



Restoring the American Dream **REGULATORY REFORM 2010**

Preamble: The escalating cost of regulatory compliance is smothering and destroying small businesses in America, making it almost impossible for American businesses to successfully and profitably compete in a global marketplace. If small business – the job creation engine of our economy - is going to once again grow, prosper and create jobs for hardworking Americans, significant regulatory reforms are required.

Regulatory Compliance for Companies of 500 Employees or More

Many federal regulations do not apply to businesses that are below a certain number of employees, typically 20 to 50. Examples can be found in EPA, OSHA, EEOC and health care regulations to name a few. This relieves those very small businesses from the burdensome cost associated with compliance, compliance reporting and constant and costly vigilance to ever-changing regulations. According to the Small Business Administration's Office of Advocacy, firms of 500 employees or less created 64% (14.5 million) of all jobs created in the 15 years between 1993 and 2008. The federal regulations compliancy floor should be raised to companies with 500 or more employees, relieving many more small businesses from the crippling burden of many federal regulations.

Elimination of Overlapping Agencies and Jurisdictions

Overlapping agency jurisdictions must be eliminated. For instance, there are as many as 17 different federal agencies that in some way regulate food safety. Competitive and sometimes contradictory regulations from duplicative agencies unnecessarily burden businesses with confusing if not contradictory compliance and reporting costs that serve no useful purpose.

Limitations on New Regulations

The number of restrictive regulations (those that create new compliancy costs) that any given agency may create in any given period must be limited. It is virtually impossible for any small business owner to stay abreast of the thousands of regulatory changes that are implemented each year.

Impact Evaluation of Proposed Regulations

An effective protocol for the federal government to evaluate the impact of proposed regulations on small businesses must be installed and a vigorous analysis of alternatives must be implemented. These evaluations and analyses must be conducted by a panel comprised of at least 80% of the small business owners that will be most directly affected by the proposed regulations. The American people currently have no way to hold bureaucrats accountable for the regulations that they propose and implement, a job many States are doing better than Washington is doing for federal regulations.

Stop Legislation by Regulation

Congress must discontinue its abdication of the legislative process and the improper delegation of its legislative function to the executive branch. Agencies must be restricted from using their regulatory powers to legislate and create laws. Strict guidelines governing the latitude that agencies have in issuing regulations must be created.