

**“We’re Being Set Up to Fail!”
Small Businesses in Missouri and Kansas are frustrated by “too much regulation!”**

By Claudia Rodgers, Senior Counsel

The Office of Advocacy once again heard an earful at its most recent Regional Regulatory Reform Roundtables held in St. Louis, Mo., on Sept. 12th and in Overland Park, Kan., on Sept. 14th, 2017. Small businesses from across the area came to Advocacy’s roundtable to make sure their complaints were heard. This is part of Advocacy’s ongoing effort to follow up on President Trump’s two important regulatory executive orders— E.O. 13771 and E.O. 13777— focused on reducing the regulatory burden on our nation’s businesses. Advocacy staff is traveling across the country to hear first-hand from small businesses about which federal regulations are most troublesome for them.

In St. Louis, we heard the frustration from many small business owners as they expressed a desire for a “level playing field” and described a constant “ripple effect of regulations that trickle down with negative effects on small businesses.” Issues such as the cost of health care for their employees, the lack of adequate labor and the need for more access to capital were discussed in detail at this roundtable. Burdensome federal regulations such as the Department of Transportation’s Electronic Logging Device rule were described as extremely costly and not created with the little guy in mind. According to those present, EPA and Department of Energy efficiency standards and other regulations resulting from the New Source Performance Act have caused small businesses to have to lay off employees. “This is quite a desperate situation,” declared a small business manufacturer of fireplaces, fire pits and BBQ pits. “The EPA’s Wood Heaters rule is regulating products that are already efficient and don’t need to be regulated.”

Unnecessary regulations were a constant theme in St. Louis. Small businesses described the many rules that affect their operations as “onerous” and not written with the small business in mind. Department of Labor’s overtime rule came up many times as owners asked for a “more realistic threshold” that considers the actual effects on small businesses. Some stated that when this rule came out they needed to suddenly make a decision between “who can we lay off and who can we have do more?”

Other federal regulations listed as problematic for local small businesses were OSHA’s Crystalline Silica rule, DOD’s federal procurement rules, EPA’s Part 70 Clean Air Act rules, HHS’ Affordable Care Act rules, IRS’ Fiduciary rule and the lack of awards to veterans in the federal contracting process. Another complaint that Advocacy heard was the federal government’s constant need for more and more data from businesses. “The data collection, reporting and record keeping requirements have become so burdensome and seemingly unnecessary,” declared one small operator.

In Overland Park, Kan., Advocacy heard similar frustration and fear from local small business owners, as well as much appreciation for the opportunity to voice their concerns. “Thank you for

coming here,” stated representatives from a retail grocery in Kansas City. “To be able to have this opportunity to talk to Advocacy is awesome. We need your help!”

While many of the regulations we heard about in Missouri were similar, small businesses in Kansas also complained to Advocacy about U.S. Citizenship and Immigration Services visa rules, Consumer Financial Protection Bureau rules on community banks, HUD’s housing regulations, FEMA’s new ethics standards, FAA’s new drone rules, Fish & Wildlife’s Endangered Species Act rules on the lesser prairie chicken, EPA’s methane standard, and EPA’s Waters of the United States rule.

Business owners in Kansas told Advocacy that “heavy handed” and “aggressive” regulations are negatively impacting them and many expressed the concern that “the people that write these federal regulations don’t actually understand the tremendous difficulties of running a business.” They believe these regulations have been written with an eye to large businesses and don’t take into account how a small business actually operates. “These are small mom and pop shops,” exclaimed a business owner in the construction industry, “where mom is doing the books, pop is running the business and the son is laying the bricks. They can’t afford to buy expensive equipment every time the federal government gets a new idea.”

Advocacy will continue its outreach and listening sessions on behalf of small business and will relay this important information to federal agencies, Congress and the White House. As the voice of small business in the federal regulatory process, Advocacy remains the eyes and ears of these small business owners within the federal government.

For more information on Advocacy’s regulatory reform efforts, to attend a roundtable near you, or to provide input about your small business federal regulatory concerns, please visit www.sba.gov/advocacy/regulatory-reform.