



July 22, 2011

The Honorable Geoff Davis
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Davis:

On behalf of the members of the Kentucky Chamber of Commerce and the Commonwealth's business community, I write to express our strong support for H.R. 10, the "Regulations from the Executive in Need of Scrutiny (REINS) Act." The REINS Act would require Congress to scrutinize every new "major rule" – i.e., a rule with an annual effect on the economy of \$100 million or more – proposed by the executive branch and affirmatively approve any such rule before it is enforced on our member businesses.

The Kentucky Chamber represents 2,700 businesses – from family-owned shops to Fortune 500 companies – that employ over half of the Commonwealth's workforce. Our members, especially small businesses, continue to tell us that complying with multiple layers of regulation divert valuable resources that could be used for business expansion and job growth.

While the Kentucky Chamber is encouraged that President Obama has charged federal agencies to closely analyze the effectiveness of past regulations, there is nothing in place to limit the scope of future regulations. The REINS Act would restore a much-needed balance of power that ensures our elected officials have a voice in the adoption of major rules. The Kentucky Chamber believes economic decisions of this magnitude deserve the rigor of the full legislative process and should not be delegated to unelected officials.

Perhaps no industry in Kentucky has felt the impact of excessive regulation more than our signature energy industry. Kentucky's future as an energy production leader is in serious jeopardy due to the unfettered regulatory control of the U.S. Environmental Protection Agency. To comply with existing and proposed mandates from the EPA alone, Kentucky's electric producers are expected to raise utility rates for Kentucky's businesses and consumers by \$9 billion over the next five years.

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Our Commonwealth's coal companies are feeling the burden of excessive regulation as well. Many coal producers are operating on permits that will be expiring in the near future, including several publicly traded companies. If these permits are allowed to expire and new applications for permits continue to be ignored, Kentucky coal miners and the thousands of jobs associated with the mining industry will be threatened. Additionally, the nation's coal supply will be dramatically affected, increasing utility rates across the country and further stymieing economic growth. Kentucky's economy is particularly vulnerable since it leans heavily on energy-intense industries like the aluminum, steel and automotive industries.

With the recent passage of sweeping policy changes – from health care to financial reform – and EPA's targeted regulations on Appalachia coal, there is no better time than now to tighten the belt on far-reaching regulations. The REINS Act will improve Congressional oversight, increase accountability for all branches of government, and ultimately result in smarter, not swollen, regulations. Thank you for taking the lead on this important issue and the Kentucky Chamber looks forward to continuing to work with you in the future.

Sincerely,



Bryan Sunderland
Vice President, Public Affairs