



March 8, 2011

The Honorable Howard Coble
Subcommittee on Courts, Commercial
and Administrative Law
Committee on Judiciary
2138 Rayburn House Office Building
Washington, DC 20515

The Honorable Steve Cohen
Subcommittee on Courts, Commercial
and Administrative Law
Committee on Judiciary
B-351 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Coble and Ranking Member Cohen:

On behalf of Associated Builders and Contractors (ABC), a national association with 75 chapters representing more than 23,000 merit shop construction and construction-related firms with nearly two million employees, I am writing in regard to the subcommittee hearing on H.R. 10, the Regulations from the Executive In Need of Scrutiny (REINS) Act, which requires Congress to pass a joint resolution of approval before any new major rule (defined as having an impact of \$100 million or more) takes effect. ABC strongly supports the REINS Act, which would bring greater transparency and accountability to the federal rulemaking process.

During the last two years, the Obama administration has issued numerous regulations that have or will impact the construction industry. As builders of our communities and infrastructure, ABC members believe exceptional jobsite safety and health practices are inherently good for business. They understand the importance of common-sense regulations that are based on solid evidence and sound scientific analysis, with appropriate consideration paid to implementation costs and input from the business community. However, unnecessary regulations that impose excessive and at times crippling costs have stifled their ability to grow. Furthermore, the outcomes of numerous federal regulations proposed during the last two years are currently unclear. For the construction industry, unjustified and unnecessary regulations translate into higher costs, which eventually are passed along to the consumer. Ultimately, these costs impact a business's ability to hire and expand.

One sector of the economy that continues to struggle due to excessive regulations is the small business community—America's job creators and innovators. Small businesses are the backbone of the U.S. economy, and within the construction industry, they provide valuable jobs and play an integral role in building communities. Unfortunately, small businesses are disproportionately affected by burdensome federal regulations. Research from a 2010 study by the U.S. Small Business Administration's Office of Advocacy found that small businesses pay \$10,585 per employee annually to comply with federal regulations. In order to promote competition and job creation, the regulatory burdens placed on small businesses must be reduced.

Throughout the years, ABC has called for comprehensive regulatory reform, including across-the-board requirements for departments and agencies to evaluate the risks, weigh the costs and assess the benefits of their regulations. Existing regulations should be reviewed periodically to ensure they are necessary, current

and cost-effective. Furthermore, federal agencies must be held accountable for full compliance with existing rulemaking statutes and requirements when promulgating regulations.

As the Executive Branch and its agencies continue to promulgate complex, costly and burdensome regulations, the REINS Act would ensure that Congress is held accountable for the impact that finalized rules have on the business community and the American people. We appreciate your attention to this important matter and look forward to working with you on regulatory reform initiatives.

Sincerely,

A handwritten signature in black ink that reads "Corinne M. Stevens". The signature is written in a cursive style with a long, sweeping horizontal line extending to the right.

Corinne M. Stevens
Senior Director, Legislative Affairs