

Opening Statement of Chairman Steve Chabot (R-OH)
House Small Business Committee
“Highway to Headache: Federal Regulations on the Small Trucking Industry”
November 29, 2017

AS PREPARED FOR DELIVERY

On behalf of the Small Business Committee, I first would like to welcome Representative John Curtis from the State of Utah to the Committee. He was sworn in as a Member of the House earlier this month, and recently joined our Committee. His experience as Mayor of Provo and commitment to providing relief to small businesses will be an asset to this Committee. We look forward to working with him to provide solutions for America’s small businesses.

Good morning. I call this hearing to order.

The Small Business Committee is here today to examine how federal regulations affect the small trucking industry. The trucking industry plays a critical role in the United States economy. America’s businesses rely on it to transport and deliver all types of goods and products, including consumer goods, fuel, food, machinery, and raw materials.

Without the trucking industry, our economy would fall apart. In 2015, the industry produced more than \$700 billion in revenue. Trucking companies also provide over 7 million jobs, which is 6 percent of all American jobs.

Small businesses make up the majority of the trucking industry. In fact, 97 percent of trucking companies operate fewer than 20 trucks. Many of these trucking companies are owner-operators—individuals who own and operate their own truck as a one-person business.

As this Committee knows all too well, one of the biggest challenges facing America’s small businesses today is complying with federal regulations. With many regulations taking a one-size-fits-all approach, small trucking companies are forced to comply with expensive, confusing, and time-consuming regulations.

This is not only costing small businesses, but America’s economy as a whole, through lost time and delays in receiving all types of goods and products.

There are many agencies that regulate the trucking industry. The Federal Motor Carrier Safety Administration, or FMCSA, is one of the main agencies that regulates small trucking companies. In fact,



according to the FMCSA, 99 percent of the motor carriers that it regulates are considered small entities.

But FMCSA is not the only one with the power to regulate small trucking companies. Agencies such as the Pipeline and Hazardous Materials Safety Administration, the Environmental Protection Agency, the Occupational Safety and Health Administration, and the National Highway Safety Administration all have the authority to regulate small trucking companies. And they do.

While it is important to make sure that our roads and drivers are safe, needless regulations on small businesses can pile up and cost so much that it puts them out of business. We need to ease the regulatory burden on small businesses and make sure that agencies are considering how their regulations will affect small businesses.

That's why I sponsored legislation that would provide regulatory relief to small businesses. H.R. 33, the Small Business Regulatory Flexibility Improvements Act of 2017, which I introduced at the beginning of this year, would ensure that federal agencies actually examine how their new regulations would impact small businesses and require them to consider ways to reduce unnecessary costs and burdens.

This bill was included in a larger bill, H.R. 5—the Regulatory Accountability Act of 2017—which passed the House with a bipartisan vote in January. The Senate has introduced a similar bill, S. 584, which we hope will be taken up soon, as this is an important step toward easing the regulatory burden on small businesses.

I have also co-sponsored legislation, H.R. 3282, the ELD Extension Act of 2017, which would delay the effective date of a regulation requiring electronic logging devices in commercial motor vehicles and provide small firms with more time to comply.

Our witnesses today will provide real examples of what it is like for small trucking companies to navigate the confusing regulatory landscape. The Chair is aware that there may be a difference of opinion from some organizations on some of the regulations that will be discussed in today's hearing, including the American Trucking Association.

To accommodate them, we are providing them the opportunity to submit a statement that will become part of the official hearing record, and I will review these statements myself when they are received.



I want to thank our witnesses for being here and taking time away from their businesses to travel and testify about their experiences.

Before I yield to the Ranking Member, I would like to welcome Representative Brian Babin from the State of Texas. Mr. Babin is the original sponsor of the ELD Extension Act of 2017 and requested permission to join today's hearing. The Ranking Member and I have agreed to let him participate, and we welcome him to the hearing.

I now yield to the Ranking Member, Ms. Velázquez, for her opening statement.

