggered. The Occupational Safety & Health Administration, Environmental Protection Agency, and Consumer Financial Protection Bureau. This legislation we expanded to the entire Department of Labor. The paper—the purpose of these panels is to give small businesses a greater opportunity to provide input into the development of regulations. I agree with my colleagues that small business participation in the rulemaking process is vitally important. However, I disagree with this approach. So briefing panels take time and cost money and this bill provides no funding to the DOL for the extra work. The current process to convene is to brief a panel at OSHA takes from four to eight months. It requires 120 days of formal work with the Office of Advocacy and Office of Information and Regulatory Affairs, OIRA to identify small businesses to serve, hosting the panel, and writing a final report. And prior to this interagency work OSHA needs time to develop the detailed information and substantial analysis just to host a panel. OSHA currently dedicates a full salary to a number of technical staff including economists and lawyers for 6 to 12 months to carry out each panel. That is a significant undertaking and substantial resources are needed to convene a panel. Again, and not surprising, this bill does not include any funds to pay for the additional work. And the bill to fund the Department of Labor in fiscal year 2025 slashes funding for the agency by 22 percent. At the end of the day today's bill is another messaging bill that is unworkable. It asks agencies to do more and more with less and less. Even the Office of Advocacy does not support expanding this requirement to all agencies within the Department of Labor, expanding SBREFA to

more agencies than needed will strain agency resources and potentially delay final rule implementation, which is unfortunately a goal of extremely radical Project 2025 playbook. I urge my colleagues to oppose this bill and I yield back.

Chairman WILLIAMS. The lady yields back and now recognize myself to speak in support.

Mr. CRANE. Mr. Chairman?

Chairman WILLIAMS. Yes, recognized. I now recognize Representative Crane.

Mr. CRANE. I would like to yield some time to Mr. Bean.

Mr. BEAN. Thank you very much, Mr. Crane. And Mr. Chairman, thank you so much. And to our friends on the other side of the aisle, you have just described oh, the regulation that will be put on the Department of Labor of all the things they will have to comply with. Welcome to the world of small business. This is what a small business has to deal with all the time of these wacky rules that no one ever considers what happens on main street. So, with that that is the irony of the speech—

Ms. VELAZQUEZ. Would the gentleman yield for one question?

Mr. BEAN.—that we can't—with that I yield back, Mr. Chairman.

Chairman WILLIAMS. The gentleman yields back.

Ms. VELAZQUEZ. Show me the money.

Chairman WILLIAMS. I think the time is still is Mr. Crane's, remainder of your time. The gentleman yields back. Are there any other Members who wish to be recognized for a statement on the bill?

Mr. BEAN. Mr. Chair?

Chairman WILLIAMS. I now recognize Representative Stauber from Minnesota for 5 minutes.

Mr. STAUBER. Thank you, Mr. Chair. I wholeheartedly support this initiative by Representative Bean from Florida. What he just described is what we have seen for the last two years almost on this committee every single small business man and woman that we have had at the hearing have talked about the rules and regulations, how devastating they are. As he spoke about going throughout his district and talking to small business as we all do, it is the rules and regulations, it is one rule here, one rule there that cost that small business a lot of money over time. And it is just getting, the bureaucracy is getting bigger and bigger and bigger. It is just, it is just one rule and then another rule and then another rule. These small businesses can't afford a rule department just to, just to keep up with these federal bureaucracies that are putting on them. I have owned a small business for 31 years. The rules and regulations must stop. We have heard it from the experts that we have had at the hearing. And this is exactly what Representative Bean is talking about. And I am thankful he brought it up and I look forward to supporting legislation. Mr. Chair, I yield back.

Chairman WILLIAMS. Yields back. Are there any other Members who wish to be recognized for a statement on the bill? Okay.

Ms. VELAZQUEZ. Mr. Chairman? Mr. Chairman?

Chairman WILLIAMS. Yes, ma'am?

Ms. VELÁZQUEZ. Can I ask the author of the bill a question, please, an inquiry?

Chairman WILLIAMS. You may.

Ms. VELAZQUEZ. Have you spoken or reached to the Office of the Advocacy on this bill?

Mr. BEAN. Thank you very much for the question. I have not but I have spoken to small business—

Ms. VELAZQUEZ. Yes.

Mr. BEAN.—and that is who this really affects. We need to listen—

Ms. VELÁZQUEZ. But do you know that the Office of Advocacy that is the office that advocates on behalf of small business is opposed to this legislation?

Mr. BEAN. But a main street is in support of this legislation and those are my constituents and that was the hearing that we did in Orange Park, Florida. Regulation is strangling small business. So let us let the Department of Labor listen before they just publish a willy nilly rule, let us let them listen to main street of how this will actually affect the bottom-line business that is, that is crippling main street across America.

Ms. VELAZQUEZ. Thank you. You answered my question.

Chairman WILLIAMS. The lady yields back. Are there any other Members who wish to be recognized for a statement on the bill? All right. I now recognize myself to speak in support of this legislation. H.R. 9033, the LABOR Act will take an important step in holding one of the federal government's worse regulator offenders accountable. This committee conducted a thorough investigation into the rulemaking process and found the Department of Labor is one of the worst offenders of the Regulatory Flexibility Act's requirements. Their rules often fail to accurately account for their impacts on small entities. The small business Regulatory Enforcement and Fairness Act requires the Consumer Financial Protection Bureau, the Environmental Protection Agency, and the Occupational Safety & Health Administration within the Department of Labor to convene a panel of stakeholders for feedback on a rule that is going to have significant economic impact on a substantial number of small entities. Given the DOL's record it seems only fitting that they too are required to conduct these panels. Now it is better to get a regulation right than to move quickly and force it on the backs of small business owners before the agency can even understand the repercussions. I want to thank Mr. Bean for his work on this legislation and urge my colleagues to vote yes. So, if there is no further discussion the committee now moves to consideration of H.R. 9033.

The clerk will report.

The CLERK. H.R. 9033, to amend Title 5—

Chairman WILLIAMS. Without objection the first reading of the bill is dispensed with, and without objection the bill is considered as read and open for amendment. Do any Members seek recognition for the purpose of offering an amendment? Seeing none the question is now the adoption of H.S. 9033 in favor of reporting to the House.

All those in favor say aye?

Those opposed say no?

In the opinion of the Chair the ayes have it. H.R.—yes, sir.

Mr. BEAN. May I request a recorded vote?

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

H.R. 7198

The next bill we will markup is H.R. 7198, the Prove It Act of 2024 introduced by Representative Finstad. Are there any Members who wish to be recognized for a statement?

Mr. STAUBER. Mr. Chair?

Chairman WILLIAMS. Now recognize Representative Stauber from Minnesota for 5 minutes.

Mr. STAUBER. Thank you, Mr. Chair. I rise today in support of my colleague's bill H.R. 7198. Small businesses are the backbone of our economy. They are the innovators, job creators, and driving force behind economic growth. In Minnesota small business account for over 99 percent of all businesses and employ over half the workforce. It is no exaggeration to say that the success of our economy is tied to the success of our small businesses. We have heard numerous times this Congress that the Biden-Harris Administration lacks concern for small businesses. Time and time again they have pummeled small business owners with costly rules and regulations with little or no regard. Tools exist to stop administrations from overregulating. But these tools must work for even the smallest of entities. We must provide easier pathways for small businesses to hold agencies accountable especially under this Biden-Harris Administration. That is why I am proud to co-sponsor my Minnesota's colleague's, Representative Finstad's bill, H.R. 7198. By allowing small businesses to directly challenge an agency's "certification" and requiring agencies to be fully transparent about how regulations will impact the small business community, H.R. 7198 will take power away from unelected bureaucrats and rightfully return it to small business owners. And I want to repeat that. H.R. 7198 will take power away from the unelected bureaucrats and rightfully return it to the small business owners. I urge my colleagues to join me in supporting this legislation as it will give small businesses a greater say in the regulatory process, which will only strengthen America's economic backbone. Thank you, Mr. Chair. I yield back.

Chairman WILLIAMS. The gentleman yields back. Are there any other Members who wish to be recognized for a statement on the bill? If there are no further Members who wish to be recognized, I would like to recognize the Ranking Member to speak on the bill.

Ms. VELAZQUEZ. Thank you, Mr. Chairman. Congress passed the IFA in 1980 out of concern that uniformed regulations disproportionately burden small firms. It requires agency to consider the ramifications federal rules have on small businesses and give the Office of Advocacy the authority to monitor agencies' compliance with the law. It is important to note that the RFA does not seek preferential treatment for small entities. Nor does it require agencies to adopt the least burdensome rules. It mainly seeks to identify barriers to small businesses competitiveness and to help level the playing field. Concerns have been raised that the RFA has become a tool for large businesses to obstruct the regulatory process. Unfortunately, the Prove It Act wouldn't solve the problem but

rather exaggerate it and give a big corporations a hammer to wield against rules and harm the businesses the law is designed to assist.

First this bill creates an unworkable quasi judicial process within the Office of Advocacy for reviewing agencies certifications. It would allow any group, any group that claims to represent small businesses like Amazon for instance to petition Advocacy to block rules that they do not like. It does nothing to prevent or limit duplicate petitions which further bogs down the Office of Advocacy with numerous meetings and additional reviews.

Second, it requires agencies to take into consideration the indirect effects of the rules in their regulatory flexibility analysis. Indirect costs are difficult to estimate. Agencies do not have the information available to them nor do they have control over minimizing them.

And if Advocacy finds that an agency failed to conduct a required review of a rule they could announce that the rule has ceased to exist. Agencies will then have to review the rule before it could be reinstated.

Small businesses need certainty and this provision would cause undue confusion requiring business owners to come into compliance with a rule only to remove it from the books and then reinstate it again isn't the safeguard I think this legislation was trying to achieve.

I am afraid this bill will open the door for well-resourced trade associations and corporations to challenge any rule they oppose, possibly requiring Advocacy to review agencies' RFAs compliance for thousands of rules issued each year.

Why are we granting Advocacy, which has not had a Senate confirmed chief counsel since 2017 a vast amount of new authority.

If enacted the Office will need to double its staff and no surprise this bill provides no new funding for the additional work. So, believe me, small businesses when the other side claims that they are here to advocate for you, ask them, where is the money for the agencies to do their job.

This bill will do little to help small businesses but it will certainly help powerful companies with the money to roll back rules that protect our health, safety, and the environment. I urge my colleagues to oppose this bill and I yield back.

Chairman WILLIAMS. The lady yields back. I now recognize myself to speak in support of this legislation. H.R. 7198, the Prove It Act of 2024 is an important bipartisan piece of legislation which will help ensure that agencies comply with intent of existing law and will give small business owners the ability to petition their government when they see does not accurately account for a rule's impact.

Small businesses do not have the resource to hire compliance officers, lawyers, or lobbyists to ensure that they understand and have their voices heard when the requirements are coming out across the federal government.

Too often agencies issue one size fits all rule would make it challenging for small entities to comply or even keep track of. The Prove It Act will help agencies ensure that they comply with the Regulatory Flexibility Act and take into account small entities as

they craft their, as it crafts regulations. The bill does three main things.

First the bill allows small businesses to petition the government when an agency does not accurately account for the impact of a given rule. Under the Prove It Act, small businesses and stakeholders will be able to go to the SBA's Office of Advocacy if they believe an agency has immediately—improperly certified that a regulation will not have a significant impact on a substantial number of small entities.

Second, it requires agencies to consider indirect costs when conducting a regulatory flexibility analysis. Currently agencies must only consider agencies directly regulated and impacted by a regulation they issue. We have heard time and time again, however, that this is not even close to the whole story. The downstream impacts of regulation are often just as if not more costly than direct costs. In order to truly understand how impactful a regulation is we must take into account all of the factors.

And third, it requires agencies to publish follow-up guidance rules to the rules on regulations.gov. This piece of the Prove It Act is very similar to the Post It Act, sponsored by Mr. Molinaro which passed this committee unanimously and passed the House on suspension.

The Prove It Act takes important steps in ensuring that agencies comply with the intent of the Regulatory Flexibility Act and considers small entities in the rulemaking process. And I urge my colleagues to support the legislation and yield back. And if there is no further discussion the committee now moves to consideration of H.R. 7198.

The clerk will report.

The CLERK. H.R. 7198, to amend Title 5—

Chairman WILLIAMS. Without objection the first reading of the bill is suspended with and without objection the bill is considered as read and open for amendment. Do any Members seek recognition for the purpose of offering an amendment?

Ms. VELAZQUEZ. Mr. Chairman.

Chairman WILLIAMS. Yes, ma'am?

Ms. VELAZQUEZ. I have an amendment at the desk.

Chairman WILLIAMS. Okay. So, moved. Okay. There is an amendment at the desk. And the Clerk will designate the amendment.

The CLERK. An amendment in the nature of a substitute to H.R. 7198—

Chairman WILLIAMS. Without objection, the reading of the amendment is dispensed with and the Member is recognized to explain their amendment.

Ms. VELAZQUEZ. Thank you, Mr. Chairman. My amendment will strike the numerous analytical procedures in the Prove It Act that will enable big corporations to roll back rules and put small businesses on uneven ground.

In its place my amendment requires the Office of Advocacy to train agencies on how to comply with the Regulatory Flexibility Act. Key personnel at every rule writing agency will be required to undergo Regulatory Flexibility Act training every four years.

We have heard from Advocacy that when agencies have a better understanding of the Regulatory Flexibility Act it leads to more meaningful consideration of small business throughout the rule-making process.

Advocacy has been working diligently to train staff and we have seen the fruits of their labor year after year. Agency analysis is improving. This amendment will ensure that the Office is reaching all agencies once every four years. Similar to the amendment offered by Ms. Davids to an earlier bill, my amendment will require agencies to submit a report to Congress under which respective review requirements under Section 610.

The bottom line, small firms do not want to deal with the chaos that will result from the enactment of the Prove It Act. Most small businesses oppose deregulation. Business owners invested significant resources to comply with existing requirements and deregulation will cost them time and money. Deregulation also leads to a patchwork of state regulations that make it harder for small businesses to comply with multiple requirements. They need certainty.

Finally federal regulations help to level the playing field and allow small firms to better compete against Goliaths in industry. I urge all Members to support my amendment and oppose the Prove It Act. I yield back.

Chairman WILLIAMS. The lady yields back. Does anyone else wish to be recognized for a statement on this amendment?

Mr. STAUBER. Mr. Chair?

Chairman WILLIAMS. Recognize Representative Stauber from the great State of Minnesota for 5 minutes.

Mr. STAUBER. Thank you, Mr. Chair. I rise in strong opposition to the esteem Ranking Member's amendment. In fact, over 50 organizations representing small businesses from a wide range of industries have written in support of H.R. 7198.

They recognize that this legislation is vital to reducing regulatory burdens and ensuring agencies consider the needs of small businesses when implementing new rules. It is both unrelated to the core of H.R. 7198 and is a distraction from the real issues that small businesses across the country face.

Again, the Ranking Member, Mr. Chair, has talked about the Office of Advocacy several times that agency has been mentioned. I would submit that the folks that we asked to come to the hearings and testify the ones that we have asked, not one has, not one small business has said, yeah, we need more rules and regulations. Not one.

This administration, Mr. Chair, has put in over 700 regulations punishing American small businesses. The rules and regulations that are put on small businesses have been devastating. They come here on a, on a weekly basis and tell us.

If we say they are the engine of our economies, allow them to thrive and survive and be prosperous in our small town and large town America. These 700 regulations have placed over \$440 billion, that is with a B, over \$440 billion on the small businesses of America.

Again, not one has, not one small business owner that has come to a hearing has said, we need more rules and regulations from these three letter agencies by these unelected bureaucrats. Not one.

We need to start listening to our small businesses, those men and women who want to be entrepreneurs that are out on Main Street America trying to make it.

These punishing, these punitive rules and regulations have to stop and the Office of Advocacy obviously is not being as good as they should. Seven hundred rules and regulations and I will just say, submit to you, Mr. Chair, these legislations are good for small businesses.

And if it means that the three letter agencies, the unelected bureaucrats in the three letter agencies, Mr. Chair, some of them have never owned a small business, Mr. Chair, if it means that they have to change their ways and stop the punishment of small businesses, well I am all for it.

American small businesses are the engines of our economy, they are the entrepreneurs and they make America move and grow and become prosperous. And this committee and some Members on this committee don't seem to understand that. And I yield back.

Chairman WILLIAMS. The gentleman yields back. Does anyone else wish to be recognized for a statement on this amendment? Seeing none, I now recognize myself for a statement on this amendment.

Half of this amendment is the exact same as the one debated ten minutes ago and the other half changes the intent of the underlying bill. The Prove It Act has been a number 1 asked for small business groups around the country as we discuss regulation reform.

And as we have already mentioned it brings small business' voices to the forefront when the agencies recklessly approve regulations without doing what is required in the Regulatory Flexibility Act. And if we want to truly help Main Street America we should oppose this amendment and support the underlying bill. So, I urge all my colleagues to oppose this amendment.

The Prove It Act makes important steps ensuring that agencies comply with the intent of the Regulatory Flexibility Act and consider small entities in the rulemaking process and I urge my colleagues to support the legislation and I yield back. No if there is no further discussion the committee now moves into consideration of H.R. 7198, and the Clerk will report. Okay. All right. The question is now on the amendment to H.R. 7198, offered by Ranking Member Velázquez.

All those in favor say aye?

All those opposed say no?

No. In the opinion of the Chair the no's have it. The amendment is not agreed to.

Ms. VELAZQUEZ. Chairman?

Chairman WILLIAMS. Yes, ma'am.

Ms. VELAZQUEZ. I would like to request a roll call.

Chairman WILLIAMS. Okay. A recorded vote has been requested and a roll call vote is ordered pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

And does anyone else wish to offer an amendment? Okay. Seeing none the question is now in the adoption of H.R. 7198 favorably reporting to the House.

All those in favor say aye?

All those opposed say no?

In the opinion of the Chair, the ayes have it and H.R. 7198 is agreed to and ordered favorably to the House.

All right. I request a recorded vote and a roll call vote is ordered by me pursuant to Committee Rule 13, and House Rule 11, further proceedings on the bill are postponed.

All right. Now when we—the committee will now stand in recess subject to the call of the Chair. We will reconvene around 2 o'clock after the first period of votes on the floor.

Adjourned.

[Recess.]

Chairman WILLIAMS. Okay. The committee will now come to order. The committee will now resume consideration of the bills on which roll call votes were requested and postponed.

We will start with H.R. 8033. The question now is adopting H.R. 8033 and ordering it favorably reported to the house.

The clerk will call the roll.

The CLERK. Mr. Luetkemeyer?

[No response.]

Mr. Stauber?

Mr. STAUBER. Aye.

The CLERK. Mr. Stauber votes aye.

Mr. Meuser?

Mr. MEUSER. Aye.

The CLERK. Mr. Meuser votes aye.

Ms. Van Duyne?

Ms. VAN DUYNÉ. Aye.

The CLERK. Ms. Van Duyne votes aye.

Ms. Salazar?

Ms. SALAZAR. Aye.

The CLERK. Ms. Salazar votes aye.

Mr. Mann?

[No response.]

Mr. Ellzey?

Mr. ELLZEY. Aye.

The CLERK. Mr. Ellzey votes aye.

Mr. Molinaro?

Mr. MOLINARO. Aye.

The CLERK. Mr. Molinaro votes aye.

Mr. Alford?

Mr. ALFORD. Aye.

The CLERK. Mr. Alford votes aye.

Mr. Crane?

Mr. CRANE. Aye.

The CLERK. Mr. Crane votes aye.

Mr. Bean?

Mr. BEAN. Aye.

The CLERK. Mr. Bean votes aye.

Mr. Hunt?

[No response.]

Mr. LaLota?

Mr. LALOTA. Aye.

The CLERK. Mr. LaLota votes aye.

Ms. Maloy?

Ms. MALOY. Aye.
 The CLERK. Ms. Maloy votes aye.
 Mr. Golden?
 Mr. GOLDEN. No.
 The CLERK. Mr. Golden votes no.
 Mr. Phillips?
 Mr. PHILLIPS. No.
 The CLERK. Mr. Phillips votes no.
 Mr. Landsman?
 Mr. LANDSMAN. No.
 The CLERK. Mr. Landsman votes no.
 Mr. McGarvey?
 Mr. MCGARVEY. No.
 The CLERK. Mr. McGarvey votes no.
 Ms. Gluesenkamp Perez?
 Ms. GLUESENKAMP PEREZ. No.
 The CLERK. Ms. Gluesenkamp Perez votes no.
 Ms. Scholten?
 Ms. SCHOLTEN. No.
 The CLERK. Ms. Scholten votes no.
 Mr. Thanedar?
 Mr. THANEDAR. No.
 The CLERK. Mr. Thanedar votes no.
 Ms. Chu?
 Ms. CHU. No.
 The CLERK. Ms. Chu votes no.
 Ms. Davids?
 Ms. DAVIDS. No.
 The CLERK. Ms. Davids votes no.
 Mr. Pappas?
 Mr. PAPPAS. No.
 The CLERK. Mr. Pappas votes no.
 Ranking Member Velázquez?
 Ms. VELAZQUEZ. No.
 The CLERK. Ranking Member Velázquez votes no.
 Chairman Williams?
 Chairman WILLIAMS. Yes.
 The CLERK. Chairman Williams votes aye.
 Mr. Mann?
 Mr. MANN. Aye.
 The CLERK. Mr. Mann votes aye.
 Chairman WILLIAMS. Okay. Are there any other Members who have not voted or wish to change their vote?
 All right. Seeing none, the clerk will report.
 The CLERK. Mr. Chairman on that vote 13 ayes, 11 nays, and zero present.
 Chairman WILLIAMS. Okay. The motion agreed to and H.R. 8033 is adopted and will be favored—reported favorably to the House
 The question now is in adopting H.R. 9032, and ordering it favorably reported to the House.
 The clerk will call the roll.
 The CLERK. Mr. Luetkemeyer?
 [No response.]

Mr. Stauber?
Mr. STAUBER. Aye.
The CLERK. Mr. Stauber votes aye.
Mr. Meuser?
Mr. MEUSER. Aye.
The CLERK. Mr. Meuser votes aye.
Ms. Van Duyne?
Ms. VAN DUYNÉ. Aye.
The CLERK. Ms. Van Duyne votes aye.
Ms. Salazar?
Ms. SALAZAR. Aye.
The CLERK. Ms. Salazar votes aye.
Mr. Mann?
Mr. MANN. Aye.
The CLERK. Mr. Mann votes aye.
Mr. Ellzey?
Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye.
Mr. Molinaro?
Mr. MOLINARO. Aye.
The CLERK. Mr. Molinaro votes aye.
Mr. Alford?
Mr. ALFORD. Aye.
The CLERK. Mr. Alford votes aye.
Mr. Crane?
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye.
Mr. Bean?
Mr. BEAN. Aye.
The CLERK. Mr. Bean votes aye.
Mr. Hunt?
[No response.]
Mr. LaLota?
Mr. LALOTA. Aye.
The CLERK. Mr. LaLota votes aye.
Ms. Maloy?
Ms. MALOY. Aye.
The CLERK. Ms. Maloy votes aye.
Mr. Golden?
Mr. GOLDEN. No.
The CLERK. Mr. Golden votes no.
Mr. Phillips?
Mr. PHILLIPS. No.
The CLERK. Mr. Phillips votes no.
Mr. Landsman?
Mr. LANDSMAN. No.
The CLERK. Mr. Landsman votes no.
Mr. McGarvey?
Mr. MCGARVEY. No.
The CLERK. Mr. McGarvey votes no.
Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. No.
The CLERK. Ms. Gluesenkamp Perez votes no.
Ms. Scholten?

Ms. SCHOLTEN. No.
 The CLERK. Ms. Scholten votes no.
 Mr. Thanedar?
 Mr. THANEDAR. No.
 The CLERK. Mr. Thanedar votes no.
 Ms. Chu?
 Ms. CHU. No.
 The CLERK. Ms. Chu votes no.
 Ms. Davids?
 Ms. DAVIDS. No.
 The CLERK. Ms. Davids votes no.
 Mr. Pappas?
 Mr. PAPPAS. No.
 The CLERK. Mr. Pappas votes no.
 Ranking Member Velázquez?
 Ms. VELAZQUEZ. No.
 The CLERK. Ranking Member Velázquez votes no.
 Chairman WILLIAMS. I need to vote.
 The CLERK. Sorry about that, sir.
 Chairman WILLIAMS. Unless you don't want me to.
 The CLERK. Chairman Williams?
 Chairman WILLIAMS. Yes.
 The CLERK. Chairman Williams votes aye.
 Chairman WILLIAMS. Are there any other Members who wish—
 who have not voted or wish to change their vote?
 Seeing none, the clerk will report.
 The CLERK. Mr. Chairman on that vote 13 ayes, 11 nays, and
 zero present.
 Chairman WILLIAMS. The motion agreed to and H.R. 9031 is
 adopted and will be reported favorably to the House
 We will now be voting on the amendment offered to H.R. 9030,
 offered by Mr. Thanedar.
 The clerk will call the roll.
 The CLERK. Mr. Luetkemeyer?
 [No response.]
 Mr. Stauber?
 Mr. STAUBER. No.
 The CLERK. Mr. Stauber votes no.
 Mr. Meuser?
 Mr. MEUSER. No.
 The CLERK. Mr. Meuser votes no.
 Ms. Van Duyne?
 Ms. VAN DUYNE. No.
 The CLERK. Ms. Van Duyne votes no.
 Ms. Salazar?
 Ms. SALAZAR. No.
 The CLERK. Ms. Salazar votes no.
 Mr. Mann?
 Mr. MANN. No.
 The CLERK. Mr. Mann votes no.
 Mr. Ellzey?
 Mr. ELLZEY. No.
 The CLERK. Mr. Ellzey votes no.
 Mr. Molinaro?

Mr. MOLINARO. No.
The CLERK. Mr. Molinaro votes no.
Mr. Alford?
Mr. ALFORD. No.
The CLERK. Mr. Alford votes no.
Mr. Crane?
Mr. CRANE. No.
The CLERK. Mr. Crane votes no.
Mr. Bean?
Mr. BEAN. No.
The CLERK. Mr. Bean votes no.
Mr. Hunt?
[No response.]
Mr. LaLota?
Mr. LALOTA. No.
The CLERK. Mr. LaLota votes no.
Ms. Maloy?
Ms. MALOY. No.
The CLERK. Ms. Maloy votes no.
Mr. Golden?
Mr. GOLDEN. Aye.
The CLERK. Mr. Golden votes aye.
Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye.
Mr. Landsman?
Mr. LANDSMAN. Aye.
The CLERK. Mr. Landsman votes aye.
Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye.
Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye.
Ms. Scholten?
Ms. SCHOLTEN. Aye.
The CLERK. Ms. Scholten votes aye.
Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye.
Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye.
Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye.
Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye.
Ranking Member Velázquez?
Ms. VELAZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye.
Chairman Williams?
Chairman WILLIAMS. No.

The CLERK. Chairman Williams votes no.

Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?

Seeing none, the clerk will report.

The CLERK. Mr. Chairman on that vote 11 ayes, 13 nays, and zero present.

Chairman WILLIAMS. Okay. The amendment is not adopted.

We will now be voting on amendment offer to H.R. 9030, offered by Ms. Chu.

The clerk will call the roll.

The CLERK. Mr. Luetkemeyer?

[No response.]

Mr. Stauber?

Mr. STAUBER. No.

The CLERK. Mr. Stauber votes no.

Mr. Meuser?

Mr. MEUSER. No.

The CLERK. Mr. Meuser votes no.

Ms. Van Duyne?

Ms. VAN DUYNÉ. No.

The CLERK. Ms. Van Duyne votes no.

Ms. Salazar?

Ms. SALAZAR. No.

The CLERK. Ms. Salazar votes no.

Mr. Mann?

Mr. MANN. No.

The CLERK. Mr. Mann votes no.

Mr. Ellzey?

Mr. ELLZEY. No.

The CLERK. Mr. Ellzey votes no.

Mr. Molinaro?

Mr. MOLINARO. No.

The CLERK. Mr. Molinaro votes no.

Mr. Alford?

Mr. ALFORD. No.

The CLERK. Mr. Alford votes no.

Mr. Crane?

Mr. CRANE. No.

The CLERK. Mr. Crane votes no.

Mr. Bean?

Mr. BEAN. No.

The CLERK. Mr. Bean votes no.

Mr. Hunt?

[No response.]

Mr. LaLota?

Mr. LALOTA. No.

The CLERK. Mr. LaLota votes no.

Ms. Maloy?

Ms. MALOY. No.

The CLERK. Ms. Maloy votes no.

Mr. Golden?

Mr. GOLDEN. Aye.

The CLERK. Mr. Golden votes yes.

Mr. Phillips?

Mr. PHILLIPS. Yes.
The CLERK. Mr. Phillips votes yes.
Mr. Landsman?
Mr. LANDSMAN. Yes.
The CLERK. Mr. Landsman votes yes.
Mr. McGarvey?
Mr. MCGARVEY. Yes.
The CLERK. Mr. McGarvey votes yes.
Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Yes.
The CLERK. Ms. Gluesenkamp Perez votes yes.
Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes yes.
Mr. Thanedar?
Mr. THANEDAR. Yes.
The CLERK. Mr. Thanedar votes yes.
Ms. Chu?
Ms. CHU. Yes.
The CLERK. Ms. Chu votes yes.
Ms. Davids?
Ms. DAVIDS. Yes.
The CLERK. Ms. Davids votes yes.
Mr. Pappas?
Mr. PAPPAS. Yes.
The CLERK. Mr. Pappas votes yes.
Ranking Member Velázquez?
Ms. VELAZQUEZ. Yes.
The CLERK. Ranking Member Velázquez votes yes.
Chairman Williams?
Chairman WILLIAMS. No.
The CLERK. Chairman Williams votes no.
Chairman WILLIAMS. Okay. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman on that vote 11 ayes, 13 nays, and zero present.
Chairman WILLIAMS. Okay. The amendment is not adopted.
The question now is on adopting H.R. 9030 and ordering it favorably reported to the house.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
[No response.]
Mr. Stauber?
Mr. STAUBER. Yes.
The CLERK. Mr. Stauber votes yes.
Mr. Meuser?
Mr. MEUSER. Yes.
The CLERK. Mr. Meuser votes yes.
Ms. Van Duyne?
Ms. VAN DUYNÉ. Yes.
The CLERK. Ms. Van Duyne votes yes.
Ms. Salazar?
Ms. SALAZAR. Yes.

The CLERK. Ms. Salazar votes yes.
Mr. Mann?
Mr. MANN. Yes.
The CLERK. Mr. Mann votes yes.
Mr. Ellzey?
Mr. ELLZEY. Yes.
The CLERK. Mr. Ellzey votes yes.
Mr. Molinaro?
Mr. MOLINARO. Yes.
The CLERK. Mr. Molinaro votes yes.
Mr. Alford?
Mr. ALFORD. Yes.
The CLERK. Mr. Alford votes yes.
Mr. Crane?
Mr. CRANE. Yes.
The CLERK. Mr. Crane votes yes.
Mr. Bean?
Mr. BEAN. Yes.
The CLERK. Mr. Bean votes yes.
Mr. Hunt?
[No response.]
Mr. LaLota?
Mr. LALOTA. Yes.
The CLERK. Mr. LaLota votes yes.
Ms. Maloy?
Ms. MALOY. Yes.
The CLERK. Ms. Maloy votes yes.
Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes yes.
Mr. Phillips?
Mr. PHILLIPS. Yes.
The CLERK. Mr. Phillips votes yes.
Mr. Landsman?
Mr. LANDSMAN. No.
The CLERK. Mr. Landsman votes no.
Mr. McGarvey?
Mr. MCGARVEY. No.
The CLERK. Mr. McGarvey votes no.
Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Yes.
The CLERK. Ms. Gluesenkamp Perez votes yes.
Ms. Scholten?
Ms. SCHOLTEN. No.
The CLERK. Ms. Scholten votes no.
Mr. Thanedar?
Mr. THANEDAR. Yes.
The CLERK. Mr. Thanedar votes yes.
Ms. Chu?
Ms. CHU. No.
The CLERK. Ms. Chu votes no.
Ms. Davids?
Ms. DAVIDS. No.
The CLERK. Ms. Davids votes no.

Mr. Pappas?

Mr. PAPPAS. Yes

The CLERK. Mr. Pappas votes yes.

Ranking Member Velázquez?

Ms. VELAZQUEZ. No.

The CLERK. Ranking Member Velázquez votes no.

Chairman Williams?

Chairman WILLIAMS. Yes.

The CLERK. Chairman Williams votes yes.

Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?

Mr. THANEDAR. Mr. Chairman, how am I recorded?

Chairman WILLIAMS. Thanedar?

The CLERK. Mr. Thanedar is recorded as yes.

Mr. THANEDAR. Could that be made no? Thank you.

The CLERK. Mr. Thanedar votes no.

Chairman WILLIAMS. Any others want to change their vote? Okay. Seeing none, the clerk will report.

The CLERK. Mr. Chairman on that vote 17 ayes, 7 nays, and zero present.

Chairman WILLIAMS. Okay. The motion agreed to and H.R. 9030 is adopted and will be reported favorably to the House.

We will now be voting on an amendment offered to H.R. 9085, offered by Ms. Davids.

The clerk will call the roll.

The CLERK. Mr. Luetkemeyer?

[No response.]

Mr. Stauber?

Mr. STAUBER. No.

The CLERK. Mr. Stauber votes no.

Mr. Meuser?

Mr. MEUSER. No.

The CLERK. Mr. Meuser votes no.

Ms. Van Duyne?

Ms. VAN DUYNE. No.

The CLERK. Ms. Van Duyne votes no.

Ms. Salazar?

Ms. SALAZAR. No.

The CLERK. Ms. Salazar votes no.

Mr. Mann?

Mr. MANN. No

The CLERK. Mr. Mann votes no.

Mr. Ellzey?

Mr. ELLZEY. No.

The CLERK. Mr. Ellzey votes no.

Mr. Molinaro?

Mr. MOLINARO. No.

The CLERK. Mr. Molinaro votes no.

Mr. Alford?

Mr. ALFORD. No.

The CLERK. Mr. Alford votes no

Mr. Crane?

Mr. CRANE. No.

The CLERK. Mr. Crane votes no.

Mr. Bean?
 Mr. BEAN. No.
 The CLERK. Mr. Bean votes no.
 Mr. Hunt?
 [No response.]
 Mr. LaLota?
 Mr. LALOTA. No.
 The CLERK. Mr. LaLota votes no.
 Ms. Maloy?
 Ms. MALOY. No.
 The CLERK. Ms. Maloy votes no.
 Mr. Golden?
 Mr. GOLDEN. Yes.
 The CLERK. Mr. Golden votes yes.
 Mr. Phillips?
 Mr. PHILLIPS. Aye.
 The CLERK. Mr. Phillips votes yes.
 Mr. Landsman?
 Mr. LANDSMAN. Yes.
 The CLERK. Mr. Landsman votes yes.
 Mr. McGarvey?
 Mr. MCGARVEY. Yes.
 The CLERK. Mr. McGarvey votes yes.
 Ms. Gluesenkamp Perez?
 Ms. GLUESENKAMP PEREZ. Yes.
 The CLERK. Ms. Gluesenkamp Perez votes yes.
 Ms. Scholten?
 Ms. SCHOLTEN. Yes.
 The CLERK. Ms. Scholten votes yes.
 Mr. Thanedar?
 Mr. THANEDAR. Yes.
 The CLERK. Mr. Thanedar votes Yes.
 Ms. Chu?
 Ms. CHU. Yes.
 The CLERK. Ms. Chu votes yes.
 Ms. Davids?
 Ms. DAVIDS. Yes.
 The CLERK. Ms. Davids votes yes.
 Mr. Pappas?
 Mr. PAPPAS. Yes.
 The CLERK. Mr. Pappas votes yes.
 Ranking Member Velázquez?
 Ms. VELAZQUEZ. Yes.
 The CLERK. Ranking Member Velázquez votes yes.
 Chairman Williams?
 Chairman WILLIAMS. No.
 The CLERK. Chairman Williams votes no.
 Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
 Seeing none, the clerk will report.
 The CLERK. Mr. Chairman on that vote 11 yeses, 13 nos, and zero present.
 Chairman WILLIAMS. Okay. The amendment is not adopted.

The question now is on adopting H.R. 9085 and ordering it favorably reported to the House.

The clerk will call the roll.

The CLERK. Mr. Luetkemeyer?

[No response.]

Mr. Stauber?

Mr. STAUBER. Yes.

The CLERK. Mr. Stauber votes yes.

Mr. Meuser?

Mr. MEUSER. Yes.

The CLERK. Mr. Meuser votes yes.

Ms. Van Duyne?

Ms. VAN DUYNÉ. Yes.

The CLERK. Ms. Van Duyne votes yes.

Ms. Salazar?

Ms. SALAZAR. Yes.

The CLERK. Ms. Salazar votes yes.

Mr. Mann?

Mr. MANN. Yes.

The CLERK. Mr. Mann votes yes.

Mr. Ellzey?

Mr. ELLZEY. Yes.

The CLERK. Mr. Ellzey votes yes.

Mr. Molinaro?

Mr. MOLINARO. Yes.

The CLERK. Mr. Molinaro votes yes.

Mr. Alford?

Mr. ALFORD. Yes.

The CLERK. Mr. Alford votes yes.

Mr. Crane?

Mr. CRANE. Yes.

The CLERK. Mr. Crane votes yes.

Mr. Bean?

Mr. BEAN. Yes.

The CLERK. Mr. Bean votes yes.

Mr. Hunt?

[No response.]

Mr. LaLota?

Mr. LALOTA. Yes.

The CLERK. Mr. LaLota votes yes.

Ms. Maloy?

Ms. MALOY. Yes.

The CLERK. Ms. Maloy votes yes.

Mr. Golden?

Mr. GOLDEN. No.

The CLERK. Mr. Golden votes no.

Mr. Phillips?

Mr. PHILLIPS. No.

The CLERK. Mr. Phillips votes no.

Mr. Landsman?

Mr. LANDSMAN. No.

The CLERK. Mr. Landsman votes no.

Mr. McGarvey?

Mr. MCGARVEY. No.

The CLERK. Mr. McGarvey votes no.
 Ms. Gluesenkamp Perez?
 Ms. GLUESENKAMP PEREZ. No.
 The CLERK. Ms. Gluesenkamp Perez votes no.
 Ms. Scholten?
 Ms. SCHOLTEN. No.
 The CLERK. Ms. Scholten votes no.
 Mr. Thanedar?
 Mr. THANEDAR. No.
 The CLERK. Mr. Thanedar votes no.
 Ms. Chu?
 Ms. CHU. No.
 The CLERK. Ms. Chu votes no.
 Ms. Davids?
 Ms. DAVIDS. No.
 The CLERK. Ms. Davids votes no.
 Mr. Pappas?
 Mr. PAPPAS. No.
 The CLERK. Mr. Pappas votes no.
 Ranking Member Velázquez?
 Ms. VELAZQUEZ. No.
 The CLERK. Ranking Member Velázquez votes no.
 Chairman Williams?
 Chairman WILLIAMS. Yes.
 The CLERK. Chairman Williams votes yes.
 Chairman WILLIAMS. Are there any other Members who have
 not voted or wish to change their vote?
 Seeing none, the clerk will report.
 The CLERK. Mr. Chairman on that vote 13 ayes, 11 nays, and
 zero present.
 Chairman WILLIAMS. Okay. The motion agreed to and H.R.
 9085 is adopted and will be reported favorably to the House.
 The question now is adopting H.R. 9033 and ordering it favorably
 reported to the House.
 The clerk will call the roll.
 The CLERK. Mr. Luetkemeyer?
 [No response.]
 Mr. Stauber?
 Mr. STAUBER. Aye.
 The CLERK. Mr. Stauber votes aye.
 Mr. Meuser?
 Mr. MEUSER. Aye.
 The CLERK. Mr. Meuser votes aye.
 Ms. Van Duyne?
 Ms. VAN DUYNÉ. Yes.
 The CLERK. Ms. Van Duyne votes yes.
 Ms. Salazar?
 Ms. SALAZAR. Yes.
 The CLERK. Ms. Salazar votes yes.
 Mr. Mann?
 Mr. MANN. Yes.
 The CLERK. Mr. Mann votes yes.
 Mr. Ellzey?
 Mr. ELLZEY. Yes.

The CLERK. Mr. Ellzey votes yes.
 Mr. Molinaro?
 Mr. MOLINARO. Yes.
 The CLERK. Mr. Molinaro votes yes.
 Mr. Alford?
 Mr. ALFORD. Yes.
 The CLERK. Mr. Alford votes yes.
 Mr. Crane?
 Mr. CRANE. Yes.
 The CLERK. Mr. Crane votes yes.
 Mr. Bean?
 Mr. BEAN. Yes.
 The CLERK. Mr. Bean votes yes.
 Mr. Hunt?
 [No response.]
 Mr. LaLota?
 Mr. LALOTA. Yes.
 The CLERK. Mr. LaLota votes yes.
 Ms. Maloy?
 Ms. MALOY. Yes.
 The CLERK. Ms. Maloy votes yes.
 Mr. Golden?
 Mr. GOLDEN. No.
 The CLERK. Mr. Golden votes no.
 Mr. Phillips?
 Mr. PHILLIPS. No.
 The CLERK. Mr. Phillips votes no.
 Mr. Landsman?
 Mr. LANDSMAN. No.
 The CLERK. Mr. Landsman votes no.
 Mr. McGarvey?
 Mr. MCGARVEY. No.
 The CLERK. Mr. McGarvey votes no.
 Ms. Gluesenkamp Perez?
 Ms. GLUESENKAMP PEREZ. No.
 The CLERK. Ms. Gluesenkamp Perez votes no.
 Ms. Scholten?
 Ms. SCHOLTEN. No.
 The CLERK. Ms. Scholten votes no.
 Mr. Thanedar?
 Mr. THANEDAR. No.
 The CLERK. Mr. Thanedar votes no.
 Ms. Chu?
 Ms. CHU. No.
 The CLERK. Ms. Chu votes no.
 Ms. Davids?
 Ms. DAVIDS. No.
 The CLERK. Ms. Davids votes no.
 Mr. Pappas?
 Mr. PAPPAS. No.
 The CLERK. Mr. Pappas votes no.
 Ranking Member Velázquez?
 Ms. VELAZQUEZ. No.
 The CLERK. Ranking Member Velázquez votes no.

Chairman Williams?

Chairman WILLIAMS. Yes.

The CLERK. Chairman Williams votes yes.

Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?

Seeing none, the clerk will report.

The CLERK. Mr. Chairman on that vote 13 ayes, 11 nays, and zero present.

Chairman WILLIAMS. Okay. The motion is agreed to and H.R. 9033 is adopted and will be reported favorably to the House.

We will now be voting on an amendment offered to H.R. 7198, offered by Ms. Velázquez.

The clerk will call the roll.

The CLERK. Mr. Luetkemeyer?

[No response.]

Mr. Stauber?

Mr. STAUBER. No.

The CLERK. Mr. Stauber votes no.

Mr. Meuser?

Mr. MEUSER. No.

The CLERK. Mr. Meuser votes no.

Ms. Van Duyne?

Ms. VAN DUYNE. No.

The CLERK. Ms. Van Duyne votes no.

Ms. Salazar?

Ms. SALAZAR. No.

The CLERK. Ms. Salazar votes no.

Mr. Mann?

Mr. MANN. No.

The CLERK. Mr. Mann votes no.

Mr. Ellzey?

Mr. ELLZEY. No.

The CLERK. Mr. Ellzey votes no.

Mr. Molinaro?

Mr. MOLINARO. No.

The CLERK. Mr. Molinaro votes no.

Mr. Alford?

Mr. ALFORD. No.

The CLERK. Mr. Alford votes no.

Mr. Crane?

Mr. CRANE. No.

The CLERK. Mr. Crane votes no.

Mr. Bean?

Mr. BEAN. No.

The CLERK. Mr. Bean votes no.

Mr. Hunt?

[No response.]

Mr. LaLota?

Mr. LALOTA. No.

The CLERK. Mr. LaLota votes no.

Ms. Maloy?

Ms. MALOY. No.

The CLERK. Ms. Maloy votes no.

Mr. Golden?

Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes yes.
Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes yes.
Mr. Landsman?
Mr. LANDSMAN. Yes.
The CLERK. Mr. Landsman votes yes.
Mr. McGarvey?
Mr. MCGARVEY. Yes.
The CLERK. Mr. McGarvey votes yes.
Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Yes.
The CLERK. Ms. Gluesenkamp Perez votes yes.
Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes yes.
Mr. Thanedar?
Mr. THANEDAR. Yes.
The CLERK. Mr. Thanedar votes yes.
Ms. Chu?
Ms. CHU. Yes.
The CLERK. Ms. Chu votes yes.
Ms. Davids?
Ms. DAVIDS. Yes.
The CLERK. Ms. Davids votes yes.
Mr. Pappas?
Mr. PAPPAS. Yes.
The CLERK. Mr. Pappas votes yes.
Ranking Member Velázquez?
Ms. VELAZQUEZ. Yes.
The CLERK. Ranking Member Velázquez votes yes.
Chairman Williams?
Chairman WILLIAMS. No.
The CLERK. Chairman Williams votes no.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman on that vote 11 ayes, 13 nays, and zero present.
Chairman WILLIAMS. The amendment is not adopted. The question now is in adopting H.R. 7198 and ordering it favorably reported to the House.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
[No response.]
Mr. Stauber?
Mr. STAUBER. Yes.
The CLERK. Mr. Stauber votes yes.
Mr. Meuser?
Mr. MEUSER. Yes.
The CLERK. Mr. Meuser votes yes.
Ms. Van Duyne?
Ms. VAN DUYNNE. Yes.

The CLERK. Ms. Van Duyne votes yes.
Ms. Salazar?
Ms. SALAZAR. Yes.
The CLERK. Ms. Salazar votes yes.
Mr. Mann?
Mr. MANN. Yes.
The CLERK. Mr. Mann votes yes.
Mr. Ellzey?
Mr. ELLZEY. Yes.
The CLERK. Mr. Ellzey votes yes.
Mr. Molinaro?
Mr. MOLINARO. Yes.
The CLERK. Mr. Molinaro votes yes.
Mr. Alford?
Mr. ALFORD. Yes.
The CLERK. Mr. Alford votes yes.
Mr. Crane?
Mr. CRANE. Yes.
The CLERK. Mr. Crane votes yes.
Mr. Bean?
Mr. BEAN. Yes.
The CLERK. Mr. Bean votes yes.
Mr. Hunt?
[No response.]
Mr. LaLota?
Mr. LALOTA. Yes.
The CLERK. Mr. LaLota votes yes.
Ms. Maloy?
Ms. MALOY. Yes.
The CLERK. Ms. Maloy votes yes.
Mr. Golden?
Mr. GOLDEN. No.
The CLERK. Mr. Golden votes no.
Mr. Phillips?
Mr. PHILLIPS. No.
The CLERK. Mr. Phillips votes no.
Mr. Landsman?
Mr. LANDSMAN. No.
The CLERK. Mr. Landsman votes no.
Mr. McGarvey?
Mr. MCGARVEY. No.
The CLERK. Mr. McGarvey votes no.
Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. No.
The CLERK. Ms. Gluesenkamp Perez votes no.
Ms. Scholten?
Ms. SCHOLTEN. No.
The CLERK. Ms. Scholten votes no.
Mr. Thanedar?
Mr. THANEDAR. No.
The CLERK. Mr. Thanedar votes no.
Ms. Chu?
Ms. CHU. No.
The CLERK. Ms. Chu votes no.

Ms. Davids?

Ms. DAVIDS. No.

The CLERK. Ms. Davids votes no.

Mr. Pappas?

Mr. PAPPAS. No.

The CLERK. Mr. Pappas votes no.

Ranking Member Velázquez?

Ms. VELAZQUEZ. No.

The CLERK. Ranking Member Velázquez votes no.

Chairman Williams?

Chairman WILLIAMS. Yes.

The CLERK. Chairman Williams votes yes.

Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?

Seeing none, the clerk will report.

The CLERK. Mr. Chairman on that vote 13 ayes, 11 nays and zero present.

Chairman WILLIAMS. Okay. The motion is agreed to and H.R. 7198 is adopted and will be reported favorably to the House.

Without objection committee staff is authorized to make technical and conforming changes and Members have two business days to file additional supplemental dissenting and minority views. Thank you all for being here today.

If there is no further business, this concludes today's markup. Without objection the committee stands adjourned.

[Whereupon, at 2:52 p.m., the committee was adjourned.]

APPENDIX

1

118TH CONGRESS
2D SESSION**H. R. 8033**

To amend title 5, United States Code, to clarify the information required to be included in a certification by an agency that a rule will not have a significant economic impact on a substantial number of small entities.

IN THE HOUSE OF REPRESENTATIVES

APRIL 17, 2024

Mr. LUTKEMEYER (for himself, Mr. MEUSER, Mr. MANN, and Ms. SALAZAR) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 5, United States Code, to clarify the information required to be included in a certification by an agency that a rule will not have a significant economic impact on a substantial number of small entities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Regulatory Trans-
5 parency for Small Businesses Act”.

1 **SEC. 2. INFORMATION REQUIRED TO BE INCLUDED IN A**
2 **CERTIFICATION BY AN AGENCY THAT A RULE**
3 **WILL NOT HAVE A SIGNIFICANT ECONOMIC**
4 **IMPACT ON A SUBSTANTIAL NUMBER OF**
5 **SMALL ENTITIES.**

6 Section 605 of title 5, United States Code, is amend-
7 ed by adding at the end the following:

8 “(d) The certification under subsection (b) shall in-
9 clude, at a minimum, the following:

10 “(1) The approximate number of small entities,
11 if any, impacted by the rule, and an identification of
12 any such small entity (including the North American
13 Industry Classification System code, if applicable).

14 “(2) An estimate of the total cost of imple-
15 menting the rule, including the cost of compliance
16 with the rule, which may be measured as an esti-
17 mated percentage of the revenue of the small entities
18 determined to be impacted under paragraph (1), or
19 another reasonable measure of economic signifi-
20 cance.

21 “(3) A determination of whether the costs of
22 compliance under paragraph (2) represent a signifi-
23 cant economic impact, and the criteria used to make
24 such determination.

25 “(4) A determination of the number of small
26 entities that will experience a significant economic

1 impact as a result of the rule, whether that number
2 is substantial, and the criteria used to make such
3 determinations.”.

○

118TH CONGRESS
2D SESSION

H. R. 9031

To require Federal agency heads to submit a report on the implementation of the Regulatory Flexibility Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 15, 2024

Mr. STAUBER introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require Federal agency heads to submit a report on the implementation of the Regulatory Flexibility Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Assurance for Small
5 Business Act of 2024”.

1 **SEC. 2. REPORT ON IMPLEMENTATION OF THE REGU-**
2 **LATORY FLEXIBILITY ACT.**

3 Not later than 90 days after the date of the enact-
4 ment of this Act, the head of each agency shall submit
5 to Congress a report describing the application of chapter
6 6 of title 5, United States Code (commonly know as the
7 “Regulatory Flexibility Act”), with respect to each rule
8 of the agency. Such report shall include—

9 (1) any definitions used by the agency to deter-
10 mine a “significant economic impact” and a “sub-
11 stantial number of small entities”, as such terms are
12 used in such chapter 6; and

13 (2) a comprehensive list of factors considered
14 by the agency in applying such terms in any regu-
15 latory flexibility analyses of such agency.

○

118TH CONGRESS
2D SESSION

H. R. 9032

To amend chapter 6 of title 5, United States Code (commonly known as the “Regulatory Flexibility Act”), to ensure complete analysis of potential impacts on small entities of rules, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 15, 2024

Ms. MALOY introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend chapter 6 of title 5, United States Code (commonly known as the “Regulatory Flexibility Act”), to ensure complete analysis of potential impacts on small entities of rules, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Enhanced Regulatory
5 Flexibility Assessment Act”.

1 **SEC. 2. REQUIREMENTS PROVIDING FOR MORE DETAILED**
2 **ANALYSES.**

3 (a) INITIAL REGULATORY FLEXIBILITY ANALYSIS.—
4 Section 603(b) of title 5, United States Code, is amended
5 to read as follows:

6 “(b) Each initial regulatory flexibility analysis re-
7 quired under this section shall contain a detailed state-
8 ment—

9 “(1) describing the reasons why action by the
10 agency is being considered;

11 “(2) describing the objectives of, and legal basis
12 for, the proposed rule;

13 “(3) estimating the number and type of small
14 entities to which the proposed rule will apply;

15 “(4) describing the projected reporting, record-
16 keeping, and other compliance requirements of the
17 proposed rule, including an estimate of the classes of
18 small entities which will be subject to the require-
19 ment and the type of professional skills necessary
20 for preparation of the report and record;

21 “(5) describing all relevant Federal rules which
22 may duplicate, overlap, or conflict with the proposed
23 rule, or the reasons why such a description could not
24 be provided;

25 “(6) estimating the additional cumulative eco-
26 nomic impact of the proposed rule on small entities

1 beyond that already imposed on the class of small
2 entities by the agency or why such an estimate is
3 not available;

4 “(7) describing any disproportionate economic
5 impact on small entities or a specific class of small
6 entities; and

7 “(8) describing any impairment of the ability of
8 small entities to have access to credit.”.

9 (b) FINAL REGULATORY FLEXIBILITY ANALYSIS.—

10 (1) IN GENERAL.—Section 604(a) of title 5,
11 United States Code, is amended—

12 (A) in paragraph (4)—

13 (i) by inserting “detailed” before “de-
14 scription”; and

15 (ii) by striking “an explanation” and
16 inserting “a detailed explanation”;

17 (B) in paragraph (5), by inserting “de-
18 tailed” before “description”;

19 (C) in paragraph (6)—

20 (i) by inserting “detailed” before “de-
21 scription”; and

22 (ii) by striking “and” at the end;

23 (D) in paragraph (7), as so redesignated,
24 by striking the period at the end and inserting
25 “; and”; and

1 (E) by adding at the end the following:

2 “(8) a detailed description of any disproportional
3 economic impact on small entities or a specific
4 class of small entities.”.

5 (2) INCLUSION OF RESPONSE TO COMMENTS ON
6 CERTIFICATION OF PROPOSED RULE.—Section
7 604(a)(2) of title 5, United States Code, is amended
8 by inserting “(or certification of the proposed rule
9 under section 605(b))” after “initial regulatory flexi-
10 bility analysis”.

11 (3) PUBLICATION OF ANALYSIS ON WEBSITE.—
12 Section 604(b) of title 5, United States Code, is
13 amended to read as follows:

14 “(b) The agency shall make copies of the final regu-
15 latory flexibility analysis available to the public, including
16 placement of the entire analysis on the website of the
17 agency, and shall publish in the Federal Register the final
18 regulatory flexibility analysis, or a summary thereof which
19 includes the telephone number, mailing address, and link
20 to the website where the complete analysis may be ob-
21 tained.”.

22 (c) CROSS-REFERENCES TO OTHER ANALYSES.—
23 Section 605(a) of title 5, United States Code, is amended
24 to read as follows:

1 “(a) A Federal agency shall be treated as satisfying
2 any requirement regarding the content of a regulatory
3 flexibility agenda or regulatory flexibility analysis under
4 section 602, 603, or 604 if the Federal agency provides
5 in the agenda or analysis a cross-reference to the specific
6 portion of another agenda or analysis which is required
7 by any other law and which satisfies the requirement.”.

8 (d) CERTIFICATIONS.—Section 605(b) of title 5,
9 United States Code, is amended by striking “statement
10 providing the factual basis for such certification.” and in-
11 serting “detailed statement providing the factual and legal
12 basis for such certification. The detailed statement shall
13 include an economic assessment or a summary thereof
14 that is sufficiently detailed to support the certification of
15 the agency.”.

16 (e) QUANTIFICATION REQUIREMENTS.—Section 607
17 of title 5, United States Code, is amended to read as fol-
18 lows:

19 **“§ 607. Quantification requirements**

20 “In complying with sections 603 and 604, an agency
21 shall provide—

22 “(1) a quantifiable or numerical description of
23 the effects of—

24 “(A) the proposed or final rule; and

1 “(B) alternatives to the proposed or final
2 rule; or

3 “(2) a more general descriptive statement and
4 a detailed statement explaining why quantification is
5 not practicable or reliable.”.

○

118TH CONGRESS
2D SESSION

H. R. 9030

To amend chapter 6 of title 5, United States Code (commonly known as the “Regulatory Flexibility Act”), to ensure complete disclosure of an agency’s annual regulatory agenda.

IN THE HOUSE OF REPRESENTATIVES

JULY 15, 2024

Mr. ALFORD introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend chapter 6 of title 5, United States Code (commonly known as the “Regulatory Flexibility Act”), to ensure complete disclosure of an agency’s annual regulatory agenda.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Regulatory Agenda
5 Clarity Act”.

1 **SEC. 2. EXPANSION OF REPORT OF REGULATORY AGENDA.**

2 Section 602 of title 5, United States Code, is amend-
3 ed—

4 (1) in subsection (a)—

5 (A) in paragraph (2), by striking “, and”
6 at the end and inserting a semicolon;

7 (B) by redesignating paragraph (3) as
8 paragraph (4); and

9 (C) by inserting after paragraph (2) the
10 following:

11 “(3) a brief description of each sector of the
12 North American Industrial Classification System
13 that is primarily affected by any rule which the
14 agency expects to propose or promulgate which is
15 likely to have a significant economic impact on a
16 substantial number of small entities; and”; and

17 (2) by amending subsection (c) to read as fol-
18 lows:

19 “(c) Not later than 3 days after the date on which
20 an agency publishes a regulatory flexibility agenda in the
21 Federal Register under subsection (a)—

22 “(1) such agency shall prominently display on
23 the website of such agency a plain language sum-
24 mary of the information contained in the regulatory
25 flexibility agenda;

1 “(2) the Chief Counsel for Advocacy shall com-
2 pile, by agency, and prominently display on the
3 website of the Small Business Administration a plain
4 language summary of each such regulatory flexibility
5 agenda.”.

○

118TH CONGRESS
2D SESSION

H. R. 9085

To amend title 5, United States Code, to make certain modifications to how agencies conduct periodic reviews of agency rules, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2024

Mr. MEUSER introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 5, United States Code, to make certain modifications to how agencies conduct periodic reviews of agency rules, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Regulatory Review Im-

5 provement Act of 2024”.

6 **SEC. 2. CHANGES TO PERIODIC REVIEW OF RULES.**

7 Section 610 of title 5, United States Code, is amend-

8 ed—

- 1 (1) in subsection (a)—
- 2 (A) in the fourth sentence—
- 3 (i) by striking “and for the review”
- 4 and inserting “, for the review”; and
- 5 (ii) by inserting before the period at
- 6 the end the following: “, and for the solici-
- 7 tation of public comments on whether each
- 8 such final rule should remain in effect”;
- 9 and
- 10 (B) in the fifth sentence—
- 11 (i) by inserting “that includes an ex-
- 12 planation for the delay” after “in a state-
- 13 ment”; and
- 14 (ii) by striking “by one year at a time
- 15 for a total of not more than five years”
- 16 and inserting “by not more than one
- 17 year”;
- 18 (2) in subsection (b)—
- 19 (A) in paragraph (2), by inserting “, in-
- 20 cluding any analyses or summaries conducted
- 21 by the agency under subsection (c)” before the
- 22 semicolon at the end;
- 23 (B) in paragraph (4), by striking “and” at
- 24 the end;

1 (C) in paragraph (5), by striking the pe-
2 riod at the end and inserting “; and”; and

3 (D) by adding at the end the following:

4 “(6) the cost of compliance and the number of
5 paperwork hours the rule has required since the rule
6 took effect.”; and

7 (3) in subsection (e)—

8 (A) in the second sentence—

9 (i) by striking “and the need for” and
10 inserting “, the need for”; and

11 (ii) by inserting “, and an economic
12 analysis of such rule,” after “such rule”;
13 and

14 (B) by adding at the end the following new
15 sentence: “Before conducting a review under
16 this section, each agency shall produce a quali-
17 tative and quantitative summary of such com-
18 ments that includes an analysis of such com-
19 ments by the agency.”.

○

118TH CONGRESS
2D SESSION

H. R. 9033

To amend title 5, United States Code, to apply regulatory flexibility analysis requirements for the Department of Labor.

IN THE HOUSE OF REPRESENTATIVES

JULY 15, 2024

Mr. BEAN of Florida introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 5, United States Code, to apply regulatory flexibility analysis requirements for the Department of Labor.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Let American Busi-
5 nesses be On Record Act of 2024” or the “LABOR Act
6 of 2024”.

1 **SEC. 2. REGULATORY FLEXIBILITY ANALYSIS REQUIRE-**
2 **MENTS FOR THE DEPARTMENT OF LABOR.**

3 Section 609(d)(3) of title 5, United States Code, is
4 amended to read as follows:

5 “(3) the Department of Labor.”.

○

118TH CONGRESS
2D SESSION

H. R. 7198

To amend title 5, United States Code, to require greater transparency for Federal regulatory decisions that impact small businesses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 1, 2024

Mr. FINSTAD (for himself, Ms. CARAVEO, and Mr. MORAN) introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 5, United States Code, to require greater transparency for Federal regulatory decisions that impact small businesses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Prove It Act of 2024”.

5 **SEC. 2. INITIAL REGULATORY FLEXIBILITY ANALYSIS.**

6 (a) IN GENERAL.—Chapter 6 of title 5, United
7 States Code, is amended—

8 (1) in section 603(b)—

1 (A) in paragraph (5), by striking the pe-
2 riod at the end and inserting “; and”; and

3 (B) by adding at the end the following:

4 “(6) where feasible, any reasonably foreseeable
5 potential indirect costs the proposed rule may im-
6 pose on small entities, which shall include small enti-
7 ties that—

8 “(A) purchase products or services from,
9 sell products or services to, or otherwise con-
10 duct business with entities directly regulated by
11 the rule;

12 “(B) are directly regulated by other gov-
13 ernmental entities as a result of the rule; or

14 “(C) are not directly regulated by the
15 agency as a result of the rule but are otherwise
16 subject to other agency rules as a result of the
17 rule.”;

18 (2) in section 605(b), by striking “The agency”
19 and inserting “Not later than 10 days after com-
20 pleting the certification described in this paragraph,
21 the agency”; and

22 (3) by inserting after section 605 the following:

1 **“§ 605A. Review procedures relating to initial regu-**
2 **latory flexibility analysis certifications**

3 **“(a) FILING A PETITION TO REVIEW AGENCY CER-**
4 **TIFICATION OF A PROPOSED RULE.—**

5 **“(1) IN GENERAL.—**Any small entity, group of
6 small entities, or organization representing the inter-
7 ests of small entities may petition the Chief Counsel
8 for Advocacy of the Small Business Administration
9 (in this section referred to as the ‘Chief Counsel’) to
10 review a certification published under section 605(b)
11 that a proposed rule will not, if promulgated, have
12 a significant economic impact on a substantial num-
13 ber of small entities.

14 **“(2) FORM.—**The Chief Counsel shall—

15 **“(A)** determine the method, timing, and
16 form of disseminating a petition described in
17 paragraph (1); and

18 **“(B)** display the information described in
19 subparagraph (A) on the website of the Office
20 of Advocacy of the Small Business Administra-
21 tion in a conspicuous manner.

22 **“(3) CONTENTS.—**Each petition described in
23 paragraph (1) with respect to a certification pub-
24 lished under section 605(a) for a proposed rule shall
25 clearly and concisely—

1 “(A) specify the name of the petitioner and
2 a telephone number, a mailing address, and an
3 email address that the Chief Counsel may use
4 to communicate with the petitioner;

5 “(B) if the petitioner is an organization,
6 provide additional identifying information, as
7 applicable, including the organizational or cor-
8 porate status of the petitioner, the State of in-
9 corporation of the petitioner, the registered
10 agent of the petitioner, the interest of the peti-
11 tioner in representing small entities affected by
12 the proposed rule and the certification at issue,
13 and the name and authority of the individual
14 who signed the petition on behalf of the organi-
15 zational or corporate petitioner;

16 “(C) present the specific problems or
17 issues that the petitioner believes should be ad-
18 dressed or considered through a review of the
19 certification, such as—

20 “(i) any specific circumstances in
21 which the determination of the certification
22 that the proposed rule will not, if promul-
23 gated, have a significant economic impact
24 on a substantial number of small entities is
25 incorrect, incomplete, or inadequate; and

1 “(ii) why the proposed rule would, if
2 promulgated, have a significant economic
3 impact on a substantial number of small
4 entities;

5 “(D) cite, enclose, or reference any rel-
6 evant and non-protected or confidential tech-
7 nical, scientific, or other data or information
8 supporting any assertion of the problems or
9 issues with the certification;

10 “(E) present a proposed solution to the
11 problems or issues raised in the petition, includ-
12 ing potential regulatory or compliance alter-
13 natives to the proposed rule;

14 “(F) provide an analysis, discussion, or ar-
15 gument that explains how the proposed solution
16 described in subparagraph (E) solves the prob-
17 lems or issues raised in the petition; and

18 “(G) cite, enclose, or reference any other
19 publicly available data or information sup-
20 porting the proposed solution described in sub-
21 paragraph (E).

22 “(b) CONSULTATION.—

23 “(1) IN GENERAL.—Any entity desiring to file
24 a petition under subsection (a) may request a con-

1 sultation with the Chief Counsel before or after fil-
2 ing the petition.

3 “(2) FORM.—The Chief Counsel shall—

4 “(A) determine the method, timing, and
5 form of requesting a consultation with the Chief
6 Counsel under paragraph (1); and

7 “(B) display the information described in
8 subparagraph (A) on the website of the Office
9 of Advocacy of the Small Business Administra-
10 tion in a conspicuous manner.

11 “(3) LIMITATIONS ON ASSISTANCE.—In any
12 consultation regarding a petition under paragraph
13 (1), the Chief Counsel—

14 “(A) may only—

15 “(i) describe the process for filing,
16 docketing, tracking, closing, amending,
17 withdrawing, and resolving the petition;
18 and

19 “(ii) assist the petitioner to clarify the
20 petition so that the Chief Counsel is able
21 to understand the issues of concern to the
22 petitioner; and

23 “(B) may not advise a petitioner on wheth-
24 er the petition should be amended or with-
25 drawn.

1 “(c) PRIMA FACIE REVIEW.—

2 “(1) IN GENERAL.—Upon receipt of a petition
3 filed under this section with respect to the certifi-
4 cation of a proposed rule, the Chief Counsel shall
5 make an initial prima facie determination on the
6 merit of the issues raised in petition as to the
7 properness of the certification and whether the pro-
8 posed rule in question would, if promulgated, have
9 a significant economic impact on a substantial num-
10 ber of small entities.

11 “(2) NO FURTHER REVIEW.—If, following the
12 prima facie review of a petition under paragraph (1),
13 the Chief Counsel determines that the issues raised
14 in the petition do not merit further review by the
15 Chief Counsel, the Chief Counsel shall, not later
16 than 10 days after receipt of the petition, inform the
17 petitioner of that determination and the matter shall
18 be closed.

19 “(3) FURTHER REVIEW.—If, following the
20 prima facie review of a petition under paragraph (1),
21 the Chief Counsel determines that the issues raised
22 in the petition do merit further review by the Chief
23 Counsel, the Chief Counsel shall, not later than 10
24 days after receipt of the petition, inform the peti-
25 tioner and the agency that promulgated the pro-

1 posed rule that the Chief Counsel shall conduct a
2 full review of the certification and proposed rule to
3 which the petition relates under subsection (d).

4 “(d) FULL REVIEW.—

5 “(1) CONSIDERATIONS; MEETING.—In con-
6 ducting a full review under this subsection with re-
7 spect to the certification made under section 605(b),
8 the Chief Counsel shall—

9 “(A) consider—

10 “(i) whether the agency that promul-
11 gated the proposed rule correctly deter-
12 mined which small entities will be affected
13 by the proposed rule;

14 “(ii) whether the agency considered
15 adequate economic data to assess whether
16 the proposed rule will have a significant
17 impact on a substantial number of small
18 entities; and

19 “(iii) the economic implications of the
20 proposed rule; and

21 “(B) convene a virtual or in-person meet-
22 ing between the Chief Counsel, the petitioner,
23 representatives of the agency that promulgated
24 the proposed rule who are determined appro-
25 priate by the Chief Counsel, and the Adminis-

1 trator of the Office of Information and Regu-
2 latory affairs to—

3 “(i) provide positions and support for
4 those positions regarding the certification
5 of the proposed rule; and

6 “(ii) allow the Chief Counsel to ask
7 questions as the Chief Counsel determines
8 necessary to make a final determination as
9 to the validity of the certification.

10 “(2) PUBLICATION.—Not later than 30 days
11 after the date on which the Chief Counsel begins a
12 full review of a certification made with respect to a
13 proposed rule under paragraph (1), the Chief Coun-
14 sel shall submit to the petitioner and the agency that
15 promulgated the proposed rule, and publish in the
16 Federal Register and on the website of the Office of
17 Advocacy of the Small Business Administration, the
18 results of the review conducted under paragraph (1).

19 “(3) REQUIREMENT TO PERFORM ANALYSES.—
20 If, after a full review of a certification made with re-
21 spect to a proposed rule under paragraph (1), the
22 Chief Counsel determines that the proposed rule
23 will, if promulgated, have a significant economic im-
24 pact on a substantial number of small entities, the
25 agency that promulgated the proposed rule shall per-

1 form an initial regulatory flexibility analysis and a
2 final regulatory flexibility analysis for the proposed
3 rule under sections 603 and 604, respectively.

4 “(4) PENALTY.—If an agency fails to attend
5 the required meeting under paragraph (1)(B) or in
6 any other way fails to assist the Chief Counsel in a
7 full review under paragraph (1) with respect to a
8 proposed rule of the agency, as determined by the
9 Chief Counsel, the final rule shall not apply to small
10 entities.

11 “(5) JUDICIAL REVIEW.—For purposes of judi-
12 cial review under chapter 7 of this title, a certifi-
13 cation made by an agency under section 605(b) for
14 which a petition is filed under subsection (a) shall
15 be considered final agency action as of the date on
16 which the Chief Counsel—

17 “(A) makes a determination under sub-
18 section (e)(2) that the issues raised in the peti-
19 tion do not merit further review; or

20 “(B) publishes the results of a full review
21 of the certification under paragraph (1).”.

22 (b) TECHNICAL AND CONFORMING AMENDMENT.—
23 The table of sections for chapter 6 of title 5, United States
24 Code, is amended by inserting after the item relating to
25 section 605 the following:

“605A. Review procedures relating to initial regulatory flexibility analysis certifications.”.

1 **SEC. 3. PUBLICATION OF GUIDANCE.**

2 Section 609 of title 5, United States Code, is amend-
3 ed by adding at the end the following:

4 “(f) With respect to any rule that an agency deter-
5 mines is likely to have a significant economic impact on
6 a substantial number of small entities, the head of the
7 agency shall, on regulations.gov or any similar internet
8 website—

9 “(1) publish all guidance documents and other
10 relevant documents, as determined by the agency,
11 including any updated guidance documents that set
12 forth interpretations of the rule; and

13 “(2) allow for comments on the documents de-
14 scribed in paragraph (1) to ensure that small enti-
15 ties may access and provide feedback on those docu-
16 ments.”.

17 **SEC. 4. REVIEW PROCEDURES FOR SECTION 610 PERIODIC**
18 **REVIEW OF RULES.**

19 (a) IN GENERAL.—Section 610 of title 5, United
20 States Code, is amended—

21 (1) in subsection (b)—

22 (A) in the matter preceding paragraph (1),
23 by striking “the following factors”;

1 (B) in paragraph (4), by striking “and” at
2 the end;

3 (C) in paragraph (5), by striking the pe-
4 riod at the end and inserting “; and”; and

5 (D) by adding at the end the following:

6 “(6) any indirect costs described in the initial
7 regulatory flexibility analysis under section
8 603(b)(6), and any other indirect costs that may
9 have arisen during the 10-year period described in
10 subsection (a).”; and

11 (2) by adding at the end the following:

12 “(d) If an agency fails to conduct a review of a rule
13 as required under this section within the 10-year period
14 described in subsection (a)—

15 “(1) the Chief Counsel for Advocacy of the
16 Small Business Administration shall notify the agen-
17 cy that the rule has ceased to be effective;

18 “(2) the agency shall publish in the Federal
19 Register a notification that the rule has ceased to be
20 effective, and solicit comments for why the rule
21 should be reinstated; and

22 “(3) if, based on the comments received under
23 paragraph (2), the agency determines that the rule
24 should be reinstated—

1 “(A) the agency shall have 180 days begin-
2 ning on the date of that determination to com-
3 plete the review of the rule under this section;
4 and

5 “(B) upon completion of the review under
6 subparagraph (A), the rule shall be reinstated,
7 notwithstanding the notice and comment rule-
8 making procedures under section 553 of this
9 title.”.

10 (b) APPLICATION.—The amendment made by sub-
11 section (a)(2) shall apply with respect to any final rule
12 issued by an agency—

13 (1) during the 5-year period preceding the date
14 of enactment of this Act; or

15 (2) on or after the date of enactment of this
16 Act.

○

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 9030**

OFFERED BY Mr. Thanedar

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Regulatory Agenda
3 Clarity Act”.

4 **SEC. 2. INCLUSION OF CERTAIN REGULATORY AGENDA IN-**
5 **FORMATION ON AGENCY WEBSITES.**

6 Section 602 of title 5, United States Code, is amend-
7 ed—

8 (1) in subsection (a)(1), by inserting “, in plain
9 language,” after “brief description”;

10 (2) by redesignating subsection (d) as sub-
11 section (e); and

12 (3) by inserting after subsection (e) the fol-
13 lowing new subsection:

14 “(d) Not later than 5 days after the date on which
15 an agency publishes a regulatory flexibility agenda in the
16 Federal Register under subsection (a), such agency shall

80

2

- 1 prominently display on the website of such agency the
- 2 brief description required under subsection (a)(1).”.



AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 9030
OFFERED BY M_s. Chu_____

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Regulatory Agenda
3 Clarity Act”.

4 **SEC. 2. SMALL ENTITY ENGAGEMENT IN DEVELOPING REG-**
5 **ULATORY FLEXIBILITY AGENDAS.**

6 Section 602 of title 5, United States Code, is amend-
7 ed—

8 (1) by redesignating subsection (d) as sub-
9 section (e); and

10 (2) by inserting after subsection (e) the fol-
11 lowing:

12 “(d) In developing a regulatory flexibility agenda
13 under this section, each agency shall make efforts to pro-
14 vide information to, and engage with, small entities on the
15 regulatory flexibility agenda. Each agency shall use best
16 practices to undertake such efforts, as practicable and
17 consistent with applicable law, and such best practices
18 may include—

- 1 “(1) community-based outreach;
- 2 “(2) outreach to organizations that work with
- 3 interested small entities;
- 4 “(3) use of agency field offices; and
- 5 “(4) use of alternative platforms and media for
- 6 engaging the small entities.”.



**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 9085**

OFFERED BY Ms. Davids of Kansas

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Regulatory Review Im-
3 provement Act of 2024”.

4 **SEC. 2. CHANGES TO PERIODIC REVIEW OF RULES.**

5 Section 610 of title 5, United States Code, is amend-
6 ed—

7 (1) in subsection (a), in the fifth sentence, by
8 inserting “that includes an explanation for the
9 delay” after “in a statement”; and

10 (2) by adding at the end the following new sub-
11 section:

12 “(d) Not later than February 1 of every other year,
13 beginning in 2025, each agency shall submit to the Com-
14 mittee on Small Business of the House of Representatives
15 and the Committee on Small Business and Entrepreneur-
16 ship of the Senate a report that includes the following:

1 “(1) A description of the number of reviews
2 conducted under this section in the preceding 2
3 years.

4 “(2) The number of comments for each such re-
5 view.

6 “(3) The process and standard that the agency
7 used for each such review.

8 “(4) The outcome of each such review.

9 “(5) Each factor that assisted or impeded the
10 head of an agency in conducting each such review.

11 “(6) For each rule that should have been re-
12 viewed since the last reporting deadline but was not,
13 the number of times the head of an agency has de-
14 termined that the review was not feasible and the
15 number of years by which completion of such review
16 has been extended.

17 “(7) Legislative recommendations to improve
18 the ability of such agency to carry out this section.”.



AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 7198
OFFERED BY Ms. Velázquez

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Prove It Act of 2024”.

3 **SEC. 2. CHANGES TO PERIODIC REVIEW OF RULES.**

4 Section 610 of title 5, United States Code, is amend-
5 ed—

6 (1) in subsection (a), in the fifth sentence, by
7 inserting “that includes an explanation for the
8 delay” after “in a statement”; and

9 (2) by adding at the end the following:

10 “(d) Not later than February 1 of every other year,
11 beginning in 2025, each agency shall submit to the Com-
12 mittee on Small Business of the House of Representatives
13 and the Committee on Small Business and Entrepreneur-
14 ship of the Senate a report that includes the following:

15 “(1) A description of the number of reviews
16 conducted under this section in the preceding 2
17 years.

1 “(2) The number of comments for each such re-
2 view.

3 “(3) The process and standard that the agency
4 used for each such review.

5 “(4) The outcome of each such review.

6 “(5) Each factor that assisted or impeded the
7 head of an agency in conducting each such review.

8 “(6) For each rule that should have been re-
9 viewed since the last reporting deadline but was not,
10 the number of times the head of an agency has de-
11 termined that the review was not feasible and the
12 number of years by which completion of such review
13 has been extended.

14 “(7) Legislative recommendations to improve
15 the ability of such agency to carry out this section.”.

16 **SEC. 3. TRAINING ON COMPLIANCE WITH REQUIREMENTS**
17 **OF THE REGULATORY FLEXIBILITY ACT.**

18 Section 612 of title 5, United States Code, is amend-
19 ed—

20 (1) in the section heading, by striking “**and**
21 **intervention rights**” and inserting “**, inter-**
22 **vention rights, and training**”; and

23 (2) by adding at the end the following new sub-
24 section:

1 “(d) Not less frequently than once every 4 years, the
2 Chief Counsel for Advocacy of the Small Business Admin-
3 istration shall provide training on compliance with the re-
4 quirements of this chapter for any agency employee who
5 writes, reviews, approves, or analyzes regulations or guid-
6 ance documents.”.



Minority Views
H.R. 8033, the “Regulatory Transparency for Small Businesses Act”

The bill would amend Section 605 of the Regulatory Flexibility Act (RFA) to require agencies to include new requirements for the certification that rules will not have a “significant economic impact on a substantial number of small entities” (SEISNSE). The new required information would be:

- The approximate number of small entities impacted and identification of any such small entity (including their NAICS code);
- An estimate of total cost of implementing the rule, including the cost of compliance with the rule, measured as percentage of revenue of the small entities (or other reasonable measure);
- A determination of whether those costs are significant, and the criteria used to make the determination; and
- A determination of whether the number of small entities that will experience a significant impact is substantial and the criteria used to make the determination.

The bill is a solution in search of a problem. Under current law, agencies are required to certify whether a rule would have a SEISNSE and submit the certification and factual basis in the Federal Register at the time of the publication of the proposed and final rule.¹ If a certification is not adequate, courts will overturn the rule. In amending the RFA to require a statement of factual basis, Congress intended that agencies provide more than a boilerplate and unsubstantiated statement. The factual basis has to be meaningful.

The bill imposes a cost analysis requirement for every rule, not just those that have a SEISNSE. While agencies include some of these requirements in their factual basis, the requirement for an estimate of the total cost of implementing the rule, including the cost of compliance with the rule is not required for every rule. Only economically significant rules are required to have a cost-benefit analysis.² The APA does not require economic analyses when rules are proposed; and the RFA requires initial regulatory flexibility analyses only on rules that will have a SEISNSE. Moreover, this bill would extend the *cost* requirement to a vast majority of rules, but not require agencies to calculate the *benefits* of the rules, which is only half of the ledger. Even more troubling, the cost estimate would be extended to all rules, even those that do not impact small businesses. For example, the U.S. Coast Guard has published thousands of rules in the Federal Register to declare safety zones for public events, like firework displays or triathlons. It doesn’t make sense to require the cost estimate for rules that will not impact small businesses, and it is a waste of taxpayers’ dollars. Moreover, the bill removes any flexibility given to agencies to determine the most appropriate level of analysis.

The new procedural requirements to be included in the certification are very detailed, frequently unavailable to agencies, and provide no flexibility in instances where the information is difficult to obtain. As drafted, the provisions require agencies to identify every specific small entity and provide an estimate of revenue for each specific small entity impacted, which would be practicably impossible if the small entity is unknown. Congress created the rulemaking process to allow the public to provide agencies with information necessary to make informed decisions. Moreover, the language is inconsistent with the RFA

¹ OFF. OF ADVOCACY, *A Guide for Government Agencies: How to Comply with the Regulatory Flexibility Act*, U.S. SMALL BUS. ADMIN. (Aug. 2017), <https://advocacy.sba.gov/wp-content/uploads/2019/06/How-to-Comply-with-the-RFA.pdf>.

² CONG. RESEARCH SERV., *COST-BENEFIT ANALYSIS IN FEDERAL AGENCY RULEMAKING*, 1-2 (Mar. 8, 2022).

in that it does not include language like “to the extent practicable” or “where feasible” to take into consideration situation where the data is unknown, unquantifiable, or unavailable.

In sum, this bill would require agencies with limited resources to perform extremely detailed data and analytical requirements for every rule, even if a rule would not have a significant impact on a significant number of small businesses.

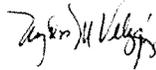
The bill provides no additional resources to agencies to conduct a cost estimate for every rule or obtain the detailed information for the certification. This requirement for detailed analysis for all rules would detract from the quality of analysis for rules in which the RFA is triggered.

The bill’s detailed requirements would also be subject to judicial review. Specifically, the new subsection (d) would detail the requirements for the certification in 605(b), and those certifications are subject to judicial review under 611(a). In essence, if an agency failed to comply with one of the new procedural requirements the rule could be overturned.

The Majority is concerned that agencies are improperly certifying that rules do not have a SEISNSE. It is important to note that the Office of Advocacy (Advocacy), an independent agency, is responsible for monitoring agencies’ compliance with the RFA. In testimony before the Committee, Mr. Clark, the Acting Chief Counsel of Advocacy stated, “our concern when an agency does, in fact, attempt to certify a regulation that the certification has a factual basis. And the factual basis should set forth reasons why they feel that the impact is minimum or to no extent on small business. And when agencies fail to give us the factual basis, we do bring it to their attention.”³

Moreover, with regard to DOL’s Walkaround Rule, Advocacy didn’t state the certification was wrong, it just said that the agency should conduct more outreach and better explain the impact of the proposed rule on small businesses. In another instance, Advocacy sent a comment letter to EPA raising concerns over the improper certification of the rule requiring one-time reporting and recordkeeping requirements for Asbestos. In the final rule, the EPA provided an exemption to businesses with annual sales threshold of \$500,000 or less, in any calendar year from 2019 to 2022, saving small businesses 144 million.⁴

For these reasons, I oppose the legislation.



Nydia M. Velázquez
Ranking Member

³ Reviewing the SBA’s Office of Advocacy Report on the Regulatory Flexibility Act, Hearing Before the H. COMM. ON SMALL BUS., 118th Cong. (Jun. 22, 2023).

⁴ OFF. OF ADVOCACY, ANNUAL REPORT ON THE REGULATORY FLEXIBILITY ACT, (Jun. 2024), http://advocacy.sba.gov/wp-content/uploads/2024/06/RFA-FY23_final.pdf.

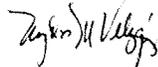
Minority Views
H.R. 9031, the “Assurance for Small Business Act of 2024”

The Regulatory Flexibility Act (RFA) requires federal agencies to consider the effects of their regulations on small businesses and other small entities. If a regulation is determined to have a “significant economic impact on a substantial number of small entities” (SEISNSE), the RFA requires agencies to conduct more detailed regulatory analysis and consider alternatives.¹

The RFA does not define the terms, “significant economic impact” and “substantial number of small entities.” With regard to the term “significant economic impact,” the Office of Advocacy (Advocacy) relies on the legislative history of the RFA and has said that these terms should not be measured in absolute terms. Significant impact should be viewed as relative to the size of the business, the size of the competitors’ business, and the impact the regulation has on larger businesses, and Advocacy believes that agencies are in the best position to gauge the impact of the regulation on small entities.² In terms of “substantial number of small entities”, Advocacy has also relied on the legislative history, and its guidance encourages agencies to examine the number of affected firms in a particular economic industry. For example, five firms in an industry of more than 1,000 regulated entities would not be the same as five firms in an industry with 20 regulated entities. Advocacy has issued specific guidance on these particular terms and trains agencies on how to comply with the Regulatory Flexibility Act.³

This bill would require federal agencies to submit a report to Congress on the application of the RFA on the rulemaking of their respective agencies within 90 days of enactment. With that said, the bill requires each agency head to review *every* rule that was issued by the agency since 1980, when the RFA was first enacted. The analysis of the rules includes the definitions used by the agency to determine “significant economic impact” and “substantial number of small entities”, as well as a comprehensive list of factors for the regulatory flexibility analysis, which includes the threshold analysis, initial regulatory flexibility analysis, and the final regulatory flexibility analysis. The requirement for additional analysis is exceptionally broad, and it is unclear how the report would be helpful to Congress. Moreover, it is highly unlikely the reports could be completed within 90 days. Advocacy has indicated that the report will not provide any consistent response.

Agencies have written procedures and have developed criteria, and these procedures are posted on their websites. Executive Order 13272 requires Advocacy to provide compliance training to federal regulatory officials, and in FY 2023, Advocacy offered nine training sessions for 139 federal officials.⁴ More training of rule-writing staff at agencies would help to further improve the RFA process.



Nydia M. Velázquez
Ranking Member

¹ CONG. RESEARCH SERV., THE REGULATORY FLEXIBILITY ACT: AN OVERVIEW, 2 (Aug. 16, 2021)

² OFF. OF ADVOCACY, *A Guide for Government Agencies: How to Comply with the Regulatory Flexibility Act*, U.S. SMALL BUS. ADMIN. (Aug. 2017), <https://advocacy.sba.gov/wp-content/uploads/2019/06/How-to-Comply-with-the-RFA.pdf>.

³ *Id.*

⁴ OFF. OF ADVOCACY, REPORT ON THE REGULATORY FLEXIBILITY ACT, FY 2023 (Jun. 2024).

Minority Views
H.R. 9032, the “Enhanced Regulatory Flexibility Assessment Act”

Under the Regulatory Flexibility Act (RFA), if an agency determines that a proposed rule would have a significant economic impact on a substantial number of small entities, (SEISNSE), then it must, to the extent practicable, determine the economic impact the rule would have on small businesses and consider alternatives to accomplish the objectives without unduly burdening the small entities. The economic analysis consists of an initial regulatory flexibility (IRFA) and a final regulatory flexibility analysis (FRFA), which are published at the proposed and final rule stages, respectively.

The “*Enhanced Regulatory Flexibility Assessment Act*” would require agencies to include more analytical and procedural requirements in the IRFA and FRFA. First, the addition of an estimate of the cumulative impact to the IRFA would require agencies to look not just at the rule but look at it in the context of all rules, as well as the past, present and future costs. This requirement is time-consuming for agencies to do and would slow the rule-making process down considerably. Under current law, agencies have not been required to complete this analysis, so the information is not presently available. An estimate of the cumulative impact would also require an economic assessment justifying certification for IRFAs. Congress has never explicitly required cost-benefit analyses for every proposed rule. Moreover, agencies have limited resources to conduct this type of analysis.

Second, these new additional analytical and procedural requirements included in the FRFA would be subject to judicial review, meaning they could be used as a basis for those who don’t like the rule to attempt to overturn it. Additionally, it is unclear why the bill asks for a “legal basis” in addition to a factual basis. The legal basis is already established in section 605 (permitting such certifications).

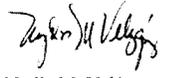
Third, the bill requires the agency to provide a quantitative or numerical description of the effects of the proposed rule in the IRFA and FRFA. This tightens up the current 607 requirement and reduces the amount of flexibility agencies have in providing a general description statement if the quantification is not practicable or reliable. This new provision would require agencies to provide a justification for the rule, and the justification for the FRFA would be judicially reviewable.

Agencies must consider the impact of rulemaking on small entities, and the Office Advocacy monitors their compliance with the RFA. These additional requirements are unnecessary, burdensome to agencies, delay the implementation of rules that benefit small businesses and Americans, add limited value to small businesses, and require more agency resources, without improving the rule-making process.

It is important to note, that agencies are carrying out the laws that Congress passed, and agencies have to operate within the guidelines to improve public participation, respond to comments, ensure benefits justify the costs, and follow the procedural requirements of the APA and RFA.

We have learned from Committee hearings that smart, well-crafted regulations can spur innovation and the development of new technologies that provide new opportunities for entrepreneurs.

This bill gets stuck on the message that regulations hinder the growth of small businesses, rather than look to the future and understand that regulations can drive innovation, grow the economy, and protect the environment, labor, and consumer safety.



Nydia M. Velázquez
Ranking Member

Minority Views
H.R. 9030, the “Regulatory Agenda Clarity Act”

Section 602 of the Regulatory Flexibility Act (RFA) requires federal agencies to publish a regulatory flexibility agenda in the Federal Register during the months of April and October every year. Each agency is required to list all rules it expects to propose or promulgate that are likely to have a significant economic impact on a substantial number of small entities, (SEISNSE). The regulatory agenda must include:

- A brief description of the subject area of any rule the agency expects to propose or promulgate that is likely to have a significant economic impact on a substantial number of small entities.
- A summary of the nature of each such rule under consideration, the objectives and the legal basis for issuing each rule, and an approximate schedule for completing action on any rule for which an agency has issued a general notice of proposed rulemaking.
- The name and telephone number of an agency official knowledgeable about the rule.¹

In addition, the regulatory flexibility agenda is published on [Regulations.gov](https://www.regulations.gov) with links to all the relevant information.

The Majority is concerned that agencies are not taking the 602 requirements seriously, and only providing links on their websites to regulations.gov website. Their bill would require (1) each federal agency to post a plain language summary of the information contained in the regulatory flexibility agenda prominently on their websites, (2) The Office of Advocacy (Advocacy) to post the summaries on its website, and (3) each federal agency to provide a brief description of the sector, by NAICS code, that is affected by the rule.

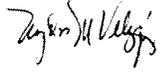
I have concerns with the requirement for each federal agency to provide a brief description of the sector, by NAICS code. The regulatory flexibility agenda is a comprehensive collection of rules the agencies are considering or currently working on. Agencies do not always move forward with every rule. Requiring more detailed information at this pre-planning stage, like NAICS code, may lead agencies to exclude rules from the regulatory flexibility agenda, unless they are certain to move forward with the rulemaking process. This, in turn, would hurt small businesses because they would not be able to weigh in during the initial stages.

Committee Democrats offered common-sense legislation to make regulations and regulatory processes more accessible to small businesses. To that end, Mr. Thanedar and Ms. Chu each proposed amendments in the nature of a substitute to this bill. Mr. Thanedar’s common sense amendment would require agencies to publish their brief description of rules under consideration that may have a significant economic impact on a substantial number of small entities (SEISNSE) in plain language and require that they publish the information on their website within five days of the publication of the regulatory flexibility agenda.

Ms. Chu’s amendment would strike provisions in the text and require agencies to conduct comprehensive outreach to small businesses when developing their regulatory flexibility agendas. The types of outreach include: community-based outreach; outreach to organizations that work with small entities; agency field offices; and the use of alternative platforms and media for engaging with small entities. The Chu

¹ OFF. OF ADVOCACY, A Guide for Government Agencies: How to Comply with the Regulatory Flexibility Act, U.S. SMALL BUS. ADMIN. (Aug. 2017), <https://advocacy.sba.gov/wp-content/uploads/2019/06/How-to-Comply-with-the-RFA.pdf>.

amendment will encourage agencies to get out of the Capital beltway and connect directly with small businesses. This is a far better solution.



Nydia M. Velázquez
Ranking Member

Minority Views
H.R. 9085, the “Regulatory Review Improvement Act”

Section 610 of the Regulatory Flexibility Act (RFA) requires agencies to develop a plan to review rules that will have a significant economic impact on a substantial number of small entities within 10 years of their issuance. The purpose of the review is to evaluate whether the rules need to be modified to minimize the significant impact on small entities. If an agency determines that completion of the review of existing rules is not feasible by the established date, the agency head must certify in a statement published in the Federal Register and may extend the completion date by one year for a total of not more than five years.¹

Over the past four decades, Presidential candidates have campaigned on the issue that there are too many rules on the books that are obsolete, unworkable, and burdensome. Most recent, President Obama issued Executive Orders 13,563 and 13,579, which reaffirmed the need for agencies to carry out retrospective analysis of existing rules.² Accordingly, “\$37 billion in savings, paperwork reductions were achieved, 70 notable regulatory provisions were removed from the books, and more than 800 retrospective review initiatives were completed.”³ President Trump took an alternative approach with Executive Order 12,771, which required agencies to repeal two regulations for every new one. The Office of Advocacy believes agencies should conduct 610 reviews and set forth guidance for agencies to follow. However, older studies found that agency compliance with 610 requirements have varied considerably since 1980.⁴

While there is little data to determine if agencies are complying with the 610 requirements, this bill is problematic for a number of reasons. First, the requirement that agencies can only delay the retrospective review for one year is not always feasible, particularly in times of a national emergency. For example, the economic relief program stemming from the COVID-19 pandemic increased SBA’s loan portfolio to more than \$1.3 trillion,⁵ and aiding small businesses was SBA’s main priority. A requirement to complete retrospective reviews during this period would have detracted from their efforts to aid small businesses in the midst of an economic crisis. Second, the bill requires agencies to take into consideration the costs and paperwork hours, but it does not require the agencies to consider the benefits of the rules.

Committee Democrats continue to attempt to work in good faith with the Majority to pass common-sense legislation that would make regulations and regulatory processes more accessible to small businesses. To that end, Ms. Davids proposed an amendment in the nature of a substitute to this bill. The Davids amendment would strike most provisions of the bill, with the exception of the requirement for agencies to explain the reason for their delay. To gather more up-to-date data, the amendment would require agencies to submit a report to the House and Senate Small Business Committees every two years detailing the number of reviews conducted, reasons for delays, and legislative recommendations to improve the 602 process. I support the commonsense amendment offered by Ms. Davids to make the Section 610 process

¹ See the Regulatory Flexibility Act of 1980, Pub. L. No. 96-354, 94 Stat. 1164 (1980) (codified as amended at 5 U.S.C. § 610).

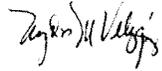
² Exec. Order No. 13,563 § 6, 76 Fed. Reg. 3,821, at 3,822; Exec. Order No. 13,579 § 2, 76 Fed. Reg. 41,587.

³ Howard Shelanski, *Retrospective Review, by the Numbers*, THE WHITE HOUSE: PRESIDENT BARACK OBAMA (Aug. 31, 2016), <https://obamawhitehouse.archives.gov/blog/2016/08/31/retrospective-review-numbers-0>.

⁴ GOVERNMENTAL ACCOUNTABILITY OFF., REEXAMINING REGULATIONS: OPPORTUNITIES EXIST TO IMPROVE EFFECTIVENESS AND TRANSPARENCY OF RETROSPECTIVE REVIEWS (Jul. 16, 2007).

⁵ U.S. SMALL BUS. ADMIN., FY 2025 CONGRESSIONAL BUDGET JUSTIFICATION, FY 2023 ANNUAL PERFORMANCE REPORT (Mar. 11, 2024).

work better, and I oppose H.R. 9085, the "Regulatory Review Improvement Act" as there has been no testimony from agencies or up to date information or data to support the change to the 610 process.



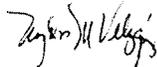
Nydia M. Velázquez
Ranking Member

Minority Views**H.R. 9033, the “Let American Businesses be On Record Act of 2024” or “LABOR Act of 2024”**

In 1996, the Small Business Regulatory Enforcement Fairness Act (SBREFA) amended the Regulatory Flexibility Act (RFA) to require the Occupational Safety and Health Administration (OSHA) and the Environmental Protection Agency (EPA) to hold SBREFA panels when the RFA is triggered. In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act required the Consumer Financial Protection Bureau (CFPB) to convene these SBREFA panels, as well. The RFA requires panels to be comprised of representatives from the agency, Office of Advocacy (Advocacy), Office of Management and Budget (OMB) and Office of Information and Regulatory Affairs (OIRA), and small businesses. The purpose of the panel is to better understand the ramifications of the proposed rule on small businesses. Within 60 days of convening the panel, the panel is to report on the comments it received, their findings, and publish in the Federal Register.¹

This bill would expand the requirement to the entire Department of Labor (DOL), not just OSHA. The current process at OSHA entails 120 days of formal work with OIRA and Advocacy. More specifically, it includes 60 days of interagency work and time for finding small entity representatives (SERs) to serve on the panels, 30 days to mail information to the SERs and hold the panel discussions, and 30 days for the agencies to draft and finalize the panel report. Prior to convening a SBREFA panel, OSHA spends a significant amount of time developing the information and analysis necessary to host a panel. Generally, OSHA needs 4 to 8 months to complete the work, which includes drafting a regulatory framework or text, developing proposed regulatory alternatives, identifying a well-defined industry profile, developing supporting materials and crafting questions for SERs. After convening a SBREFA panel, OSHA must respond to the report in the subsequent Notice of Proposed Rulemaking – depending on the recommendations, which could result in minimal impact on the rulemaking, or it could result in additional months of work— depending on the rule. The costs of convening a SBREFA are substantial. The DOL dedicates the full salary time of numerous technical staff, economists, and lawyers to the task, which amounts to substantial costs to the agency.²

On June 22, 2023, The Honorable Major L. Clark, III, Deputy Chief Counsel, Office of Advocacy, testified before the House Small Business Committee, and said, “Advocacy does not see the need to include all regulatory agencies in the SBREFA panel process.” Expanding these panels to all agencies at the Department of Labor would require more resources for the agencies and potentially delay the final implementation of rules.



Nydia M. Velázquez
Ranking Member

¹ See Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. No. 104-121, tit. II (1996) (codified in scattered sections of 5 U.S.C.).

² Email from the U.S. DEP'T OF LAB. to the H. COMM. ON SMALL BUS. (May 21, 2024) (on file with the Committee).

Minority Views
H.R. 7198, the “Prove It Act of 2024”

Congress passed the Regulatory Flexibility Act (RFA) in 1980 out of concern that uniform regulations disproportionately burdened small firms.¹ Concerns have been raised that the law has become a tool for large businesses to obstruct the regulatory process. To that end, the “*Prove It Act of 2024*” would give the biggest companies a powerful new tool to use against regulations and cause further harm to the very small entities it purports to help.

The bill creates an unworkable quasi-judicial process within the Office of Advocacy (Advocacy) for reviewing agencies’ determinations that regulatory flexibility analyses are not required. Unlike the original RFA, which only allows small entities to seek judicial review, the “*Prove It Act of 2024*” would allow an “organization representing the interests of small entities” to file a petition for review with the Chief Counsel. This addition would let powerful trade associations, like the U.S. Chamber of Commerce, petition the SBA to review a certification as long as the organization can claim to represent some small entities affected by the underlying rule. Moreover, the bill would allow these organizations to challenge the agencies’ regulatory flexibility analysis without identifying which small businesses they represent or how those small businesses would be harmed by the rules they are challenging. In addition, duplicative petitions could be received on the same rule. This would result in additional meetings with the agencies and Advocacy, which require significant new resources and would likely not result in any meaningful reduction of the burdensome requirements to small businesses.

Once a petition is filed, the Chief Counsel would have 10 days to determine if the petition warrants a full review. If the Chief Counsel determines that a full review is required, the Chief Counsel has a further 30 days to conduct the review and publish the results. The Chief Counsel would also have unreviewable discretion to sanction the agency promulgating the rule by making the final rule inapplicable to small agencies upon a finding that the agency failed to assist the Chief Counsel. Moreover, the bill would require agencies to include indirect economic effects of rules in their regulatory flexibility analyses, which can be burdensome, impracticable, and counterproductive. The RFA requires agencies to take into consideration the direct impact on small entities and try to minimize the direct impact while achieving the same goal. Indirect costs are significantly more difficult to estimate, and agencies do not always have that information available to them, nor do they have control over minimizing them.

Beyond requiring the Chief Counsel to review petitions related to new rules, the bill also charges the Chief Counsel with tracking agencies’ completion of mandatory reviews of existing rules every 10 years. It also requires agencies to conduct retrospective reviews based on the indirect costs identified in the initial analysis. This does not make sense because agencies may have changed rules significantly between proposed and final rule stages, meaning the indirect costs identified in the proposed stage may not be applicable to the final rule, let alone 10 years after the final rule has taken effect. This provision is also unworkable.

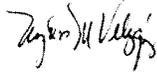
Even more troubling, if the Chief Counsel finds that an agency failed to conduct a required review of a rule, the Chief Counsel can suspend operation of the rule- meaning it won’t apply to anyone or any business. It creates another layer of regulatory review, which would essentially announce that a rule has

¹ Stuart Shapiro & Deanna Moran, *The Checkered History of Regulatory Reform*, 19 N.Y.U. J. LEGIS. & PUB. POL’Y 141, 153–54 (2016) (describing hearings leading up to passage of the RFA).

ceased to exist, provide another review, and then allow it to be reinstated – this would cause undue uncertainty to small businesses. This provision would apply to every rule issued in the five years prior to enactment, as well as to all rules after enactment. Essentially, this means it would only affect former President Trump’s rules dealing with COVID-19, and all of President Biden’s rules.

Small businesses need certainty in the rule-making process and requiring small businesses to come into compliance with a rule or regulation only to remove it from the books would be onerous in and of itself. By opening the door for well-resourced trade associations to challenge virtually any rule, the bill could end up requiring the Chief Counsel to review agencies’ RFA compliance for many of the thousands of rules issued each year, to say nothing of agencies’ periodic reviews of existing rules. That will do little to help small businesses but help powerful companies with money to hire well-connected lobbyists.

Committee Democrats have pledged to always serve America’s Main Streets in a bipartisan manner. To this end, Ranking Member Velázquez proposed a common-sense amendment in the nature of a substitute to this bill. The Velázquez Amendment would: (1) strengthen the section 610 retrospective review process, requiring agencies to include an explanation for any delays in retrospective review, and (2) require the Office of Advocacy to provide training to agency employees who writes, reviews, approves, or analyzes regulations or guidance documents at least once every four years.



Nydia M. Velázquez
Ranking Member



September 10, 2024

The Honorable Roger Williams
Chair
House Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

The Honorable Nydia Velázquez
Ranking Member
House Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Williams, Ranking Member Velázquez and Members of the House Committee on Small Business:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 67 chapters representing more than 23,000 members, I write in support of several pieces of legislation that strengthen the Regulatory Flexibility Act and protect small businesses from harmful regulations. 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.

The RFA was designed to protect small businesses from the disproportionate effects that regulatory overreach can have on their operations. Throughout the past four years, the Biden-Harris administration has advanced numerous regulations that generate substantial burdens for America's small businesses by reducing competition and driving up costs. What's worse, federal agencies continuously utilize loopholes in the RFA to implement these regulations at the expense of America's small business community. The below bills protect small business operations and ensure that these businesses have input throughout the rulemaking process:

- [H.R. 9085](#), the Regulatory Review Improvement Act of 2024, makes modifications to how agencies conduct periodic reviews of agency rules.
- [H.R. 7198](#), the Prove It Act of 2024, increases small business input in the regulatory process and ensures agencies are fully accounting for the impact of regulations on small businesses.
- [H.R. 9031](#), the Assurance for Small Business Act of 2024, requires federal agency heads to submit a report on the implementation of the Regulatory Flexibility Act.
- [H.R. 9032](#), the Enhanced Regulatory Flexibility Assessment Act, makes it mandatory for agencies to conduct studies and issue reports on the effects of new rules on small businesses.
- [H.R. 9030](#), the Regulatory Agenda Clarity Act, requires federal agencies to fully disclose how their regulations would impact small businesses and entrepreneurs.
- [H.R. 8033](#), the Regulatory Transparency for Small Business Act, forces federal agencies to identify an approximate number of small entities that will be affected by new regulations, the cost per small entity and the data used to make that determination.
- [H.R. 9033](#), the LABOR Act of 2024, requires regulatory flexibility analysis from the U.S. Department of Labor.

In 2023, the National Federation for Independent Business reviewed comment letters from the SBA's Office of Advocacy and found 28 instances where it cited agencies for lack of RFA compliance. The Office 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. In one instance, the Office found that the DOL's analysis of the impact of its independent contractor rule, the now-effective [final rule on Employee or Independent Contractor Classification Under the Fair Labor Standards Act](#), failed to estimate the costs that would be incurred by small businesses when reclassifying independent contractors as employees.

In addition to NFIB analysis, this committee released an RFA [report](#) detailing a concerning lack of compliance in the federal rulemaking process. The report reveals that in less than four years, 891 final rules have been issued, crushing small businesses with \$1.47 trillion in costs and over 232 million hours in paperwork. Moreover, federal agencies' continued usage of loopholes in the RFA allow them to circumvent the proper analysis needed to accurately consider the costs and number of affected small businesses.

At a time when ABC's small business contractors are facing inflation, supply chain disruptions and workforce shortages, the aforementioned bills ensure that small business concerns are properly addressed in the rulemaking process, so federal regulations do not add an additional layer of uncertainty to their work.

ABC urges the committee to report these bills for a full House vote as a critical step toward reducing the Biden-Harris administration's regulatory burdens and ensuring small businesses success in America.

Sincerely,

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

Kristen Swearingen
Vice President, Legislative & Political Affairs

September 16, 2024

The Honorable Roger Williams
Chairman
House Committee on Small Business
Washington, District of Columbia 20515

The Honorable Nydia Velázquez
Ranking Member
House Committee on Small Business
Washington, District of Columbia 20515

RE: Markup of H.R. 8033, H.R. 9031, H.R. 9032, H.R. 9030, H.R. 9085, H.R. 9033, H.R. 7198

Dear Chairman Williams and Ranking Member Velázquez,

We commend the House Small Business Committee's work on several pieces of legislation reported to the full chamber this week to enhance regulatory certainty and eliminate red tape for small businesses. At a high level, these bills would help ensure that, when regulators set out to take on market failures and especially when their sights are set on big company conduct, they report on the effects these proposals would have on small businesses and give small businesses a chance to be heard in these proceedings. The Committee's action follows its report on agency observance of the Regulatory Flexibility Act's (RFA's) requirements,¹ and we publicly supported the report as well.²

Nowhere is it more apparent that regulators must listen to small business concerns than with the Federal Trade Commission's (FTC's) proposed updates to its merger review rules under the Hart-Scott-Rodino (HSR) Act.³ Last month, more than 50 ACT | The App Association members signed a letter cautioning against governments around the world proposing to make it harder for them to seek an acquisition. In the United States, the FTC appears to have skipped an important step in its rulemaking process by "certifying" that its draft rule updates would not have a "significant economic impact on a substantial number"

¹ "Committee on Small Business Releases Report on Federal Agency Compliance with RFA," Press Release, House Comm. On Small Bus. (May 22, 2024), *available at* <https://smallbusiness.house.gov/news/documentsingle.aspx?DocumentID=405994>.

² Graham Dufault, "Checking in on the Box Checkers: House Committee Reports on Regulations' Effect on Small Biz," ACT | THE APP ASSOCIATION BLOG, (May 29, 2024), *available at* <https://actonline.org/2024/05/29/checking-in-on-the-box-checkers-house-committee-reports-on-regulations-effect-on-small-biz/>.

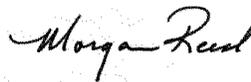
³ Open letter from ACT | The App Association members, Aug. 12, 2024, *available at* <https://actonline.org/2024/08/12/global-activists-for-change-an-open-letter-regarding-recent-international-trends-in-competition-regulation/>.

of small entities, under the Regulatory Flexibility Act (RFA) requirements. By making the certification, the FTC sought to unburden itself of the need to conduct a full RFA process, which would have involved seeking feedback from small businesses themselves. Unfortunately, even though HSR review only applies to transactions of \$119 million and above, the proposal's effect has already extended to much smaller businesses. In a hearing before your Committee in March, our member company, Vēmos, provided valuable insights on the costs to small businesses of closing down the ability for small, innovative companies to be acquired.⁴

As Vēmos pointed out, the HSR proposal is just one piece of the FTC's recent plan to make it impossible for firms to merge or seek an acquisition.⁵ The proposed HSR updates would increase the number of lawyer hours required for such filings from 37 to 144 and add to an already-nightmarish set of changes by the FTC that leave potential acquisitions in limbo and under constant threat. As all of our members who signed the global letter can attest, the FTC made a mistake in certifying that there would be no significant impact, because placing significant new red tape and uncertainty around mergers of any size directly undermines small businesses' ability to be acquired.

The fact that the FTC deemed the RFA analysis unnecessary for the proposed rule, at a time when cash is harder to come by, loan rates are high, and investors are wary, is a strong signal that agencies have fallen into a pattern of box-checking that must be second guessed. Whether or not the HSR proposal is finalized, we are heartened that this Committee is forwarding legislation to ensure agencies recognize small business' stake in rules directed at larger entities and that the impacts on them are fully understood before adding new peaks to the existing mountain range of regulation.

Sincerely,



Morgan Reed
President

ACT | The App Association

⁴ "Navigating Regulations: Alternative Pathways to Investing in Small Businesses," hearing before the House Committee on Small Business, 118th Cong., 2d Sess., (Mar. 12, 2024), *available at* <https://www.congress.gov/118/meeting/house/116897/witnesses/HHRG-118-SM24-Wstate-ShahP-20240312.pdf>.

⁵ Graham Dufault, "Killing Commerce for Dummies: A How-To Manual from the FTC," ACT | THE APP ASSOCIATION BLOG, (Mar. 5, 2024), *available at* <https://actonline.org/2024/03/05/killing-commerce-for-dummies-a-how-to-manual-from-the-ftc/>.

AFL-CIO

LEGISLATIVE ALERT

September 6, 2024

Representative Roger Williams
Chairman, House Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515

Representative Nydia M. Velázquez
Ranking Member, House Committee on Small Business
2069 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Williams and Ranking Member Velázquez:

On behalf of the AFL-CIO, I urge you to oppose a package of six deregulatory bills that are scheduled for markup on September 10, 2024.

- the Regulatory Transparency for Small Businesses Act (H.R. 8033),
- the Regulatory Agenda Clarity Act, (H.R. 9030),
- the Assurance for Small Business Act of 2024, (H.R. 9031),
- the Enhanced Regulatory Flexibility Assessment Act, (H.R. 9032),
- the Let American Businesses be On Record Act of 2024 (LABOR Act, H.R. 9033), and
- the Regulatory Review Improvement Act of 2024 (H.R. 9085).

These bills create extreme measures that would make it practically impossible for federal agencies to issue meaningful, enforceable protections, threatening the health and safety of workers and the public. These bills were introduced under the guise that they would improve the regulatory process; however, they simply introduce unnecessary, redundant requirements that would shift resources away from the development and issuance of important regulations that ensure safe workplaces, health standards, and other protections.

Additional Analyses

H.R. 8033, H.R. 9030, H.R. 9031 and H.R. 9032 all include duplicative or unnecessary analyses that would further slow down the rulemaking process, which is already onerous and complex. For example, the 2010 Occupational Safety and Health Administration's (OSHA's) construction safety standard on cranes and derricks took 10 years to finalize, even though this rule had unanimous support from industry and labor. OSHA's 2016 silica standard, which protects workers from deadly silica dust and prevents 700 deaths a year, took nearly 19 years to go

through the rulemaking process. The existing rulemaking process already accounts for much of these analyses, and excessive requirements would hamper the process even more.

Retrospective Reviews

Instead of improving the regulatory processes through requiring retrospective reviews, H.R. 9085 would do the opposite. Federal agencies already perform retrospective reviews for many regulations through statutory requirements, enacted legislation or executive orders, and when appropriate, discretionary reviews. The U.S. Government Accountability Office found that retrospective reviews occur more frequently than most realize and that mandatory reviews were less effective than agency discretionary reviews for creating guidance and rule updates. One-size fits all approaches across agencies without regard to cost of compliance would require resources available to perform additionally mandated reviews, detracting from agency statutory responsibilities to issue new regulations to protect and improve the lives of people. Such a broad requirement would consume substantial agency funds and staff time that would otherwise be focused on meaningful regulatory action that protects workers and saves lives.

For example, life-saving workplace safety and health regulations currently undergo reviews under the Regulatory Flexibility Act and Executive Order 12866, which have concluded that previously issued regulations are necessary, justified, have not had a negative economic consequence, and most importantly have saved lives. In only one circumstance out of all reviews, it was necessary to update a provision of one standard to be more protective. Workplace safety agency resources are better spent addressing serious hazards that do not yet have comprehensive regulations, including workplace violence, heat illness, combustible dust and infectious diseases.

Expanded Scope

We oppose H.R. 9033, the LABOR Act, which would expand the requirement of SBREFA panels to the rest of the Department of Labor agencies. The Small Business Regulatory Enforcement Fairness Act (SBREFA) currently requires OSHA, the Environmental Protection Agency, and the Consumer Financial Protection Bureau to give small business panels a special interest opportunity to weigh in on proposed rules before the public, including workers who will be the end users of such regulations, have even had a chance to see them. Many of these panels have also included representatives from large corporations. This process imposes burdensome requirements that are only available to businesses and not to any other party before a public comment period.

To truly achieve the end goal of helping small businesses while promoting worker and public health and safety, existing public comment periods, public hearings and compliance assistance programs help small businesses be part of the development and implementation of enforceable rules. Compliance assistance resources and programs already exist at a number of federal agencies to ensure they provide resources to and work with small businesses to address their specific needs in implementing rules. For example, many agencies are already required to produce "compliance guides" for each rule, outlining in plain language a description of the rule

and a detailed explanation of what actions are required on behalf of small businesses to be in compliance. OSHA even provides an on-site consultation program at no cost to small businesses to help them identify and address hazards and establish or improve safety and health programs.

The AFL-CIO urges you to oppose all of these dangerous bills. These bills would further slow down and cripple the regulatory process, which is already fraught with excessive delays in issuing crucial worker and public protections. The longer a new rule is tied up in the needless morass created by these bills, the more lives are lost. Please vote no on these bills.

Sincerely,

A handwritten signature in black ink, appearing to read "Jody Calamine".

Jody Calamine
Director, Government Affairs



AMERICAN SUSTAINABLE BUSINESS COUNCIL

September 10, 2024

The Honorable Roger Williams, Chairman
U.S. House Committee on Small Business
2336 Rayburn HOB
Washington, DC 20515

The Honorable Nydia Velazquez
Ranking Member
U.S. House Committee on Small Business
2069 Rayburn House Office Building
Washington, DC 20515

Re: House Bills 7198, 8083, 9030, 9031, 9032, 9033, 9085

Dear Chairman Williams, Ranking Member Velazquez and members of the House Committee on Small Business,

The American Sustainable Business Council was founded in 2009 and represents thousands of businesses across our networks. Over the years we have provided testimony to Congressional committees, including this committee, many times particularly on the issue of federal regulations.

We have always made the case for that good regulations are essential for creating a level playing field for small businesses to effectively compete with large corporations. We believe that good regulations establish the foundation for small businesses to grow and succeed by promoting a healthier workforce, community and environment.

The signature of good regulations is a vibrant, entrepreneurial economy. That is exactly what we have today in the United States.

According to a recent U.S. Treasury report, applications by entrepreneurs to start small businesses are at all-time highs. In 2024, new business applications are averaging 430,000 per month, 50% more than in 2019. New business applications in 2023 broke a record at 5.5 million. Since 2019, new business applications have reached 19 million.

All this good news is reflected in small business optimism which the National Federation of Independent Business recently said is trending upward based on its monthly surveys. Earlier this year the US Chamber of Commerce stated that “entrepreneurship is booming in the United States.”

This committee is now considering numerous regulatory-related bills that presumably have been offered to protect small businesses from onerous regulations that are unfairly stifling entrepreneurship and small business growth.

There is no evidence that the federal regulatory process is having this impact.

Of course, improvements to the regulatory process can always be made in terms of better outreach to small business owners for input and more resources for federal agencies to conduct this outreach to get a true picture of the impact proposed regulations might have on small businesses.

However, this is not what the bills cited above are intended to do.

Instead, the intent of these bills is clearly to add layers of more bureaucracy to the Regulatory Flexibility Act by imposing unnecessary, duplicative and even counterproductive requirements on federal agencies in the regulatory process, all without providing the additional funding that agencies would need to carry out the new procedures.

At this late point in the legislative session and, to our understanding, the lack of the traditional bipartisan cooperation on these bills being marked up today, we can only conclude that a detailed analysis of each piece of legislation would not have any effect on the decisions this committee will make.

This conclusion is substantiated by the lack of this committee's attention to H.R. 5999, the Small Business Regulatory Relief Act. This bill would actually be beneficial to small businesses that can find themselves confused about how to comply with federal regulations and thus fall under investigation for non-compliance.

H.R. 5999 addresses this actual need in the regulatory process by authorizing the Small Business Administration's Office of the National Ombudsman to work with federal agencies to provide compliance assistance to small businesses. And unlike the bills under consideration today, the Small Business Regulatory Relief Act provides additional funding to the Ombudsman's Office to carry out these new responsibilities.

Thank you for the opportunity to provide input on your proceeding today. In summary, we oppose all the bills being addressed today. None will improve the regulatory process to help small businesses but will instead weaken federal agencies in their ability to promulgate and review regulations to achieve the positive impact sought by well-crafted regulations.

Sincerely,



David Levine
Co-founder and President

Statement for the Record
Hon. Blaine Luetkemeyer (MO-03)
Committee on Small Business
September 10th, 2024

I thank Chairman Williams and, on the House, Small Business Committee for holding this mark-up and for consideration of my bill the Regulatory Transparency for Small Businesses Act.

According to the Regulatory Flexibility Act (RFA), when an agency begins the rulemaking process, they must determine whether a rule will have a significant economic impact on a substantial number of small businesses. If the agency believes it will, they must construct an initial and final regulatory flexibility analyses addressing the cost of compliances and significant alternatives considered, along with other applicable metrics. If an agency determines that a rule will not have such an impact, the head of the agency must “certify” that decision and is then free to continue with normal rulemaking procedures.

To properly certify, an agency must provide a “factual basis” for that decision before moving forward with the rulemaking process. There is no legal definition or statute defining a “factual basis”. Given the outlandish and overreaching rules agencies have filed in recent years, it is time to ensure these critical preliminary measures are not disregarded, and that impacts on small businesses are being considered. I thank Chairman Williams and the Small Business Committee for bringing forth my bill, H.R. 8033 the Regulatory Transparency for Small Businesses Act, which will fix these exact issues.

My bill will require federal agencies, when proposing a regulation, to identify an approximate number of small entities that will be affected by the regulation, NAICS Codes for those industries, and a cost per small entity. The agency must also provide the data used to make that determination publicly. Overregulation is costing our small businesses hundreds of thousands of dollars a year. Since coming to office, the Biden Administration alone has issued 817 final rules, costing \$482 billion, which has resulted in almost 300 million hours of paperwork for our small businesses. My bill will ensure agencies are no longer ignoring these critical preliminary measures when they certify and force agencies to be transparent about their rule making and the data, they use to come up with these “factual basis”.

I ask those on the committee to support my bill as it will deter from more harmful regulations that hinder our small businesses.



September 9, 2024

Representative Roger Williams
Chairman, House Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515

Representative Nydia M. Velázquez
Ranking Member, House Committee on Small Business
2069 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Williams and Ranking Member Velázquez:

The [Coalition for Sensible Safeguards](#) (CSS), an alliance of over 200 labor, scientific, research, good government, faith, community, health, environmental, and public interest organizations that represent millions of Americans and advocate for effective regulations to protect the public, strongly urges you to oppose seven bills under consideration by the House Committee on Small Business. We urge opposition to the Regulatory Transparency for Small Businesses Act, H.R. 8033; the Regulatory Agenda Clarity Act, H.R. 9030; the Assurance for Small Business Act of 2024, H.R. 9031; the Enhanced Regulatory Flexibility Assessment Act, H.R. 9032; the Let American Businesses be On Record Act of 2024 (LABOR Act), H.R. 9033; and the Regulatory Review Improvement Act of 2024, H.R. 9085. We also urge opposition to the Prove It Act and have discussed our opposition in a separate letter to this Committee.

All of these bills would expand the reach and scope of the Regulatory Flexibility Act (RFA) and would cause unnecessary and lengthy regulatory delays, encourage court challenges, create uncertainty for and harm small businesses by increasing the influence that large corporations have over the substance of agency rulemakings.

When added to the existing procedural and analytical requirements that agencies must already navigate in order to implement laws, the new requirements these bills would impose risk further impeding agencies' ability to fulfill their congressionally mandated missions of protecting the public and responding to emerging health and environmental dangers. Given that many of the new analytical requirements in these bills would be difficult or impossible to satisfy in practice, large corporations would have endless opportunities to hold up regulations they oppose by challenging agency compliance. For example, corporate interests would always be able to find some impact that was not adequately quantified or some indirect effect that was not fully considered. This combination of factors leads to a less stable regulatory environment and more regulatory uncertainty for small businesses, thus making it more difficult for them to operate effectively in the marketplace.

As outlined below, these bills dissect the RFA and drastically overhaul specific sections collectively creating burdens and obstacles to compliance with the RFA. These bills make such compliance time-consuming and costly, thereby discouraging agencies from undertaking rulemaking at all. These bills impact almost all key provisions of the RFA while not including provisions that lead to "better" regulations. Rather, these bills will lead to fewer safeguards.

- **Regulatory Transparency for Small Businesses Act, H.R. 8033:**
 - Expands certification requirements under section 605 of the Regulatory Flexibility Act.
 - Adds more procedural restraints to vastly more rulemaking processes, which are focused on a rule's costs with no comparable attention to its benefits.
 - Focuses on cost of rulemaking, cost of implementation, compliance, percentage of revenue of small entities, whether costs of compliance are economically significant, and a determination of small businesses which experience significant economic impact as a result of the rule.
 - Fails to define key terms that will undermine good faith attempts at compliance by agencies.
 - Expands judicial review under the Regulatory Flexibility Act thereby giving courts even more opportunities to strike down regulations that protect the public.
- **Regulatory Agenda Clarity Act, H.R. 9030:**
 - Amends section 602 of the Regulatory Flexibility Act and expands the reporting requirements of the "Regulatory Agenda" to include the posting of a plain language summary on the Small Business Administration's (SBA) Office of Advocacy website.
 - Is both redundant and requires unnecessary work, with no additional value, to be conducted by the SBA Office of Advocacy.
 - Unreasonably requires agencies to identify a regulation's impact on specific business sectors before agencies have even begun their regulatory analysis.
- **Assurance for Small Business Act of 2024, H.R. 9031:**
 - Undermines section 601 of the Regulatory Flexibility Act by creating confusion over the definitions of key statutory terms.
 - Requires submission of a report by the head of each agency to Congress on application of specific definitions within the Regulatory Flexibility Act for each agency rule. This bill is retroactive and likely includes thousands of rules issued since the Regulatory Flexibility Act was originally passed which will create extensive work for agencies with no additional resources provided to cover these extensive compliance costs.

- **Enhanced Regulatory Flexibility Assessment Act, H.R. 9032:**
 - Amends the Initial Regulatory Flexibility Analysis requirement under section 603(b), the Final Regulatory Flexibility Analysis under 604(a).
 - Certifications under section 605 require more extensive and repetitive analysis focusing on cost of compliance.
- **Let American Businesses be On Record Act of 2024 (LABOR Act), H.R. 9033:**
 - Amends section 609 of the Regulatory Flexibility Act by expanding Small Business Advocacy Review panel requirements – which now only apply to from the Occupational Safety and Health Administration (OSHA), Consumer Financial Protection Bureau (CFPB), and the Environmental Protection Agency (EPA) – to include the rest of the Department of Labor beyond OSHA.
 - Will result in significant delays and opportunities to weaken DOL regulations that protect workers.
- **Regulatory Review Improvement Act of 2024, H.R. 9085:**
 - Amends section 610 of the Regulatory Flexibility Act, drastically reducing the amount of time agencies can delay retrospective review of their rules from the current five years to just one.
 - Increases agency cost of such reviews and has a singular focus on cost of compliance rather than determining how to improve regulations to make them more effective at protecting the public.

These bills, in combination, add new and expanded requirements to the Regulatory Flexibility Act that would significantly delay needed regulatory actions without appreciably improving the quality agency decision-making.

Blocking, weakening, or delaying critical standards and safeguards will result in more foodborne illnesses, more air and water pollution, more injuries on the job that would increase costs to businesses and decrease our nation's productivity, and a greater risk of financial fraud and collapse, both for individuals and the nation as a whole.

Instead of adding more unnecessary requirements that will not make regulations more effective or fair, we urge consideration of reforms to the SBA Office of Advocacy that help to ensure that the office listens to all small businesses and does not singularly focus on those entities that oppose federal regulation. We further urge this committee to conduct robust oversight of the SBA Office of Advocacy to ensure that it uses its authorities under the Regulatory Flexibility Act in a fair, neutral, objective, and balanced manner in addition to examining how increasing corporate concentration by big business hurts small businesses across the country.

Americans deserve untainted food, safe drugs, clean air and water, workplace protections, and a stable economy. Government agencies have advanced these goals for decades. Updating these safeguards to protect the public would become even more difficult if these bills were enacted.

We urge you to oppose the Regulatory Transparency for Small Businesses Act, H.R. 8033; the Regulatory Agenda Clarity Act, H.R. 9030; the Assurance for Small Business Act of 2024, H.R.

9031; the Enhanced Regulatory Flexibility Assessment Act, H.R. 9032; the Let American Businesses be On Record Act of 2024 (LABOR Act), H.R. 9033; and the Regulatory Review Improvement Act of 2024, H.R. 9085.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Rachel Weintraub". The signature is written in a cursive, flowing style.

Rachel Weintraub
Executive Director
Coalition for Sensible Safeguards

CC: Members of House Committee on Small Business



September 9, 2024

Representative Roger Williams
Chairman, House Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515

Representative Nydia M. Velázquez
Ranking Member, House Committee on Small Business
2069 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Williams and Ranking Member Velázquez:

The Coalition for Sensible Safeguards (CSS), an alliance of over 200 labor, scientific, research, good government, faith, community, health, environmental, and public interest groups, is writing regarding the House Small Business Committee's markup of the Prove It Act of 2024, H.R. 7198. We also oppose the other bills being considered in this markup, which we articulate in a separate letter to this Committee.

The Prove It Act would expand the authority of the Small Business Administration's Office of Advocacy instead of addressing fundamental flaws of the Regulatory Flexibility Act. This bill would slow down the regulatory process and empower an office that has been neither appropriately focused on small business concerns nor adequately transparent in how it conducts its actions.

The ostensible purpose of the Regulatory Flexibility Act is to ensure that small businesses continue to play a role in the U.S. economy. In practice, though, the implementation of the Regulatory Flexibility Act has failed to achieve this basic purpose, as it has instead been wielded as a blunt weapon to weaken regulatory requirements for firms of all sizes. The result is that protections of public health, safety, and the environment have been sacrificed without substantially improving the competitive position of small businesses in their respective industrial sectors relative to that of larger firms. These flaws are most apparent in the Regulatory Flexibility Act's burdensome analytical requirements, which are designed to weaken regulatory safeguards rather than promote small business competitiveness. H.R. 7198 does not fix this basic problem, however. Instead, it would expand those analytical requirements and make them more onerous.

The Prove It Act would enhance the authority of the Small Business Administration's Office of Advocacy in harmful ways. H.R. 7198, in Section 2(a)(3), would allow for endless petitions from "Any small entity, group of small entities, or organization representing the interests of small

entities” that challenge a rulemaking agency’s certification that its rule would not have a significant economic impact on a substantial number of small entities. In many cases, these petitions would trigger burdensome hearings conducted by the Chief Counsel for the Office of Advocacy, after which the Chief Counsel could then force the rulemaking agency to retract the certification and instead perform the full suite of burdensome analyses mandated by the Regulatory Flexibility Act. The bill also provides for expanded judicial review opportunities against agency certifications, which would further tie up rulemakings in wasteful and time-consuming litigation.

We urge members of this committee to consider reforms that would instead place greater constraints on the Office of Advocacy to ensure that it is actually helping, rather than harming, small businesses. A scathing 2014 report¹ by the Government Accountability Office (GAO) found significant deficiencies in the Small Business Administration’s Office of Advocacy’s compliance with its own internal procedures when it intervenes in regulatory actions or engages in commissioning research on regulatory costs to small businesses. Of greatest relevance, GAO found that: (1) the Office had no policies dictating when individual staff should intervene in individual rulemakings, making it susceptible to improper industry influence; and (2) the Office repeatedly cited small business input in its regulatory comments but could provide no evidence or documentation supporting this input.

Evidence has also demonstrated the extent to which the Office of Advocacy has been captured by regulated industry. The Office has often worked with large trade associations to weaken rules in ways that benefit large businesses, at the expense of small ones.² These interventions have the effect of harming small businesses, contrary to the Office’s statutory mission. Nevertheless, this bill would give the Small Business Administration’s Office of Advocacy even greater authority to intervene in and block agency rules.

Additionally, the Prove It Act would further delay needed regulatory actions – causing real harm to public health and safety and the environment – without improving the quality of agency decision-making. Numerous studies have demonstrated how existing regulatory analyses, and procedural requirements contribute to extensive delays of agency rulemaking. These studies³ confirm that existing Regulatory Flexibility Act requirements are among the biggest contributors to these delays. By creating new analytical and procedural requirements, this bill would increase those delays. These additional delays are unjustifiable because they do not result in better regulatory decisions.

Finally, the bill would empower the federal judiciary to block regulations by making agency compliance with its new analytical and procedural requirements judicially reviewable. This would provide judges with an additional new tool for blocking needed public protections.

Providing the Small Business Administration’s Office of Advocacy with more authority to block, delay, or weaken new regulatory safeguards, without enacting the significant reforms recommended by GAO and others, will leave the public even more at risk to health, safety, and economic security threats. The numerous petitions, time-consuming hearings, and expanded

¹ <http://www.gao.gov/assets/670/665104.pdf>

² https://cpr-assets.s3.amazonaws.com/documents/Small_Biz_Charade_Silica_1501.pdf

³ <https://www.citizen.org/article/unsafe-delays/>

judicial review that this legislation would allow will thwart needed protections while failing to help small businesses with better designed regulations.

CSS urges the House Committee on Small Business to oppose the Prove It Act and encourages the Committee to evaluate proposals that offer real and meaningful reforms to strengthen the regulatory process, such as [H.R. 1507, the Stop Corporate Capture Act](#).

We look forward to assisting the Committee in ensuring that our regulatory process is working effectively and efficiently to protect the American public.

We strongly urge opposition to the Prove It Act of 2024, H.R. 7198.

Sincerely,

A handwritten signature in black ink that reads "Rachel Weintraub". The signature is written in a cursive, flowing style.

Rachel Weintraub
Executive Director
Coalition for Sensible Safeguards

CC: Members of the House Committee on Small Business



September 5, 2024

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nydia Velázquez
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Williams, Ranking Member Velázquez, and Members of the Committee:

In advance of the Small Business Committee's scheduled markup on September 10, the Job Creators Network expresses its strong support for the package of regulatory reforms the Committee is scheduled to consider. If enacted, these reforms would free up precious time and resources small business owners currently devote to complying with overly burdensome federal mandates. Main Street could redirect those resources to serve their customers and grow their businesses for the benefit of the people they employ and the communities they serve.

JCN is a nonpartisan organization founded by entrepreneurs who believe that many government policies are getting in the way of the economic freedom that helped make this country prosperous.

JCN provides business leaders and entrepreneurs with the tools to become the voice of free enterprise in the media, in Congress, in state capitals, in their communities, and their workplaces – allowing them to hold politicians accountable to job creators and their employees. As this Committee knows well, regulations disproportionately negatively impact small businesses as compared to larger ones. Businesses with fewer than fifty employees pay \$14,700 per employee, as compared to \$13,800 per employee for medium-sized businesses, and \$12,200 per employee for large businesses.¹

Moreover, because seventy-nine percent of small businesses have ten employees or less, they do not employ attorneys, accountants, or human resources professionals. Instead, the small business owner performs those duties, many of which involve regulatory compliance. The Job Creators Network Foundation SBIQ poll shows that fifty-eight percent of small businesses say that they find complying with regulations time consuming.²

¹ Nicole V. Crain and W. Mark Crain, "The Cost of Federal Regulation to the U.S. Economy, Manufacturing, and Small Business," Oct. 2023.

² John McLaughlin and Scott Rasmussen, "May 2024 Job Creators Network Foundation Small Business Poll."



JCN endorses all the regulatory reforms the Committee plans to consider and markup and urges the passage of each. One reform – the bipartisan “Prove It Act of 2024” -- continues to be a top priority for JCN and the small businesses we represent by fulfilling a key pillar of JCN’s American Small Business Prosperity Plan.³ It would hold agencies accountable and ensure they meaningfully consider the impact on small business of the regulations they propose.

According to an investigation conducted by the House Committee on Small Business, many government agencies in Washington are “failing to properly implement” statutes intended to shield small businesses from overburdensome regulations.⁴ The committee’s investigation shows that federal regulators view their legal obligation to assess small business impact of new regulations as nothing more than a “check the box” exercise.

For example, the Army Corps of Engineers has twice certified as not significantly impacting small businesses its proposal to redefine “waters of the United States” in a way that would require millions of landowners to get a federal permit before doing things as simple as moving mulch. Similarly, the Department of Labor had the audacity to certify its recent regulation that effectively converts most independent contractors into employees as a mandate with little impact on small business. These are just two of many examples where federal bureaucrats are not following the letter and spirit of the Regulatory Flexibility Act when it comes to protecting small businesses from one-size-fits-all regulation.

The “Prove It Act of 2024” would bolster existing law that federal agencies have been side stepping at the expense of small businesses. It would hold agencies accountable by providing a meaningful opportunity for small businesses to challenge an agency certification that a proposed regulation would not impact a substantial number of small entities. And small businesses would be exempt from any rule in which an agency fails to follow the law.

Small business regulatory protections are in dire need of restoration. Passage of the “Prove It Act of 2024” and the other reforms the Committee is scheduled to consider would help ease the overly burdensome regulations Main Street small businesses face that prevent from growing.

³ Job Creators Network, “The American Small Business Prosperity Plan”.

⁴ House Committee on Small Business, “Regulatory Flexibility Act Report: Agencies’ Noncompliance with the RFA” (2024).



We commend the Committee for marking up these important small business regulatory reforms and urge their passage. It is time for our elected leaders in Washington to prioritize Main Street.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alfredo Ortiz'.

Alfredo Ortiz
CEO
Job Creators Network

September 5, 2024

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nydia Velazquez
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Williams and Ranking Member Velazquez,

On behalf of millions of small businesses across the country, we write to thank you for prioritizing legislation to provide regulatory relief and reduce red tape for small businesses. We urge the Committee to advance legislation to strengthen the Regulatory Flexibility Act (RFA) and ensure the intent of the law is fulfilled.

Small businesses are concerned with the unprecedented pace of regulations coming from Washington. Over the last three and a half years, more than \$1.6 trillion in new regulatory costs and almost 300 million new paperwork hours have been imposed on the private sector.¹ These new burdens fall disproportionately on small businesses that do not have lawyers and compliance officers to navigate complex regulatory issues.

In 1980, President Carter and Congress recognized the disproportionate impact of federal regulations on small businesses and unanimously approved the Regulatory Flexibility Act (RFA). The RFA sought to minimize the burdens on small businesses. However, in the 40-plus years since the RFA became law, agencies have found ways to disregard or avoid many of the requirements. In 2023, NFIB analyzed the Small Business Administration (SBA) Office of Advocacy's comment letters to federal agencies from January 2021 to January 2023 and found significant noncompliance with the RFA.² Advocacy highlighted 28 instances where agencies failed to adequately examine the economic costs of regulations.³ Advocacy noted that agencies often improperly certify that rules will not have a significant economic impact on a substantial number of small entities.⁴ By doing so, agencies disregard the intent of the RFA, leaving small businesses subject to the one-size-fits-all regulatory environment the RFA sought to remedy.

¹ Dan Goldbeck, *A June Swoon*, American Action Forum, June 24, 2024, <https://www.americanactionforum.org/week-in-regulation/a-june-swoon/>.

² Rob Smith, *The Regulatory Flexibility Act: Turning a Paper Tiger Into a Legitimate Constraint on One-Size-Fits-All Agency Rulemaking*, National Federation of Independent Business Small Business Legal Center, May 2023, <https://strgnfib.com/blob.core.windows.net/nfibcom/NFIB-RFA-White-paper.pdf>.

³ *Id.*

⁴ *Id.*

The House Committee on Small Business recently issued a staff report examining agency compliance with the RFA. The Committee found that most agencies are failing to properly comply with the RFA's requirements and live up to the spirit of the law.⁵ These findings mirror the conclusions of NFIB's 2023 White Paper and highlight the need to close loopholes to ensure the intent of the RFA is fulfilled.

In response to these findings, the Committee has prioritized several legislative proposals to strengthen the RFA. One proposal, the bipartisan *Prove It Act*, would increase small business input in the regulatory process and ensure agencies are fully accounting for the impact of regulations on small businesses. Other proposals would increase the transparency and accountability of the regulatory process for small businesses.

On behalf of millions of small businesses, thank you for your attention to the disproportionate impact of regulations on small entities. We appreciate the Committee's focus on ensuring the intent of the RFA is fulfilled through legislation like H.R. 7198, the *Prove It Act*. We urge Congress to take swift action to reduce red tape for small businesses.

Sincerely,

Alliance for Chemical Distribution
 American Bakers Association
 American Bankers Association
 American Chemistry Council
 American Craft Spirits Association
 American Exploration & Mining Association
 American Hotel & Lodging Association
 American Farm Bureau Federation
 American Road & Transportation Builders Association
 American Short Line and Regional Railroad Association
 American Waterways Operators
 Associated Builders and Contractors
 Associated Equipment Distributors
 Associated General Contractors of America
 Can Manufacturers Institute
 Energy Workforce & Technology Council
 Independent Community Bankers of America
 International Franchise Association
 International Wood Products Association
 Job Creators Network
 National Asphalt Pavement Association

⁵ House Committee on Small Business Staff Report 2024, *Regulatory Flexibility Act (RFA) Report: Agencies' Noncompliance with the RFA*, May 2024, https://smallbusiness.house.gov/uploadedfiles/05_22_2024_-_house_committee_on_small_business_rfa_report.pdf.

National Association of Convenience Stores
National Association of Insurance and Financial Advisors
National Association of Manufacturers
National Association of Realtors
National Association of Wholesaler-Distributors
National Cattlemen's Beef Association
National Federation of Independent Business
National Fisheries Institute
National Funeral Directors Association
National Grocers Association
National Lumber & Building Material Dealers Association
National Mining Association
National Pork Producers Council
National Propane Gas Association
National Retail Federation
National Roofing Contractors Association
National Rural Electric Cooperative Association
National Small Business Association
National Stone Sand & Gravel Association
North American Association of Food Equipment Manufacturers
Owner-Operator Independent Drivers Association
Plumbing-Heating-Cooling Contractors—National Association
Precision Machined Products Association
PRINTING United Alliance
The Meat Institute
The Toy Association
Treated Wood Council
U.S. Chamber of Commerce
USA Rice



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September 6, 2024

Representative Roger Williams
Chairman, House Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515

Representative Nydia M. Velázquez
Ranking Member, House Committee on Small Business
2069 Rayburn House Office Building
Washington, DC 20515

CC: Members of the House Committee on Small Business

Dear Chairman Williams and Ranking Member Velázquez:

On Tuesday, September 10th, this Committee will be considering several legislative proposals that would amend the Regulatory Flexibility Act (RFA), which is the primary statute requiring agencies to assess the impacts of their regulations on small businesses specifically. While Public Citizen opposes each of the bills being considered, this letter does not focus on Public Citizen's concerns regarding those bills which are outlined in a separate letter submitted to the Committee from the Coalition for Sensible Safeguards which Public Citizen co-chairs. Instead, this letter is intended to provide the Committee with information that we believe will help the Committee assess the current Administration's compliance with the RFA as compared to prior Administrations. As the government data we cite below shows, the current Administration has complied with the RFA to a far greater degree than the previous Administration. Thus, any claims that the current Administration is not complying with the RFA is not supported, and in fact contradicted, by the government data we are sharing with the Committee.

One of the most telling indications whether an Administration is in compliance with the RFA comes from the number of so-called "SBREFA" panels that an Administration has conducted as compared to previous Administrations. Under the Small Business Regulatory Enforcement Fairness Act (SBREFA), three agencies, the Environmental Protection Agency (EPA), the Occupational Safety and Health Administration (OSHA), and the Consumer Financial Protection Bureau (CFPB) are required to conduct small business review panels prior to proposing regulations that will have a "significant impact on a substantial number of small entities." The Small Business Administration's Office of Advocacy (SBA Advocacy) plays a central role in identifying small businesses to serve on the panel and collect their feedback. SBREFA amended the RFA to require these panels in order to provide small businesses an opportunity to express

concerns to these three agencies when one of their regulations significantly impacts small businesses. To be clear, these three agencies have put in place regulations that have been among the most beneficial in protecting the public.

Our analysis of the number SBREFA panels that occurred from the Obama Administration through the current Administration reveals a clear pattern of robust compliance with the RFA under the Obama and Biden Administrations with the opposite being the case under the Trump Administration. According to data from SBA Advocacy's website,¹ there were a total of 31 SBREFA panels completed under the Obama Administration. By contrast, there were a total of only 3 SBREFA panels completed under the entire Trump Administration. Under the current Administration, there have already been 22 SBREFA panels completed. Thus, the three agencies subject to SBREFA completed a total of 53 panels during the Obama and Biden Administrations, but only 3 panels during the Trump Administration.

Such a significant disparity in the number of SBREFA panels under the current and previous two Administrations should be concerning to the Committee as it gives the strong appearance that the SBREFA panel process is hardly neutral but rather is one-sided in practice by only seeking feedback from small businesses when the three agencies subject to SBREFA promulgate new regulatory protections but not when those regulatory protections are rolled back. The Committee should ensure that when small businesses face a less stable regulatory environment and more regulatory uncertainty due to regulatory rollbacks, the SBREFA panel process is reflecting those concerns as intended.

Additionally, Public Citizen urges this Committee to conduct robust oversight of SBA Advocacy due to longstanding concerns that Advocacy has ignored certain small business viewpoints, namely those that support federal regulations, while favoring other small business viewpoints, namely those that oppose federal regulations, in an unbalanced and asymmetric fashion.² While claiming to be "independent," there is considerable evidence that Advocacy is in reality acting in a partisan and ideological manner by consistently scrutinizing and expressing concerns about new federal regulations that protect the public while doing the opposite when those regulations are rolled back. Certainly, the data regarding the number of SBREFA panels across recent Administrations strongly supports the need for oversight from the Committee.

We hope the Committee will find this information helpful as it is assessing claims regarding the current Administration's compliance with the RFA and considering legislative proposals to amend the RFA that may be predicated on the false belief that the current Administration is failing to comply with the RFA. Public Citizen stands ready to assist the Committee in any potential oversight of agency compliance with the RFA and whether SBA Advocacy is properly carrying out its responsibilities under the RFA in a neutral and unbiased fashion.

Sincerely,
Lisa Gilbert
Co-President, Public Citizen

¹ See <https://advocacy.sba.gov/resources/reference-library/sbrefa/>.

² See e.g. <http://www.gao.gov/assets/670/665104.pdf>.

Statement on HSBC Report on RFA Non-Compliance

The important work of Chairman Williams and the House Small Business Committee has uncovered a disturbing and unacceptable pattern of regulatory-system abuse that is damaging America's small-business ecosystem and the Main Street businesses that support local economies. As the Committee's report has uncovered, regulatory agencies are systematically not following the rules when it comes to creating new rules that small businesses must abide by. These costly and in many cases groundless regulations are disrupting productive business models and piling on burdens at a time when our economy and small businesses face daunting conditions – such as relentless inflation. SBE Council is grateful that the Committee has documented this damaging and prejudicial regulatory activity, which means productive steps can be taken to compel the federal government to follow the law when it comes to how it develops new regulations or modifies existing ones. SBE Council fully supports the range of solutions and reforms proposed by committee members, as we believe the report's findings are merely the tip of the iceberg and important steps must be taken to reform a careless regulatory culture that is permeating federal agencies and departments.

Karen Kerrigan, President & CEO, Small Business & Entrepreneurship Council



The Advocate of South Carolina Small Business
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September 10, 2024

The Honorable Roger Williams, Chairman
U.S. House Committee on Small Business
2336 Rayburn HOB
Washington, DC 20515

The Honorable Nydia Velazquez
Ranking Member
U.S. House Committee on Small Business
2069 Rayburn House Office Building
Washington, DC 20515

Re: House Bills 7198, 8083, 9030, 9031, 9032, 9033, 9085

Dear Chairman Williams, Ranking Member Velazquez and members of the House Committee on Small Business,

On June 27, 2012, I testified at a hearing of the U.S. House of Representatives Committee on Small Business on the topic of the "Regulatory Flexibility Act Compliance: Is EPA Failing Business".

I was testifying on behalf of both my organization, which I co-founded in 2000, and the American Sustainable Business Council, which at the time I served as Vice Chair.

On the panel was a representative of the U.S. Chamber of Commerce who I commended for one of his conclusions. He made the point in his testimony that the EPA's compliance with the Regulatory Flexibility Act could be improved with more resources for the rulemaking process.

I concurred with this opinion saying that the "EPA's compliance with the Regulatory Flexibility Act isn't failing small businesses but it could do a better of ow working with small businesses if it had more resources."

Here we are 12 years later, and that same recommendation is as valid today as it was in 2012.

However, today we have seven bills this Committee is addressing, all of which seek to make compliance with RFA much harder by, as David Levine says in his letter, "imposing unnecessary, duplicative and even counterproductive requirements on federal agencies in the regulatory process."

Even if these bill would benefit our nation's small businesses, which we do not believe that they would do, there is no additional funding to the agencies provided to carry out the compliance.

Mr. Levine has already made the strong case that our small business economy is thriving and thus there is no evidence that the Regulatory Flexibility Act is undermining entrepreneurial growth to justify the passage of any of the bills being discussed today. Therefore, as I have long maintained, much of the regulatory reform offered in Congress, including these bills, are for bogging down the process for the benefit of bigger businesses that seek less regulatory oversight.

There are more important issues of concern to small businesses this Committee should have been focusing on such as the labor shortage, access to capital, energy costs, etc. If the Committee wanted to address regulations, then it should have had a hearing on H.R. 5999, the Small Business Regulatory Relief Act, which would have actually helped small businesses that do have trouble complying with existing regulations. Plus, it does provide for the additional funding needed for implementation.

We do not support any of the bills on the Committee's agenda today (House Bills 7198, 8083, 9030, 9031, 9032, 9033, 9085).

Sincerely,



Frank Knapp Jr.
President & CEO