



October 17, 2018

VIA ELECTRONIC CORRESPONDENCE

The Honorable Linda McMahon
U.S. Small Business Administration
409 3rd St. SW
Washington, D.C. 20416

The Honorable Sonny Perdue
U.S. Department of Agriculture
1400 Independence Ave, S.W.
Washington, D.C. 20250

Dear Secretaries McMahon and Perdue:

As a result of President Trump's executive orders, 13771 and 13777, the Office of Advocacy (Advocacy) has been engaged in efforts to hear first-hand from small businesses across the country about specific federal regulatory burdens facing their businesses. As you know, under the Regulatory Flexibility Act (RFA), agencies are required to consider the impact of their regulations on small entities when promulgating federal regulations.¹ We believe the RFA and

¹ Advocacy was established pursuant to Pub. L. 94-305 to represent the views of small entities before federal agencies and Congress. Advocacy is an independent office within the U.S. Small Business Administration (SBA), so the views expressed by Advocacy do not necessarily reflect the views of the SBA or the Administration. The RFA, as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA), gives small entities a voice in the rulemaking process. For all rules that are expected to have a significant economic impact on a substantial number of small entities, federal agencies are required by the RFA to assess the impact of the proposed rule on small business and to consider less burdensome alternatives. 5 U.S.C. § 601 et seq.

The Small Business Jobs Act of 2010 requires agencies to give every appropriate consideration to comments provided by Advocacy. The agency must include, in any explanation or discussion accompanying the final rule's publication in the Federal Register, the agency's response to written comments submitted by Advocacy on the proposed rule, unless the agency certifies that the public interest is not served by doing so. Small Business Jobs Act of 2010 (PL 111-240) § 1601.

consideration of small business economic impacts is a good place to start when an agency is selecting rules that are being reviewed for reform or elimination.

We recently hosted roundtables in Virginia, New Hampshire, Massachusetts, Michigan, Wisconsin, Texas, Georgia, California, Florida, Iowa, Nebraska, Colorado, Wyoming, Pennsylvania, New Jersey, and New York and would like to inform you of the specific concerns and regulations that we heard about from small businesses in that region. In addition, Advocacy solicited online comments from stakeholders.

Small Business Timber Set-aside Program

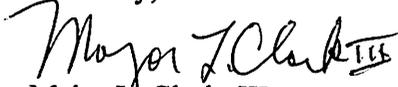
We write to you regarding a joint effort between the Forest Service and the Small Business Administration to create a Small Business Timber Set-Aside Program. A proposed rule was published for comment on September 27, 2016, and comments were due by November 28, 2016. Since that time no further action was taken on the rule. We have heard from small timber mills all over the country that without the rule they are struggling to find a high enough volume of available timber to stay in business. They are asking that at least the set-aside portion of the rule be finalized, and considerations also be given to a stewardship program. They have requested that the agencies engage in more small entity outreach before finalizing the rule, and consider the various comments submitted during the comment period.

The Office of Advocacy looks forward to working with your agency to reduce the burden of federal regulations on behalf of the small businesses that have asked us to be their voice in this regulatory reform process. We hope that you will include these specific rules when you compile your list of rules to review. Advocacy would be happy to meet with you or your representative so that we may detail the concerns and help suggest less burdensome alternatives for small business as rules are being considered for revision. I have provided the contact information for Assistant Chief Counsel **Prianka Sharma** below.

As we continue to hear from small businesses across the country at our regional regulatory reform roundtables or through our outreach from our regulatory reform website, we will update you with additional summaries from those locations.

Thank you for considering small business impacts as a vital part of your regulatory reform efforts and for including the Office of Advocacy as an important part of the process.

Sincerely,



Major L. Clark, III

Acting Chief Counsel for Advocacy

Assistant Chief Counsel, Prianka Sharma

Prianka.Sharma@sba.gov

(202) 205-6938