



November 18, 2025

The Honorable Joni Ernst
Chair
Committee on Small Business &
Entrepreneurship
United States Senate

The Honorable Ed Markey
Ranking Member
Committee on Small Business &
Entrepreneurship
United States Senate

Re: Letter for the Record: November 19, 2025 Hearing titled *Trump's Regulatory Rollback: Saving Americans \$907 Billion and Counting*

Thank you for holding today's hearing, "Trump's Regulatory Rollback: Saving Americans \$907 Billion and Counting." The Chamber appreciates the opportunity to provide our feedback on the importance of small business regulatory relief and, in particular, the importance of the Office of Advocacy within the U.S. Small Business Administration (SBA).

According to the most recent estimate, American businesses face more than \$2.15 trillion in regulatory costs, a figure equivalent to the entire GDP of Canada. Our work with the Bradley Foundation in 2017 revealed that because many regulatory costs are fixed, small businesses bear a regulatory cost burden on a per-employee basis that is roughly 20 percent higher than larger businesses with more employees. More recently, our MetLife & U.S. Chamber of Commerce Small Business Index published last December revealed that more than half of America's small business owners view regulatory compliance costs as a barrier for growth.

The Regulatory Flexibility Act (RFA), amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA), was intended to rectify the disproportionate regulatory burden faced by small business by incorporating their concerns into the regulatory process and by insisting that federal agencies find ways to meet their regulatory objectives while at the same time minimizing costs on small businesses.

The Office of Advocacy is responsible for overseeing agency compliance with the RFA and acts as an independent voice within the Administration to ensure that agencies are sensitive to how their regulations impact small businesses. The Chamber urges this Committee to continue supporting the SBA Office of Advocacy's independence and resources, as well as robust implementation of the RFA. Also, the Chamber believes the RFA must be updated in order for the Office of Advocacy to

better serve small businesses. Earlier this year, Chair Ernst introduced S. 495, the Prove It Act, that modernizes the RFA in a way that will help the Office of Advocacy better serve America's small business community. S. 495 ensures that regulators are fully transparent about costs that could harm small employers' ability to re-invest in their employees, improve their operations, and grow. The Prove It Act will also allow small businesses to challenge agencies' refusal to reduce regulatory burden. This will hold federal agencies accountable for ignoring small business input required by the RFA.

We applaud Chair Ernst's introduction of S. 495, the Prove It Act. In the last Congress, similar legislation passed the U.S. House of Representatives with support from more than 260 local, state, and regional chambers of commerce in 43 states.

We look forward to working with you and Members of the Committee to pass S. 495 and explore additional ways to provide America's small businesses with long term certainty for regulatory relief.

Sincerely,

A handwritten signature in blue ink, appearing to read "Thomas M. Sullivan". The signature is fluid and cursive, with a large initial "T" and "M".

Thomas M. Sullivan
Senior Vice President
Small Business Policy
U.S. Chamber of Commerce