NFIB

The Voice of Small Business.

April 26, 2016

The Honorable Joni Ernst
United States Senate
111 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Ernst:

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business advocacy organization, I am writing in support of the *Prove It Act of 2016*. This legislation will strengthen and improve the certification process within the Regulatory Flexibility Act (RFA).

Excessive and complex regulatory burdens continue to be a hardship for many small business owners across America. Since January 2009, "government regulations and red tape" have been listed as among the top-three problems for small business owners, according to the NFIB Research Foundation's monthly *Small Business Economic Trends* survey. The RFA is the law that requires federal agencies to review regulations for their impact on small businesses and consider less burdensome alternatives. According to the U.S. Small Business Administration's (SBA) Office of Advocacy, the RFA saved small businesses at least $1.6 billion in regulatory costs in FY 2015.

Unfortunately, the RFA is rendered ineffective when Agencies perform poor regulatory analysis and underestimate the regulatory impact on the small business community. The *Prove It Act* would remedy this problem by allowing a third-party review when an Agency and the SBA Office of Advocacy disagree on the potential small business impact. In the case of a disagreement, the analysis would be turned over to the Office of Information and Regulatory Affairs for review and determination as to whether the agency must perform a more accurate RFA analysis.

The *Prove It Act* is a commonsense piece of legislation that would provide a smarter rulemaking process for American small businesses. We look forward to working with you to enact this important legislation.

Sincerely,

Amanda Austin
Vice President, Public Policy