

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

MAXINE TURNER, CHAIR
SMALL BUSINESS COUNCIL

TOM SULLIVAN, EXECUTIVE DIRECTOR
SMALL BUSINESS COUNCIL

May 16, 2017

The Honorable Ron Johnson
Chairman
Committee on Homeland Security & Governmental Affairs
United States Senate
Washington, DC 20510

The Honorable Claire McCaskill
Ranking Member
Committee on Homeland Security & Governmental Affairs
United States Senate
Washington, DC 20510

Chairman Johnson and Ranking Member McCaskill:

On behalf of the Small Business Council of the U.S. Chamber of Commerce, I am writing to thank you for the progress towards enacting regulatory reform legislation that will provide much-needed relief for America's small business community.

The U.S. Chamber of Commerce has already communicated our support for S. 951, the Regulatory Accountability Act, along with several hundred business organizations from each of the 50 states.¹ I am writing today to offer our support for S. 584, the Small Business Regulatory Flexibility Improvements Act.

The Chamber is the world's largest business federation. It represents the interests of over 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations. The majority of Chamber members are small firms. In fact, 96 percent of Chamber member companies have fewer than 100 employees and 75 percent have fewer than 10. Our Small Business Council works to ensure the views of small business are considered as part of the Chamber's policy-making process.

My company, Cuisine Unlimited, was established more than 37-years ago offering off-premise catering. Today, we are a second-generation family owned business

¹ Letter to Senate Majority Leader, Mitch McConnell, and Senate Minority Leader, Charles Schumer (February 6, 2017) available at: [https://www.uschamber.com/sites/default/files/documents/files/2.6.17- multi-association letter to senate supporting the regulatory accountability act.pdf](https://www.uschamber.com/sites/default/files/documents/files/2.6.17-multi-association%20letter%20to%20senate%20supporting%20the%20regulatory%20accountability%20act.pdf).

with 120 full and part-time employees offering full catering and events services in our local community, nationally and internationally. We have catered events throughout the country and have been involved with seven Olympic games. We were the exclusive caterer at USA House for the United States Olympic Committee in Athens and Torino.

As chair of the Small Business Council, I have met with hundreds of small business owners to better understand the U.S. small business landscape. Over the past decade, there have been many obstacles to overcome, including the worst recession since the Great Depression and a multitude of federal mandates coming from Washington, DC that have challenged our very existence. We want to grow our companies and contribute to the success of our communities. We find, however, roadblocks to that opportunity. We want to work with you to change that course so that our businesses have the resources to expand, create new jobs, and have a positive impact on our economy.

The 62 million people employed at small firms represent about half of our nation's private sector workforce. And, since 1995 small business is responsible for creating about two-thirds of the net new jobs in our country. The power of small business to create growth, spur innovation, hire workers, and improve communities throughout the United States is undisputed. However, we have experienced a decline in start-ups over the past decade, and that trend threatens a full economic recovery.²

Undoubtedly, the growth of federal regulation over the past several years deserves part of the blame for anemic economic growth. In fact, complaints about the chokehold of federal mandates among small business owners has risen considerably and ranks as a top issue of concern for small businesses.³

The Chamber has heard loudly from its small business members about the problems with the torrent of federal regulations emanating from Washington, DC. Research conducted by the U.S. Chamber of Commerce Foundation probes into the costs of red tape on small business and spells out how the annual cost of federal mandates is a drag on the American economy. The Foundation study entitled, "The Regulatory Impact on Small Business: Complex. Cumbersome. Costly," pegs the impact of federal regulatory burden at \$1.9 trillion per year in direct costs, lost productivity,

² Ryan Decker, John Haltiwanger, Ron Jarmin and Javier Miranda, "The Secular Decline in Business Dynamism in the U.S," Working Paper, 2014, *at* http://econweb.umd.edu/~haltiwan/DHJM_6_2_2014.pdf.

³ Holly Wade, "Small Business Problems and Priorities," NFIB Research Foundation (August 2016), Page 14, (finding that government regulations moved up in importance from ranking fifth in 2012 to its current second place ranking (behind cost of health insurance) *at* <http://www.nfib.com/assets/NFIB-Problems-and-Priorities-2016.pdf>.

and higher prices.”⁴ The Foundation’s research also shows that those costs hit small businesses the hardest, with an impact on firms with 50 employees or fewer that is 20 percent higher than the average for all firms.

The decline in entrepreneurship, small businesses’ increasing concern with regulatory burden, and the disproportionate impact federal mandates have on Main Street small businesses, all call for relief, and for those reasons, the U.S. Chamber of Commerce and our Small Business Council support S. 584, the Small Business Regulatory Flexibility Improvements Act.

Thank you for considering this letter, and thank you for your leadership on regulatory policies. Please do not hesitate to contact Tom Sullivan at the U.S. Chamber of Commerce at (202) 463-3192 for any additional information about the views expressed here.

Sincerely,

A handwritten signature in cursive script, appearing to read "Maxine Turner".

Maxine Turner, Founder
Cuisine Unlimited
Salt Lake City, Utah

⁴ *The Regulatory Impact on Small Business: Complex. Cumbersome. Costly*, U.S. Chamber of Commerce Foundation (March 2017), available at: <https://www.uschamberfoundation.org/reports/small-business-regulation-study>.