

## Chairman Graves: A Strengthened RFA Means Federal Bureaucrats Can No Longer Ignore the Effects of Their Rulemaking on Small Businesses

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WASHINGTON— House Small Business Committee Chairman Sam Graves (R-MO) today held a full Committee markup of the the Regulatory Flexibility Improvements Act of 2011 (HR 527) and the Small Business Size Standard Flexibility Act of 2011 (HR 585). Together, the bills will close loopholes used by agencies to avoid compliance with the Regulatory Flexibility Act (RFA), require a better assessment of the impacts that regulations will have on small businesses, force agencies to perform better periodic review of rules, and grant the Chief Counsel for Advocacy at the Small Business Administration greater powers for enforcement of the RFA. The Regulatory Flexibility Improvements Act was introduced by Chairman Graves and House Judiciary Committee Chairman Lamar Smith (R-TX) in February.

“If we want to see job creation improve in this country—one of our first steps must be to cut out excessive bureaucratic regulations issued by the administration on small businesses,” said Graves. “All we’re asking is that federal agencies do their job, and no longer ignore the RFA. The Regulatory Flexibility Improvements Act will help accomplish this by strengthening the RFA and closing the loopholes agencies have been using to bypass this statute.

“Overreaching Washington regulations and taxes are preventing small businesses from creating jobs. Ninety-nine percent of the businesses regulated by the federal government have less than 500 employees. When federal agencies are going to regulate businesses, they should actually know what the consequences will be for the businesses that have to comply with their rules. Any and all measures coming from Washington should take into account the effects on small businesses—our number one job creators— and this legislation will help guarantee that.”

Created by Congress in 1980 to relieve the stress of onerous overregulation on small businesses, the RFA charges all federal agencies with examining the impact of their proposed and final rules on small firms. If those impacts are significant, the agency is required to consider less burdensome alternatives.