

NFIB. Wisconsin News

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FOR IMMEDIATE RELEASE

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For Immediate Release:

Wisconsin Small Business Applauds Johnson for Moratorium on Regs

NFIB says federal regulations smother small businesses with unnecessary rules that divert resources away from growth and job creation

MADISON (July 28, 2011) – A moratorium on federal regulations that cost small businesses thousands of dollars every year would give them a little breathing room to create jobs in a tough economy, said the National Federation of Independent Business (NFIB) today.

“Onerous regulations are the number one concern for many small businesses today, and we are glad to see that someone in Washington is paying attention,” said NFIB State Director Bill G. Smith.

United States Senator Ron Johnson (R-Wisconsin) will introduce legislation today that would place a moratorium on new federal regulations until the national unemployment rate falls to 7.7 percent. The bill defines significant regulatory action as any broad measure that would have an impact on the economy exceeding \$100 million, or which could have other far-reaching material effects on small businesses or the economy.

“Senator Johnson is a businessman and a member of NFIB, so he has a clear understanding of how difficult it is for small businesses to absorb the cost of regulations. Our members are very grateful for his leadership here.”

Smith pointed out that according to the federal Small Business Administration the aggregate cost of regulations on the US economy approaches \$2 trillion per year. The SBA concludes also that small businesses pay a disproportionate share of the burden.

“The cost of regulations on small businesses is roughly 36 percent higher than it is for large corporations,” noted Smith.

The annual cost of complying with federal rules is \$10,585 per employee, according to the SBA.

“That’s a tremendous burden to place on small businesses that are already operating on thin margins in a difficult economy,” said Smith.

Smith said that Johnson’s bill highlights the need for Washington policymakers to think about the impact of new regulations before they are imposed.

“The Federal Register is almost 100,000 pages long, containing thousands of regulations with which businesses have to comply,” said Smith. “Complying with all of those rules is exceedingly costly. It

would make sense for Washington to slow down and consider the impact on the economy and jobs before it adopts even more rules.”

For more information on NFIB, please visit www.nfib.com/Wisconsin.

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NFIB is the nation's leading small business association, with offices in Washington, D.C. and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB gives small and independent business owners a voice in shaping the public policy issues that affect their business. NFIB's powerful network of grassroots activists send their views directly to state and federal lawmakers through our unique member-only ballot, thus playing a critical role in supporting America's free enterprise system. More information can be found at www.NFIB.com/newsroom.