

## **Opening Statement of Ranking Member Heidi Heitkamp**

### **Subcommittee on Regulatory Affairs and Federal Management**

#### ***Improving Small Business Input on Federal Regulations: Ideas for Congress and a New Administration***

**Thursday, January 19, 2017**

#### **As Prepared**

Thank you Mr. Chairman. I look forward to working with you for another Congress. Our subcommittee was busier last Congress than some full committees. I am certain we will have two more years of productive and bipartisan work on our subcommittee.

Small businesses play a crucial role in our nation's economy and overall prosperity. The vast majority of businesses across our nation are small businesses.

Small businesses are especially critical in my state of North Dakota. Ninety-six percent of businesses in North Dakota are small. These small businesses are the backbone of North Dakota's economy and the prime source of job creation. I am proud to represent North Dakota's small businesses in Congress, on this committee and on the Small Business Committee, where I also serve.

It's been my privilege to travel across my state and visit the wide variety of small businesses that call North Dakota home to visit and hear about their needs first-hand. From main street brick and mortar retailers in Grafton and Grand Forks to cutting edge innovators in the Unmanned Aircraft System industry, like Packet Digital in Fargo, to NewKota, an oilfield service business in Minot, North Dakota that specializes in steam heating frozen rig pipes – the needs and concerns of these small businesses are as diverse as they are.

It is absolutely critical that Congress always be working to ensure small businesses can prosper. Congress must seek out policies to help small businesses innovate and thrive. I am proud that, on the Small Business Committee, I have been a strong advocate for small businesses and startups in our country's more rural states like North Dakota. Because we know that innovation doesn't just happen in our country's biggest cities and that we must foster and promote the innovative and entrepreneurial ideas that are emerging in our heartland.

It is also critical that Congress make sure its policies do not unfairly or unintentionally hamper small businesses. Unintended consequences are always something that must be carefully examined and considered – especially when working in the regulatory space.

This is an important hearing. Small entities are often at a severe disadvantage compared to their larger peers when it comes to coping with and managing federal regulations. Small businesses often struggle to get the information they need to fully comply. And they want to comply.

That is one thing I hear when I talk to small business owners in North Dakota. They want to be good neighbors, good citizens. They want to produce safe products that their customers want to buy and they want to operate on a level playing field.

One small business owner in North Dakota that I have gotten to know is Kari Warberg Block, who owns Earth Kind in Bismarck. They are a pest control developer, designer and bio-manufacturing pioneers. I had hoped to get Kari out to Washington to testify at this hearing, but due to the late-breaking nature of this hearing that was not possible. I have a statement for the record from Kari that I'd like to submit at this time. When you speak to Kari about federal regulatory policies, you get a simple answer that is difficult to turn into action. She talks about needing more commonsense from agencies, more small business smarts from agencies, more understanding, and more outreach and feedback.

I hear the same from small business owners all across my state. Kari says the solution is not fewer regulations, but better regulations and better compliance assistance. We need a less burdensome process that makes it easier for small businesses to connect with right people.

To me that is one of the key questions we must tackle in this space- how do we make sure that agencies engage in the way that small businesses need, and that includes protecting the ability of agencies to promulgate fair and well-analyzed rules in a timely fashion?

Much of the discussion in this area has focused on the importance of considering the impact of regulations on small businesses. We need to examine how to obtain meaningful input from small businesses in the regulatory process, and if improvements to the Regulatory Flexibility Act are needed to ensure federal agencies are responsive to the needs of small businesses.

I look forward to hearing from the witnesses on that topic, as well as how we can bring small-business North Dakota common-sense to the regulatory process.

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