

# **U.S. Women's Chamber of Commerce**

*Testimony of*  
**Margot Dorfman, CEO**

*Before the*  
**House Small Business Committee**  
“Expediting Economic Growth:  
How Streamlining Federal Permitting  
Can Cut Red Tape for Small Businesses”

*Wednesday, September 6, 2017*

Chairman Chabot Ranking Member Velázquez, Members of the House Small Business Committee, thank you for the opportunity to speak today as the Committee looks at expediting economic growth through effective, streamlined federal permitting.

Federal regulations are created to implement our laws, typically for the purpose of protecting public health and safety, and increasing or approximating competition where markets are inadequate. Sometimes the reverse is true. Sometimes large business or financial influencers seek to use our laws or the resulting regulations for the purpose of gaining market advantage while putting public health and safety and smaller business competition at risk.

We have seen how important human safety is and how closely linked our safety is to appropriate, well-enforced regulations. Hurricane Harvey – with rain flooding toxic waste sites, chemical plant explosions, buildings, bridges and dams at risk – should serve as a clear reminder of the role of government in the creation and management of regulations protecting human life.

We have seen the importance of financial regulations and oversight as our very economy nearly fell apart due to the lack of government oversight and accountability of our financial institutions.<sup>1</sup> We have seen the value of the Consumer Financial Protection Bureau to small businesses seeking access to capital and watching out for predatory and discriminatory lending practices.<sup>2</sup> History has also shown us that the rising concentration and anti-competitive behavior of some large corporations has led to a decline in the amount of new businesses entering the market.<sup>3</sup>

## Back to Basics

The U.S. Women's Chamber of Commerce 500,000 members, three-quarters of whom are business owners – mostly small business, recognizes and supports the positive impacts of prudent and responsible streamlining of federal permits as a way to expedite economic growth. However, our view is twofold:

(1) The primary driver of problematic permitting and regulatory processes is the poor manner in which the government enacts and manages regulatory creation and implementation – including permitting. The annihilation of regulations which protect public health and safety and increase competition would only serve to put our lives and economy at risk.

(2) If Congress is genuinely seeking to fuel greater small business activity, you should listen to small business owners who will tell you to expedite economic growth through small business success,

---

<sup>1</sup> New York Times, "Financial Crisis Was Avoidable," Inquiry Finds, January 5, 2011, <http://www.nytimes.com/2011/01/26/business/economy/26inquiry.html>

<sup>2</sup> Consumer Financial Protection Bureau, Enforcement Actions, <https://www.consumerfinance.gov/policy-compliance/enforcement/actions/>

<sup>3</sup> Council of Economic Advisors Issue Brief, "Benefits of Competition and Indicators of Market Power," May 2016, [https://obamawhitehouse.archives.gov/sites/default/files/page/files/20160502\\_competition\\_issue\\_brief\\_updated\\_cea.pdf](https://obamawhitehouse.archives.gov/sites/default/files/page/files/20160502_competition_issue_brief_updated_cea.pdf)

your focus should be on improving the functioning of government, removing economic uncertainty, driving down health insurance and health care costs, driving up consumer spending and simplifying our tax system.<sup>4</sup>

## Government Competency and Accountability

We agree that permitting and other regulatory hurdles could be greatly improved and streamlined; It should be much easier for small businesses to know what regulations impact their business plans and what permits are necessary. Completing required filings and permits should be made easier, cheaper and should be concluded more quickly.

The memo for this hearing emphasizes the National Environmental Policy Act, the FAST Act and Title 41 (FAST-41) which created the Federal Permitting Improvement Steering Council. But, this Council doesn't seem to focus on the needs of small business whatsoever. The Small Business Administration is in not a member of this Council and the FAST-41 FY 2016 Annual Report to Congress does not even mention any consideration of small business in their activities or concerns.<sup>5</sup> There are so many opportunities governmentwide to really make small business inclusion part of the fabric of government – and yet, we are continually left out. We don't get representation at key decision-making moments; only big business is consistently invited to sit at the tables of influence in American government.

If we are to focus on regulations, permitting, streamlining and assisting small businesses to compete, grow and help fuel our economy, the U.S. Women's Chamber of Commerce recommends the following:

1. Give small business a seat at the table governmentwide. Fund the Small Business Administration and empower and compel SBA to serve as a real champion for small businesses rather than an agency that has been systematically underfunded for years. Hold SBA leadership accountable to produce results.
2. Add small business assistance and fast-tracking of permits so as to lighten the financial burden and improve small business certainty and planning. Especially focus on fast-tracking the construction or expansion of manufacturing facilities.
3. Reduce the fees (or remove fees) for small business permitting on projects.
4. Foster small business / large business partnerships which include the large business partner securing required permits and managing regulatory requirements.

---

<sup>4</sup> National Small Business Association, 2016 Year-End Economic Report, <http://www.nsba.biz/wp-content/uploads/2017/02/Year-End-Economic-Report-2016.pdf>

<sup>5</sup> Federal Permitting Improvement Steering Council (FPISC), "FAST-41, FY 2016 Annual Report to Congress," <http://docs.house.gov/meetings/IF/IF03/20170503/105916/HHRG-115-IF03-20170503-SD114.pdf>

5. President Trump's recent budget proposal would defund the Manufacturing Extension Partnership<sup>6</sup> which provides tremendous assistance for small manufacturers. Instead, funding should be increased and include strong assistance in permitting and other regulatory requirements.
6. Champion a government-wide initiative to require: all regulations be presented in plain English; all permitting processes be modernized, streamlined and transparently tracked for timeliness; regulations be reviewed for current relevancy so as to ensure rules remain relevant and are carefully targeted to avoid unintended consequences.
7. Stop agency staff overreach as laws passed by Congress are either not implemented or altered through weak regulatory implementation so as to render them useless or inappropriate.

The U.S. Women's Chamber of Commerce strongly encourages the House Small Business Committee to focus on what counts for small business – a well-run government, removing economic uncertainty, driving down health insurance and health care costs, driving up consumer spending and simplifying our tax system.

---

<sup>6</sup> Washington Post, "What Trump cut in his agency budgets," May 23, 2017, <https://www.washingtonpost.com/graphics/politics/trump-presidential-budget-2018-proposal/>