

helped lead to the end of the Korean war. However, like many other Black veterans, when he returned home, he wasn't given the reverence he earned.

We are trying to atone for that. Today, as we honor his life and service, I want to express our gratitude on behalf of all those who didn't and should have.

Thomas Cork, Sr., is an American hero who fought two battles, in the Pacific and on the home front.

His legacy will live on for generations to come, and we thank him for his service.

#### RECOGNIZING KEVIN BOYLE OF BROADVIEW HEIGHTS, OHIO

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, I rise today to recognize Kevin Boyle of Broadview Heights, Ohio.

Kevin came to America through adoption from El Salvador after his mom met him there while she did mission work there.

Kevin was very sick and had significant disabilities. The Boyles already had another child, Courtney, who herself had disabilities and significant medical needs. With great faith, they pursued adopting Kevin from a country that adopts out less than 10 kids per year.

After 4 years of waiting, in 2013, Kevin came home to Cleveland as an 18-pound 9-year-old. Yes, he was 18 pounds at 9 years old.

With great American medical care, he very quickly became chubby, silly, and full of life.

As an upstanding citizen of northeast Ohio, Kevin exercised his right to vote for the first time in the 2024 Presidential election.

Today, I celebrate Kevin for this milestone event. This is an incredible story to be shared around the country. What a victory.

#### REMEMBERING OMER NEUTRA

(Mr. MOLINARO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLINARO. Mr. Speaker, I rise today to remember Omer Neutra who deferred his enrollment at Binghamton University in my district to join the Israel Defense Forces. He had been missing since October 7, 2023, in the barbaric attacks committed against Israel and Israeli citizens by Hamas.

After fighting for over a year for his return, his parents received the news no parent should ever hear: Omer was killed on October 7 by Hamas terrorists.

The monsters who did this, and, yes, they are monsters, are still out there. We are not done fighting. With our support, Israel will overcome Hamas and win its war, and at home we will win our war against anti-Semitism.

We will win by shining a light on bigotry and calling out those who sympathize with terrorists, the people who, while Omer's family lived in agony, stood on college campuses hurling insults at Jewish students and leading anti-Semitic chants like "from the river to the sea."

Our hearts and prayers go out to Omer's family, his friends, and the Binghamton campus. His life and memory will forever be a blessing, and the pain he endured will be motivation to keep fighting for justice.

#### HONORING THE LIFE OF OFFICER JESSE BRANCH

(Mr. STAUBER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAUBER. Mr. Speaker, I rise today with a heavy heart to pay my respects to Red Lake Police Officer Jesse Branch, who was killed in a car crash last week while responding to a call for service.

At just 18 years old, Jesse committed himself to a career in law enforcement, starting as a corrections officer with the Red Lake Detention Center and eventually becoming a police officer.

During his 17 years in law enforcement, Jesse earned the reputation as a man of integrity who was dedicated to the well-being and safety of his community.

Even though Jesse's life was tragically cut short, the positive impact he had on the Red Lake Nation will be remembered for generations to come.

Minnesota thanks him for his selfless service and sacrifice. My prayers are with his family, friends, colleagues, and all those who loved him.

#### PROVE IT ACT OF 2024

Ms. HAGEMAN. Mr. Speaker, pursuant to House Resolution 1602, I call up the bill (H.R. 7198) to amend title 5, United States Code, to require greater transparency for Federal regulatory decisions that impact small businesses, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. NORMAN). Pursuant to House Resolution 1602, the amendment in the nature of a substitute recommended by the Committee on the Judiciary, printed in the bill is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 7198

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "Prove It Act of 2024".*

#### SEC. 2. INITIAL REGULATORY FLEXIBILITY ANALYSIS.

*(a) IN GENERAL.—Chapter 6 of title 5, United States Code, is amended—*

*(1) in section 603(b)—*

*(A) in paragraph (5), by striking the period at the end and inserting ";; and"; and*

*(B) by adding at the end the following:*

*"(6) where feasible, any reasonably foreseeable potential indirect costs the proposed rule may impose on small entities, including small entities that—*

*"(A) purchase products or services from, sell products or services to, or otherwise conduct business with entities directly regulated by the rule;*

*"(B) are directly regulated by other governmental entities as a result of the rule; or*

*"(C) are not directly regulated by the agency as a result of the rule but are otherwise subject to other agency rules as a result of the rule.";*

*(2) in section 605(b), by striking "The agency" and inserting "Not later than 10 days after completing the certification described in this subsection, the agency"; and*

*(3) by inserting after section 605 the following:*

#### **"§605A. Review procedures relating to initial regulatory flexibility analysis certifications"**

*"(a) FILING A PETITION TO REVIEW AGENCY CERTIFICATION OF A PROPOSED RULE.—*

*"(1) IN GENERAL.—Any small entity, group of small entities, or organization representing the interests of small entities may petition the Chief Counsel for Advocacy of the Small Business Administration (in this section referred to as the 'Chief Counsel') to review a certification published under section 605(b) that a proposed rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.*

*"(2) FORM.—The Chief Counsel shall—*

*"(A) determine the method, timing, and form of disseminating a petition described in paragraph (1); and*

*"(B) display the information described in subparagraph (A) on the website of the Office of Advocacy of the Small Business Administration in a conspicuous manner.*

*"(3) CONTENTS.—Each petition described in paragraph (1) with respect to a certification published under section 605(b) for a proposed rule shall clearly and concisely—*

*"(A) specify the name of the petitioner and a telephone number, a mailing address, and an email address that the Chief Counsel may use to communicate with the petitioner;*

*"(B) if the petitioner is an organization, provide additional identifying information, as applicable, including the organizational or corporate status of the petitioner, the State of incorporation of the petitioner, the registered agent of the petitioner, the interest of the petitioner in representing small entities affected by the proposed rule and the certification at issue, and the name and authority of the individual who signed the petition on behalf of the organizational or corporate petitioner;*

*"(C) present the specific problems or issues that the petitioner believes should be addressed or considered through a review of the certification, such as—*

*"(i) any specific circumstances in which the determination of the certification that the proposed rule will not, if promulgated, have a significant economic impact on a substantial number of small entities is incorrect, incomplete, or inadequate; or*

*"(ii) why the proposed rule would, if promulgated, have a significant economic impact on a substantial number of small entities;*

*"(D) cite, enclose, or reference any relevant and non-protected or confidential technical, scientific, or other data or information supporting any assertion of the problems or issues with the certification;*

*"(E) present a proposed solution to the problems or issues raised in the petition, including potential regulatory or compliance alternatives to the proposed rule;*

*"(F) provide an analysis, discussion, or argument that explains how the proposed solution*

described in subparagraph (E) solves the problems or issues raised in the petition; and

“(G) cite, enclose, or reference any other publicly available data or information supporting the proposed solution described in subparagraph (E).

“(b) CONSULTATION.—

“(1) IN GENERAL.—Any entity or organization desiring to file a petition under subsection (a) may request a consultation with the Chief Counsel before or after filing the petition.

“(2) FORM.—The Chief Counsel shall—

“(A) determine the method, timing, and form of requesting a consultation with the Chief Counsel under paragraph (1); and

“(B) display the information described in subparagraph (A) on the website of the Office of Advocacy of the Small Business Administration in a conspicuous manner.

“(3) LIMITATIONS ON ASSISTANCE.—In any consultation regarding a petition under paragraph (1), the Chief Counsel—

“(A) may only—

“(i) describe the process for filing, docketing, tracking, closing, amending, withdrawing, and resolving the petition; and

“(ii) assist the petitioner to clarify the petition so that the Chief Counsel is able to understand the issues of concern to the petitioner; and

“(B) may not advise a petitioner on whether the petition should be amended or withdrawn.

“(c) PRIMA FACIE REVIEW.—

“(1) IN GENERAL.—Upon receipt of a petition filed under this section with respect to the certification of a proposed rule, the Chief Counsel shall make an initial prima facie determination on the merit of the issues raised in petition as to the properness of the certification and whether the proposed rule in question would, if promulgated, have a significant economic impact on a substantial number of small entities.

“(2) NO FURTHER REVIEW.—If, following the prima facie review of a petition under paragraph (1), the Chief Counsel determines that the issues raised in the petition do not merit further review by the Chief Counsel, the Chief Counsel shall, not later than 10 days after receipt of the petition, inform the petitioner of that determination and the matter shall be closed.

“(3) FURTHER REVIEW.—If, following the prima facie review of a petition under paragraph (1), the Chief Counsel determines that the issues raised in the petition do merit further review by the Chief Counsel, the Chief Counsel shall, not later than 10 days after receipt of the petition, inform the petitioner and the agency that promulgated the proposed rule that the Chief Counsel shall conduct a full review of the certification and proposed rule to which the petition relates under subsection (d).

“(d) FULL REVIEW.—

“(1) CONSIDERATIONS; MEETING.—In conducting a full review under this subsection with respect to the certification made under section 605(b), the Chief Counsel shall—

“(A) consider—

“(i) whether the agency that promulgated the proposed rule correctly determined which small entities will be affected by the proposed rule;

“(ii) whether the agency considered adequate economic data to assess whether the proposed rule will have a significant impact on a substantial number of small entities; and

“(iii) the economic implications of the proposed rule; and

“(B) convene a virtual or in-person meeting between the Chief Counsel, the petitioner, representatives of the agency that promulgated the proposed rule who are determined appropriate by the Chief Counsel, and the Administrator of the Office of Information and Regulatory Affairs to—

“(i) provide positions and support for those positions regarding the certification of the proposed rule; and

“(ii) allow the Chief Counsel to ask questions as the Chief Counsel determines necessary to make a final determination as to the validity of the certification.

“(2) PUBLICATION.—Not later than 30 days after the date on which the Chief Counsel begins a full review of a certification made with respect to a proposed rule under paragraph (1), the Chief Counsel shall submit to the petitioner and the agency that promulgated the proposed rule, and publish in the Federal Register and on the website of the Office of Advocacy of the Small Business Administration, the results of the review conducted under paragraph (1).

“(3) REQUIREMENT TO PERFORM ANALYSES.—If, after a full review of a certification made with respect to a proposed rule under paragraph (1), the Chief Counsel determines that the proposed rule will, if promulgated, have a significant economic impact on a substantial number of small entities, the agency that promulgated the proposed rule shall perform an initial regulatory flexibility analysis and a final regulatory flexibility analysis for the proposed rule under sections 603 and 604, respectively.

“(4) PENALTY.—If an agency fails to attend the required meeting under paragraph (1)(B) or in any other way fails to assist the Chief Counsel in a full review under paragraph (1) with respect to a proposed rule of the agency, as determined by the Chief Counsel, the final rule shall not apply to small entities.

“(5) JUDICIAL REVIEW.—For purposes of judicial review under chapter 7 of this title, a certification made by an agency under section 605(b) for which a petition is filed under subsection (a) shall be considered final agency action as of the date on which the Chief Counsel—

“(A) makes a determination under subsection (c)(2) that the issues raised in the petition do not merit further review; or

“(B) publishes the results of a full review of the certification under paragraph (1).”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 6 of title 5, United States Code, is amended by inserting after the item relating to section 605 the following:

“605A. Review procedures relating to initial regulatory flexibility analysis certifications.”.

### SEC. 3. PUBLICATION OF GUIDANCE.

Section 609 of title 5, United States Code, is amended by adding at the end the following:

“(f) With respect to any rule that an agency determines is likely to have a significant economic impact on a substantial number of small entities, the head of the agency shall, on regulations.gov or any similar internet website—

“(1) publish all guidance documents and other relevant documents, as determined by the agency, including any updated guidance documents that set forth interpretations of the rule; and

“(2) allow for comments on the documents described in paragraph (1) to ensure that small entities may access and provide feedback on those documents.”.

### SEC. 4. REVIEW PROCEDURES FOR SECTION 610 PERIODIC REVIEW OF RULES.

(a) IN GENERAL.—Section 610 of title 5, United States Code, is amended—

(1) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking “the following factors”;

(B) in paragraph (4), by striking “and” at the end;

(C) in paragraph (5), by striking the period at the end and inserting “; and”;

(D) by adding at the end the following:

“(6) any indirect costs described in the initial regulatory flexibility analysis under section 603(b)(6), and any other indirect costs that may have arisen during the 10-year period described in subsection (a).”; and

(2) by adding at the end the following:

“(d) If an agency fails to conduct a review of a rule as required under this section within the 10-year period described in subsection (a)—

“(1) the Chief Counsel for Advocacy of the Small Business Administration shall notify the agency that the rule has ceased to be effective;

“(2) the agency shall publish in the Federal Register a notification that the rule has ceased to be effective, and solicit comments for why the rule should be reinstated; and

“(3) if, based on the comments received under paragraph (2), the agency determines that the rule should be reinstated—

“(A) the agency shall have 180 days beginning on the date of that determination to complete the review of the rule under this section; and

“(B) upon completion of the review under subparagraph (A), the rule shall be reinstated, notwithstanding the notice and comment rule-making procedures under section 553 of this title.”.

(b) APPLICATION.—The amendment made by subsection (a)(2) shall apply with respect to any final rule issued by an agency—

(1) during the 5-year period preceding the date of enactment of this Act; or

(2) on or after the date of enactment of this Act.

The SPEAKER pro tempore. The bill, as amended, shall be debatable for 1 hour equally divided and controlled by the Chair and ranking minority member of the Committee on the Judiciary or their respective designees.

After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in part B of House Report 118-791, if offered by the Member designated in the report, which shall be considered read, shall be separately debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to a demand for a division of the question.

The gentlewoman from Wyoming (Ms. HAGEMAN) and the gentleman from New York (Mr. NADLER) each will control 30 minutes.

The Chair recognizes the gentlewoman from Wyoming.

#### GENERAL LEAVE

Ms. HAGEMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to insert extraneous material on H.R. 7198.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Wyoming?

There was no objection.

Ms. HAGEMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 7198, the Prove It Act of 2024.

This is an important bipartisan piece of legislation that will help small businesses around the country comply with the overwhelming weight of Federal regulation.

It is no secret that small businesses around the United States face an uphill battle when complying with Federal regulations. Many regulations cause significant economic impacts on these small businesses.

□ 1230

When small businesses are forced to shoulder the burden of these regulations, it results in higher prices at the cash register. It also can keep some small businesses out of the market altogether. Rather than facing a mountain of regulation and compliance

costs, some would-be small business owners may never achieve their dream of opening a small business.

Under the Regulatory Flexibility Act, the agencies that make these damaging regulations are supposed to take small businesses into account when writing the rules. All too often, however, the agencies are out of compliance with the RFA's mandates.

One report actually found that, in 75 percent of the rulemakings, the agencies either ignored costs on small businesses, or underestimated the regulations costs. H.R. 7198, the Prove It Act of 2024, would strengthen the RFA's already-existing provisions and make it so that agencies have a much harder time skirting their statutory obligations to our country's small businesses.

The Prove It Act of 2024 allows small businesses to petition the Small Business Administration to investigate a rulemaking process when a small business owner believes the agency inadequately performed its regulatory analysis as required by the RFA. It also authorizes the SBA's chief advocacy counsel to independently investigate a rulemaking agency's compliance with the RFA. Finally, it creates a penalty for rulemaking agencies that failed to comply with the RFA's requirements.

My colleagues on the other side of the aisle may claim that this bill is only an attempt to slow down the agency rulemaking, making it more difficult for the Federal Government to oversee the economy. This is incorrect.

There are no provisions in this bill that are designed to slow down rulemaking. In fact, the only thing that may slow down an agency's rulemaking endeavor is having to fully comply with the law as it is already written. The RFA was passed in 1980. Yet, there are still agencies which do not take the specific needs of small businesses into account when crafting regulations.

If Federal regulators followed the law as Congress intended, the legislation before us would not be necessary. Unfortunately, Federal regulators have been delinquent in their obligations to American small business owners.

H.R. 7198, the Prove It Act of 2024, is a bipartisan effort to force regulators to comply with existing statutes and consider small business owners when crafting legislation.

Mr. Speaker, I urge my colleagues to support this legislation, and I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 7198, the Prove It Act, represents the latest effort by Republicans to dismantle the regulatory process, giving well-resourced special interests a powerful new cudgel to wield against regulations, while causing harm to the very small entities the bill purports to help.

This legislation would vest enormous and unreviewable authority over agency rules to the chief counsel of the Office of Advocacy within the Small Business Administration, a chronically

underfunded office that has not even had a Senate-confirmed leader since 2017.

It authorizes the chief counsel, unilaterally and without review, to exempt large parts of the business community from proposed rules if he or she determines that an agency did not properly consider how a proposed rule would affect small entities.

Not only would this broad and vaguely defined authority apply to proposed regulations, but the bill would also charge the chief counsel with tracking agencies' completion of mandatory reviews of existing rules every 10 years. If they find that an agency failed to conduct the required review of the rule, they can simply suspend operation of the rule.

I note that, while this legislation would impose significant new burdens on the SBA, it would provide no additional funding to carry out these duties, putting a further strain on the agency's ability to assist small businesses.

Our public agencies are responsible for writing rules that protect our community from harm. They make sure that the toys our children play with are safe. They make sure that the vehicles we drive and the buildings we live in are up to code. They make sure that the legislation we pass in Congress for tackling issues like climate change and public health are implemented as we intend.

The Prove It Act would grind all of this to a halt. Rules that would ban toxic chemicals or take contaminated food out of the market would hang in limbo while petitions mount before this single official to complete his or her reviews, if he or she can ever complete them at all.

This bill is not about lessening the burden on small businesses. By law, agencies already must take small businesses into account. These small entities already have power through the Office of Advocacy to champion their concerns, so the bill is entirely unnecessary if that was truly the purpose of the bill.

In reality, this bill is about giving big businesses the ability to shut down the regulatory process. Any group that merely purports to represent small businesses, no matter how large or well-resourced they may be, could petition this one official to block a pending rule they do not like. There would be no limit to how many times they do this. This is a recipe for chaos and dysfunction. That, of course, is the point.

Republicans do not want to empower the agencies that ensure the drugs we take are safe, that ensure child car seats protect the most vulnerable among us, and that enforce our competition laws to ensure that small businesses have a chance to thrive. They want to throw sand in the gears of these agencies to ensure that they never issue the regulations we depend on to keep us safe.

This bill would do little to help small businesses, but it could prove to be a

windfall for powerful companies and special interests. It is no surprise, therefore, that this legislation is right out of the Project 2025 playbook, which calls for "supercharging" the Office of Advocacy at the SBA so the entity can "dismantle extreme regulatory policies and advance limited-government reforms."

Republicans are so determined to carry out this dismantling of the regulatory process that they are even willing to violate their own House rules against legislation that will increase mandatory spending, ignoring a CBO estimate that the bill would add millions of dollars to the deficit.

We all want to ensure that small businesses can thrive, but this bill would not help them. Instead, it would create uncertainty and chaos while giving big businesses a new tool to dismantle the regulatory process that protects public health and safety and that protects consumers from rising costs.

Mr. Speaker, I urge all Members to oppose this legislation, and I reserve the balance of my time.

Ms. HAGEMAN. Mr. Speaker, I include in the RECORD the CBO score for this bill.

H.R. 7198, PROVE IT ACT OF 2024 AS REPORTED BY THE HOUSE COMMITTEE ON THE JUDICIARY ON NOVEMBER 22, 2024

	By fiscal year, millions of dollars—		
	2025	2025–2029	2025–2034
Direct Spending (Outlays) ..	1	5	10
Revenues .....	*	*	–7
Increase or Decrease (–)			
in the Deficit .....	1	5	17
Spending Subject to Appropriation (Outlays) .....	6	40	not estimated

\* = between –\$500,000 and zero.

Increases *net direct spending* in any of the four consecutive 10-year periods beginning in 2035? < \$2.5 billion.

Increases *on-budget deficits* in any of the four consecutive 10-year periods beginning in 2035? < \$5 billion.

Statutory pay-as-you-go procedures apply? Yes.

Mandate Effects:  
Contains intergovernmental mandate? No.  
Contains private-sector mandate? Yes, under threshold.

The bill would:  
Allow small businesses, nonprofit organizations, and small local governments to request that the Small Business Administration (SBA) review a certification that a proposed rule would not have a significant economic effect on a substantial number of such small entities

Require the SBA to declare a rule no longer in effect if the issuing agency fails to review that rule periodically

Impose mandates on private-sector entities  
Estimated budgetary effects would mainly stem from:

Requiring some federal agencies to devote staff to meet new analysis and reporting requirements

Increasing costs for agencies that are funded through annual appropriations to carry out the bill's provisions

Increasing direct spending and decreasing revenues for several fee-funded, independent

agencies and the Federal Reserve System to carry out provisions of the bill

Bill summary: H.R. 7198 would allow small businesses, nonprofit organizations, and small local governments to request that the Small Business Administration (SBA) review federal agencies' certifications that proposed rules would not significantly affect a substantial number of small entities. The bill would require the SBA to establish a process for reviewing those requests and determining whether certifications merit further review. (Federal agencies currently evaluate proposed rules' economic effects on small entities and either certify that a rule would not significantly affect them or they prepare a detailed regulatory flexibility analysis for the rule. A regulatory flexibility analysis is an assessment of a proposed regulation on small entities.)

If further review is required, the SBA would consult the rulemaking agency, rep-

resentatives of the small entities, and the Office of Management and Budget to determine whether, in place of a certification, the rulemaking agency must prepare a regulatory flexibility analysis. If the agency does not complete that process, the final rule would not apply to small entities.

Additionally, under the bill, if an agency fails to update its analysis of a rule's effect on small entities within 10 years of the rule taking effect, as they are required to do under current law, the rule would no longer be in effect. That provision would apply to rules for which agencies should have provided updated analysis within the 5-year period prior to the bill's enactment. Under the bill, a rulemaking agency could seek to reinstate a rule by carrying out a new rule-making process.

Estimated Federal cost: The costs of the legislation, detailed in Table 1, fall within multiple budget functions.

Basis of estimate: For this estimate, CBO assumes that H.R. 7198 will be enacted near the end of calendar year 2024, that the estimated amounts will be appropriated in each year, and that outlays will follow historical spending patterns.

If an agency fails to comply with the bill's requirements, the SBA would determine that the existing or proposed rule is no longer in effect or would not apply to small entities. Because CBO expects that federal agencies would generally comply with the bill's requirements, we estimate that any budgetary effects stemming from that change would be insignificant.

In addition, CBO estimates that implementing the bill would increase administrative costs for most agencies because they would need additional staff to carry out the bill's provisions.

TABLE 1.—ESTIMATED BUDGETARY EFFECTS OF H.R. 7198

	By fiscal year, millions of dollars—											
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2025–2029	2025–2034
	INCREASES IN DIRECT SPENDING											
Estimated Budget Authority .....	1	1	1	1	1	1	1	1	1	1	5	10
Estimated Outlays .....	1	1	1	1	1	1	1	1	1	1	5	10
	DECREASES IN REVENUES											
Estimated Revenues .....	*	*	*	*	*	—3	—1	—1	—1	—1	*	—7
	NET INCREASE IN THE DEFICIT FROM CHANGES IN DIRECT SPENDING AND REVENUES											
Effect on the Deficit .....	1	1	1	1	1	4	2	2	2	2	5	17
	INCREASES IN SPENDING SUBJECT TO APPROPRIATION											
Estimated Authorization .....	8	8	8	9	9	n.e.	n.e.	n.e.	n.e.	n.e.	42	n.e.
Estimated Outlays .....	6	8	8	9	9	n.e.	n.e.	n.e.	n.e.	n.e.	40	n.e.

n.e. = not estimated.  
\* = between –\$500,000 and zero.

Direct spending: The administrative costs of the Consumer Financial Protection Bureau, Federal Deposit Insurance Corporation, National Credit Union Administration (NCUA), and Office of the Comptroller of the Currency (OCC), are classified in the budget as direct spending. Two of those agencies, the NCUA and the OCC, collect fees from financial institutions to offset their costs; those fees are treated as reductions in direct spending.

Using information about the rulemaking activities of those agencies, CBO estimates that the increased administrative workload under H.R. 7198 would increase net direct spending for those independent agencies by \$10 million over the 2025–2034 period.

Revenues: H.R. 7198 also would affect revenues by increasing operating costs for the Federal Reserve System, which remits its net earnings to the Treasury; those remittances are classified as revenues in the federal budget. Based on the costs of similar activities, CBO estimates that the increased costs under the bill would reduce revenues by \$7 million over the 2025–2034 period.

Spending subject to appropriation: CBO estimates that implementing H.R. 7198 also would increase spending for agencies that are funded by annual appropriations. CBO estimates that agencies that produce large numbers of rules affecting small entities would need more staff to meet the bill's requirements.

CBO expects that the agencies most affected by the bill include the Departments of Agriculture, Education, Health and Human Services, Homeland Security, Labor, and Transportation, and the Environmental Protection Agency and Securities and Exchange Commission (SEC). Using information about similar activities, CBO estimates that the administrative costs for federal agencies to

implement H.R. 7198 would total \$35 million over the 2025–2029 period; any related spending would be subject to the availability of appropriated funds.

Under current law, the SEC is authorized to collect fees sufficient to offset its annual appropriations. Therefore, CBO estimates that the net budgetary effect of that commission's activities to implement H.R. 7198 would be less than \$500,000 over the 2025–2029 period, assuming appropriation actions consistent with the commission's authorities.

Finally, the requirement for the SBA to establish and carry out a process for small entities to request certification review would pose additional costs to that agency. Using information from the SBA, CBO estimates that those administrative costs would total \$5 million over the 2025–2029 period; any related spending would be subject to the availability of appropriated funds.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

Increase in long-term net direct spending and deficits: CBO estimates that enacting H.R. 7198 would not increase net direct spending by more than \$2.5 billion in any of the four consecutive 10-year periods beginning in 2035.

CBO estimates that enacting H.R. 7198 would not increase on-budget deficits by more than \$5 billion in any of the four consecutive 10-year periods beginning in 2035.

Mandates: If federal financial regulators increase annual fees to offset the costs of implementing the bill, H.R. 7198 would increase the costs of an existing private-sector mandate on entities required to pay those fees.

CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold established in the Unfunded Mandates Reform Act (UMRA) for private-sector mandates (\$200 million in 2024, adjusted annually for inflation).

The bill contains no intergovernmental mandates as defined in UMRA.

Previous CBO estimate: On December x, 2024, CBO transmitted a cost estimate for H.R. 7198, the Prove It Act of 2024, as ordered reported by the House Committee on Small Business on September 10, 2024. The two pieces of legislation are similar, and CBO's estimates of their budgetary effects are the same.

Estimate prepared by: Federal Costs: Julia Aman (for the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency), David Hughes (for the Consumer Financial Protection Bureau), Aurora Swanson (for the Small Business Administration and for federal agencies funded by annual appropriations); Revenues: Nathaniel Frentz; Mandates: Rachel Austin.

Estimate reviewed by: Justin Humphrey, Chief, Finance, Housing, and Education Cost Estimates Unit; Kathleen FitzGerald, Chief, Public and Private Mandates Unit; Christina Hawley Anthony, Deputy Director of Budget Analysis.

Estimate approved by: Phillip L. Swagel, Director, Congressional Budget Office.

Ms. HAGEMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota (Mr. FINSTAD).

Mr. FINSTAD. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I rise today in support of my bipartisan legislation, the Prove

It Act, which gives small businesses a seat at the table during the regulatory process and shields them from the most heavyhanded, one-size-fits-all regulations.

Government red tape has made it harder and more costly for Americans to start a business. For many, this hinders their opportunity to achieve the American Dream. For too long, D.C. bureaucrats have abused their power, trampling over the small businesses, which are the backbone of our communities.

Simply put, the Prove It Act gives teeth to the already-existing law, the Regulatory Flexibility Act, which is often ignored by Federal agencies in pursuit of their own political agenda.

Under RFA, agencies are required to complete an initial and final analysis of their regulations and certify that they will not have a significant impact on a substantial number of small entities. Unfortunately, in many cases, agencies have failed to meet the standards set out by the RFA and, in turn, have left our small business owners with the short end of the stick.

Throughout the last 4 years, the Biden-Harris administration has improperly certified dozens of regulations as not having a significant impact on a substantial number of small businesses.

Moreover, according to the American Action Forum, since 2009, Federal regulations have cost American taxpayers and businessowners \$2.3 trillion to comply with them and have added 985 million hours of paperwork for our small businesses to shoulder. The Biden administration alone has accounted for \$1.8 trillion of these costs and over 340 million paperwork hours.

With these compliance costs and paperwork hours skyrocketing, the Prove It Act is more important now than ever. Specifically, the Prove It Act will require Federal agencies to analyze both the direct and indirect costs their regulations would have on our small entities, create a way for small businesses to petition their chief advocate in government to review agencies' work and to make them prove that they are fully compliant with already-existing laws. If agencies fail to comply with the review process, small businesses would be exempt from the regulations in question.

Moreover, the bill ensures that small businesses can easily access pre-existing guidance documents via regulations.gov. If agencies failed to perform an already-required 10-year retrospective review, the regulations would be nullified, giving teeth to this requirement that currently is in statute.

Mr. Speaker, I include in the RECORD letters of support from the National Federation of Independent Business; Job Creators Network; National Stone, Sand & Gravel Association; National Association of Insurance and Financial Advisors; a coalition letter on Regulatory Flexibility Act reform signed by over 45 national associations; and a

May 21, 2024, letter from numerous Chambers of Commerce.

NFIB,

Washington, DC, February 1, 2024.

Hon. BRAD FINSTAD,  
U.S. House of Representatives,  
Washington, DC.

DEAR REPRESENTATIVE FINSTAD: On behalf of NFIB, the nation's leading small business advocacy organization, I write in support of the Prove It Act. This legislation would strengthen the requirements for agencies to analyze the impact of regulations on small businesses and increase small business engagement in the regulatory process.

NFIB members annually rate "unreasonable government regulation" as one of the top concerns facing small businesses. Unfortunately, the red tape and compliance burdens of small businesses continue to grow exponentially. According to a recent analysis, the total cost of federal regulations in 2022 was \$3.079 trillion. The study found that the average U.S. company pays roughly \$13,000 per employee to comply with federal regulations.

The pace of regulation has significantly increased over the last three years. As of January 26, 2024, President Biden had imposed more than \$454 billion of final rule costs and 279 million paperwork hours. These regulatory costs are massive. However, they pale in comparison to the proposed \$616 billion of regulatory costs and 191 million paperwork hours that are under development by the administration.

Small businesses often do not have compliance officers or lawyers to help navigate these massive new regulatory burdens. And existing laws like the Regulatory Flexibility Act (RFA) were enacted to minimize the disproportionate impact that federal regulations have on small businesses. However, as NFIB's 2023 found, agencies use loopholes in the RFA to underreport, minimize, or ignore the impact of regulations on small businesses.

This circumvention of the RFA is unacceptable and small businesses ultimately pay the regulatory price in forgone growth and opportunity. That is why legislation like the Prove It Act is so important. The Prove It Act seeks to address the loopholes in the RFA by increasing small business input in the regulatory process and strengthening the requirements for agencies to examine the impacts of regulations on small businesses.

NFIB supports the Prove It Act and urges Congress to promptly enact this legislation. Small businesses appreciate your continued leadership to reduce onerous regulatory burdens and red tape.

Sincerely,

JOSH MCLEOD,  
Director, Federal Government Relations  
NFIB.

JCN,  
Addison, TX, March 20, 2024.

Hon. JIM JORDAN,  
Chairman, Committee on the Judiciary,  
House of Representatives, Washington, DC.

Hon. JERROLD NADLER,  
Ranking Member, Committee on the Judiciary,  
House of Representatives, Washington, DC.

DEAR CHAIRMAN JORDAN, RANKING MEMBER NADLER, AND MEMBERS OF THE COMMITTEE: In advance of the Judiciary Committee's mark-up tomorrow, the Job Creators Network expresses its strong support for the "Prove It Act of 2024." JCN urges the Committee to pass this bipartisan legislation that would ensure federal agencies conduct meaningful reviews of the burden proposed rules would have on small business and hold them accountable if they do not.

JCN is a nonpartisan organization founded by entrepreneurs who believe that many gov-

ernment policies are getting in the way of the economic freedom that helped make this country prosperous.

JCN provides business leaders and entrepreneurs with the tools to become the voice of free enterprise in the media, in Congress, in state capitals, in their communities, and their workplaces—allowing them to hold politicians accountable to job creators and their employees.

The "Prove it Act of 2024" would help shield small businesses from executive overreach and provide Main Street with important tools to help contend with government overregulation.

According to the U.S. Small Business Administration's Office of Advocacy small businesses employ almost half—46.4 percent—of America's employees. Truly America's job creators, small businesses accounted for 62.7 percent of net new jobs from 1995 to 2021.

Despite their significant contributions to our nation's economy, small business owners get the short end of the stick when it comes to regulation—one size does not fit all.

It is well-documented that small business owners are disproportionately negatively impacted by regulation as compared to big businesses.

When it comes to regulation, it is important to remember that seventy-nine percent of small businesses have fewer than ten employees. Firms with fewer than ten employees do not employ attorneys, accountants, or human resource professionals. If they are lucky, they have someone to manage sales. As a practical matter that means that it is the small business owner who is tasked with those duties, many of which involve regulatory compliance.

Moreover, it is well-documented that small business owners spend more on regulation than larger businesses. Businesses with fewer than fifty employees pay \$14,700 per employee, as compared to \$13,890 per employee for medium-sized businesses, and \$12,200 per employee for large businesses.

Despite these realities, increasingly we see federal regulators view their legal obligation to assess small business impact of new regulations as nothing more than a "check the box" exercise. According to an investigation conducted by the House Committee on Small Business, many government agencies in Washington are "failing to properly implement" statutes intended to shield small businesses from overburdensome regulations.

For example, the Army Corps of Engineers has twice certified as not significantly impacting small businesses its proposal to redefine "waters of the United States" in a way that would require millions of landowners to get a federal permit before doing things as simple as moving mulch. Similarly, the Department of Labor had the audacity to certify its recent regulation that effectively converts most independent contractors into employees as a mandate with little impact on small business. These are just two of many examples where federal bureaucrats are not following the letter and spirit of the Regulatory Flexibility Act when it comes to protecting small businesses from one-size-fits-all regulation.

The "Prove it Act of 2024" fulfills a key pillar of the Job Creators Network's American Small Business Prosperity Plan—an eight-point policy blueprint—by reducing the regulatory burden on small businesses.

The "Prove it Act of 2024" would bolster existing law that federal agencies have been side-stepping at the expense of small businesses. It would hold agencies accountable by providing a meaningful opportunity for small businesses to challenge an agency certification that a proposed regulation would not impact a substantial number of small entities. And small businesses would be exempt

from any rule in which an agency fails to follow the law.

Small business regulatory protections are in dire need of restoration. Passage of the “Prove It Act of 2024” would be a step in the right direction. We commend the Committee for marking up this important legislation and urge its passage. It is time for our elected leaders in Washington to prioritize Main Street.

ALFREDO ORTIZ,  
CEO, Job Creators Network.

NSSGA,  
Alexandria, VA, February 29, 2024.

Hon. BRIAN FINSTAD,  
U.S. Congressman,  
Washington, DC.  
Hon. YADIRA CARAVEO,  
U.S. Congresswoman,  
Washington, DC.  
Hon. NATHANIEL MORAN,  
U.S. Congressman,  
Washington, DC.

DEAR CONGRESSMAN FINSTAD, CONGRESSWOMAN CARAVEO, AND CONGRESSMAN MORAN: I am writing on behalf of the over 400 members of the National Stone, Sand & Gravel Association (NSSGA), to express our strong support for the bipartisan Prove It Act that you recently introduced. The aggregates industry, like many others, has faced considerable challenges due to the increasing complexity and scope of federal regulations. These regulations often impose substantial direct and indirect costs on small businesses, which unlike larger entities, lack the resources to navigate these regulatory burdens effectively.

NSSGA represents the aggregates industry, including thousands of quarries, sand and gravel operations, and other related businesses nationwide. NSSGA members conduct over 9,000 operations and employ over 100,000 citizens to create 2.5 billion tons of aggregates each year. These raw materials are essential to rebuild and repair our country's aging infrastructure and assist our nation's goals in lowering the overall energy cost for families.

The Prove It Act represents a significant step forward in ensuring that small businesses, including those within the aggregates sector, are not unduly burdened by regulations that can stifle innovation, reduce job creation, and hamper economic growth. By requiring federal agencies to analyze the impact of their regulations on small entities and limit these impacts, the legislation aligns with our longstanding commitment to sensible, balanced regulatory frameworks that protect the environment and public safety without imposing unnecessary costs on businesses.

Moreover, the Act's provisions for creating mechanisms for small businesses to raise concerns and request reviews are especially important. These measures provide a vital avenue for our members to ensure that regulations are fair, transparent, and consider the unique challenges faced by small businesses. Ensuring easy access to guidance documents and direct communication channels with regulators will also greatly benefit small businesses by reducing compliance uncertainty and fostering a more cooperative regulatory environment.

We thank you for your leadership and commitment to protecting small businesses from overbearing regulations. The Prove It Act will help ensure that federal agencies fully consider the impact of their actions on small entities, promoting a healthier business environment and supporting the vital contributions of small businesses to our national economy.

We look forward to the passage of this important legislation and stand ready to sup-

port its implementation to ensure that it delivers meaningful benefits to the aggregates industry and all small businesses across the country.

Sincerely,

MICHELE STANLEY,  
Executive Vice President and  
Chief Advocacy Officer.

NAIFA,  
Arlington, VA, February 5, 2024.

Hon. BRAD FINSTAD,  
House of Representatives,  
Washington, DC.

DEAR REPRESENTATIVE FINSTAD: On behalf of the National Association of Insurance and Financial Advisors (“NAIFA”), I write in support of the Prove It Act. This legislation would strengthen the requirements for agencies to analyze the impact of regulations on insurance producers, registered representatives of broker-dealers, and financial advisors.

Founded in 1890 as The National Association of Life Underwriters, NAIFA is the oldest, largest, and most prestigious association representing the interests of financial professionals from every Congressional district in the United States. Our mission—empowering financial professionals and consumers with world-class advocacy and education—is the reason NAIFA has consistently and resoundingly stood up for agents and called upon members to grow their knowledge while following the highest ethical standards in the industry.

NAIFA members are Main Street financial professionals. NAIFA members—comprised primarily of insurance agents, many of whom are also registered Broker-Dealer representatives—serve primarily middle-market clients, including individuals and small businesses. Nine out of ten NAIFA members report serving middle-income individuals and families and 67 percent work with small businesses. A typical client's annual household income falls below \$150,000 for 69 percent of NAIFA members. In some cases, our members are the only financial advisor across multiple counties.

NAIFA members are also small business owners. Many of our members work in small firms—sometimes firms of one—with little administrative or back-office support. Often, their business practices are dictated by the broker-dealer with whom they work, including the format and provision of client forms and disclosures. They are also subject to transaction-level oversight and review by the broker-dealer.

The Prove It Act would require federal agencies to consider reasonably foreseeable indirect future costs of their proposed federal regulations as part of their Initial Regulatory Flexibility Analysis, where feasible. The proposed legislation also creates a process whereby small businesses and organizations representing small business can ask the Small Business Administration's Office of Advocacy to formally review a federal agency's certification that a proposed regulatory rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (RFA). This ensures small businesses will be able to raise concerns that a rule was improperly certified and have a third-party review and determine whether certification was proper.

The Prove It Act would also require that, for any guidance document or other relevant documents clarifying or interpreting any rule found by agencies to likely have a significant economic impact on a substantial number of small entities, agencies shall publish said documents, as determined by the agency, to Regulations.gov or similar website and allow for comments to ensure

small businesses can both easily access the resources and provide feedback or request additional clarity where needed.

The regulatory burden on insurance producers, registered representatives of broker-dealers, and financial advisors is often put in place without proper discussion or concern for the negative impact on the ability to conduct business or properly serve clients and consumers. Additionally, federal regulators often work to circumnavigate the RFA, which leads to a loss of growth and opportunity for these small businesses that represent Main Street America and make up an integral part of the community in which they work. That is why legislation like the Prove It Act is so important. The Prove It Act seeks to address the loopholes in the RFA by increasing small business input in the regulatory process and strengthening the requirements for agencies to examine the impacts of regulations on small businesses.

NAIFA offers its full support to the Prove It Act and urges Congress to promptly enact this legislation. Insurance Producers, the registered representatives of broker-dealers, and financial advisors appreciate your continued leadership to reduce unnecessary regulatory burdens and to allow these vital insurance professionals to continue to serve the best interest of their clients.

Sincerely,

MICHAEL W. HEDGE, JR.,  
Senior Director, Gov-  
ernment Relations,  
National Association  
of Insurance and Fi-  
nancial Advisors.

September 5, 2024.

Hon. ROGER WILLIAMS,  
Chairman, Committee on Small Business,  
House of Representatives, Washington, DC.

Hon. NYDIA VELÁZQUEZ,  
Ranking Member, Committee on Small Business,  
House of Representatives, Washington, DC.

DEAR CHAIRMAN WILLIAMS AND RANKING MEMBER VELÁZQUEZ: On behalf of millions of small businesses across the country, we write to thank you for prioritizing legislation to provide regulatory relief and reduce red tape for small businesses. We urge the Committee to advance legislation to strengthen the Regulatory Flexibility Act (RFA) and ensure the intent of the law is fulfilled.

Small businesses are concerned with the unprecedented pace of regulations coming from Washington. Over the last three and a half years, more than \$1.6 trillion in new regulatory costs and almost 300 million new paperwork hours have been imposed on the private sector. These new burdens fall disproportionately on small businesses that do not have lawyers and compliance officers to navigate complex regulatory issues.

In 1980, President Carter and Congress recognized the disproportionate impact of federal regulations on small businesses and unanimously approved the Regulatory Flexibility Act (RFA). The RFA sought to minimize the burdens on small businesses. However, in the 40-plus years since the RFA became law, agencies have found ways to disregard or avoid many of the requirements. In 2023, NFIB analyzed the Small Business Administration (SBA) Office of Advocacy's comment letters to federal agencies from January 2021 to January 2023 and found significant noncompliance with the RFA. Advocacy highlighted 28 instances where agencies failed to adequately examine the economic costs of regulations. Advocacy noted that agencies often improperly certify that rules will not have a significant economic impact on a substantial number of small entities. By doing so, agencies disregard the intent of the RFA, leaving small businesses subject to the one-size-fits-all regulatory environment the RFA sought to remedy.



The House Committee on Small Business recently issued a staff report examining agency compliance with the RFA. The Committee found that most agencies are failing to properly comply with the RFAs requirements and live up to the spirit of the law. These findings mirror the conclusions of NFIB's 2023 White Paper and highlight the need to close loopholes to ensure the intent of the RFA is fulfilled.

In response to these findings, the Committee has prioritized several legislative proposals to strengthen the RFA. One proposal, the bipartisan Prove It Act, would increase small business input in the regulatory process and ensure agencies are fully accounting for the impact of regulations on small businesses. Other proposals would increase the transparency and accountability of the regulatory process for small businesses.

On behalf of millions of small businesses, thank you for your attention to the disproportionate impact of regulations on small entities. We appreciate the Committee's focus on ensuring the intent of the RFA is fulfilled through legislation like H.R. 7198, the Prove It Act. We urge Congress to take swift action to reduce red tape for small businesses.

Sincerely,

Alliance for Chemical Distribution, American Bakers Association, American Bankers Association, American Chemistry Council, American Craft Spirits Association, American Exploration & Mining Association, American Hotel & Lodging Association, American Farm Bureau Federation, American Road & Transportation Builders Association, American Short Line and Regional Railroad Association, American Waterways Operators, Associated Builders and Contractors, Associated Equipment Distributors, Associated General Contractors of America, Can Manufacturers Institute, Energy Workforce & Technology Council, Independent Community Bankers of America, International Franchise Association, International Wood Products Association, Job Creators Network, National Asphalt Pavement Association.

National Association of Convenience Stores, National Association of Insurance and Financial Advisors, National Association of Manufacturers, National Association of Realtors, National Association of Wholesaler-Distributors, National Cattlemen's Beef Association, National Federation of Independent Business, National Fisheries Institute, National Funeral Directors Association, National Grocers Association, National Lumber & Building Material Dealers Association, National Mining Association, National Pork Producers Council, National Propane Gas Association, National Retail Federation, National Roofing Contractors Association, National Rural Electric Cooperative Association, National Small Business Association, National Stone Sand & Gravel Association, North American Association of Food Equipment Manufacturers, Owner-Operator Independent Drivers Association, Plumbing-Heating-Cooling Contractors—National Association, Precision Machined Products Association, PRINTING United Alliance, The Meat Institute, The Toy Association, Treated Wood Council, U.S. Chamber of Commerce, USA Rice.

MAY 21, 2024.

TO THE MEMBERS OF THE UNITED STATES HOUSE OF REPRESENTATIVES: The undersigned chambers of commerce strongly support H.R. 7198, the Prove It Act of 2024, and urge the House to consider this important legislation.

This bipartisan bill was introduced by Representatives Brad Finstad, Nathaniel Moran, and Yadira Caraveo and is co-sponsored by Representatives Mike Gallagher, Harriett

Hageman, Maria Salazar, David Valadao, and Carol Miller. H.R. 7198 was reported by the Judiciary Committee in March and would be a major step forward for small businesses that are harmed by excessive federal regulations.

American small business owners are job creators and innovators. While their contributions to their communities and to the American economy are enormous, they bear an unreasonably heavy burden when it comes to regulatory costs. The annual cost of complying with federal regulations has risen by \$465 billion since 2012 and now totals over \$3 trillion (12 percent of U.S. GDP). The per employee cost of \$12,800 for small businesses is 20 percent greater than the cost per employee at their larger competitors.

The Regulatory Flexibility Act—passed 44-years ago—was intended to correct the lopsided burden on small business and require that regulators tailor rules to meet government objectives while minimizing the burden on small businesses. Unfortunately, federal agencies too often exploit loopholes in the law to hide costs imposed on Main Street businesses and to ignore their feedback.

The Prove it Act of 2024 would close those loopholes and bring more transparency to the true costs of red tape on America's innovators, job creators, and community builders. The bill would also prevent agencies from ignoring small business input in their rush to finalize new federal regulations.

We urge expeditious House consideration of H.R. 7198, the Prove it Act.

Sincerely,

Alabama:

Chandler Chamber of Commerce, Coastal Alabama Business Chamber, Enterprise Chamber of Commerce, Mobile Chamber, Prattville Area Chamber of Commerce, SouthWest Mobile County Chamber of Commerce.

Alaska:

Alaska Chamber, Greater Fairbanks Chamber of Commerce, The Greater Juneau Chamber of Commerce.

Arizona:

Arizona Chamber of Commerce and Industry, Buckeye Valley Chamber of Commerce, Carefree Cave Creek Chamber of Commerce, Greater Flagstaff Chamber of Commerce, Greater Phoenix Chamber, Mesa Chamber of Commerce, Nogales Santa Cruz County Chamber of Commerce, Northwest Valley Chamber of Commerce, Peoria Chamber of Commerce, Prescott Valley Chamber of Commerce, Queen Creek Chamber of Commerce, Scottsdale Area Chamber of Commerce, Southwest Valley Chamber, Springerville-Eagar Regional Chamber of Commerce, Tucson Metro Chamber, West Valley Chamber of Commerce Alliance, Wickenburg Chamber of Commerce, Yuma County Chamber of Commerce.

Arkansas:

AR State Chamber/AIA, Holiday Island Chamber of Commerce, Little Rock Regional Chamber, Rogers-Lowell Chamber of Commerce.

California:

Anaheim Chamber of Commerce, Brea Chamber of Commerce, California Chamber of Commerce, Carlsbad Chamber of Commerce, Chatsworth Porter Ranch Chamber of Commerce, Chino Valley Chamber of Commerce, Colusa County Chamber of Commerce, Greater Bakersfield Chamber, Greater Coachella Valley Chamber of Commerce, Greater Conejo Valley Chamber of Commerce, Greater Grass Valley Chamber of Commerce, Greater Irvine Chamber of Commerce, La Mesa Chamber of Commerce, Laguna Hills Chamber of Commerce, Lodi District Chamber of Commerce, Murrieta/Wildomar Chamber of Commerce, Newport

Beach Chamber of Commerce, North San Diego Business Chamber, Oceanside Chamber of Commerce, Palm Desert Area Chamber of Commerce, Palos Verdes Peninsula Chamber of Commerce, Rancho Cordova Area Chamber of Commerce, San Diego Regional Chamber of Commerce, San Juan Capistrano Chamber of Commerce, Santa Barbara South Coast Chamber of Commerce, Santee Chamber of Commerce, South Bay Association of Chambers of Commerce, Tracy Chamber of Commerce, West Ventura County Business Alliance, Yorba Linda Chamber of Commerce.

Colorado:

Vail Valley Partnership.

Florida:

Coral Gables Chamber of Commerce, Daytona Regional Chamber of Commerce, Lakeland Chamber of Commerce, St. Johns County Chamber of Commerce, Visitor Information Center, The Greater Boca Raton Chamber of Commerce, Venice Area Chamber of Commerce.

Georgia:

Barrow County Chamber of Commerce, Inc., Cobb County Chamber of Commerce, Fayette County Chamber of Commerce, Habersham County Chamber of Commerce, Jackson County Area Chamber of Commerce, Murray County Chamber of Commerce, Newton Chamber of Commerce.

Hawaii:

Chamber of Commerce Hawaii, Kapolei Chamber of Commerce, Kauai Filipino Chamber of Commerce.

Idaho:

Twin Falls Area Chamber of Commerce.

Illinois:

Chamber630, Edwardsville/Glen Carbon Chamber of Commerce, GLMV Chamber of Commerce, Illinois Chamber of Commerce, Oak Lawn Chamber of Commerce, Quad Cities Chamber of Commerce, RiverBend Growth Association, Sauk Valley Area Chamber of Commerce, The Greater Springfield Chamber of Commerce, Western DuPage Chamber of Commerce.

Indiana:

Greater Lawrence Chamber of Commerce, Indiana Chamber of Commerce, South Bend Regional Chamber of Commerce, Wayne County Area Chamber of Commerce.

Iowa:

Cedar Rapids Metro Economic Alliance, Dubuque Area Chamber of Commerce, Iowa Association of Business and Industry.

Kansas:

Goddard Chamber of Commerce, Greater Topeka Chamber, Parsons Chamber of Commerce.

Kentucky:

Greater Louisville, Inc., Paducah Area Chamber of Commerce.

Louisiana:

Central Louisiana Regional Chamber of Commerce, Greenwood Chamber of Commerce, St. Tammany Chamber of Commerce, West Baton Rouge Chamber of Commerce.

Maine:

Boothbay Harbor Region Chamber of Commerce.

Maryland:

Maryland Chamber of Commerce, Salisbury Area Chamber of Commerce, Talbot County Chamber of Commerce, Washington County Chamber of Commerce.

Massachusetts:

Blackstone Valley Chamber of Commerce, Metro South Chamber of Commerce, Peabody Area Chamber of Commerce, United Regional Chamber of Commerce.

Michigan:

Barry County Chamber and Economic Development Alliance, Cadillac Area Chamber of Commerce, Detroit Regional Chamber, Grand Rapids Chamber, Hartland Area Chamber of Commerce, Lansing Regional

Chamber of Commerce, Michigan Chamber of Commerce, Michigan West Coast Chamber of Commerce, North Oakland Regional Chambers Association, Southwest Michigan Regional Chamber of Commerce, Three Rivers Area Chamber of Commerce.

**Minnesota:**

Albert Lea-Freeborn County Chamber of Commerce, Austin Area Chamber of Commerce, Brainerd Lakes Chamber of Commerce, Cannon Falls Area Chamber of Commerce, Eden Prairie Chamber of Commerce, FORWARD Worthington, Glenwood Lakes Area Chamber of Commerce, Greater Mankato Growth, Greater Stillwater Chamber of Commerce, 1-94 West Chamber of Commerce, Lonsdale Area Chamber of Commerce, Marshall Area Chamber of Commerce, Minnesota Chamber of Commerce, Princeton Area Chamber of Commerce & Tourism, Rochester Area Chamber of Commerce, Shakopee Area Chamber of Commerce, SouthWest Metro Chamber of Commerce, St. Cloud Area Chamber of Commerce, Tracy Area Chamber, Willmar Lakes Area Chamber of Commerce, Windom Area Chamber of Commerce, Winona Area Chamber of Commerce.

**Mississippi:**

Hancock County Chamber of Commerce.

**Montana:**

Billings Chamber of Commerce, Glasgow Area Chamber of Commerce & Agriculture, Inc., Missoula Area Chamber of Commerce, Montana Chamber of Commerce.

**Nebraska:**

Grand Island Area Chamber of Commerce, Kearney Area Chamber of Commerce Nebraska Chamber of Commerce, North Platte Area Chamber & Development Corporation, Washington County Chamber of Commerce.

**Nevada:**

Carson City Chamber of Commerce, Henderson Chamber of Commerce, Reno + Sparks Chamber of Commerce Vegas Chamber, White Pine Chamber of Commerce.

**New Hampshire:**

Business & Industry Association New Hampshire.

**New Jersey:**

New Jersey State Chamber of Commerce, The African American Chamber of Commerce of New Jersey.

**New York:**

Capital Region Chamber of Commerce, North Country Chamber of Commerce, Sullivan County Chamber of Commerce, The Business Council of NYS, Inc.

**North Carolina:**

Alamance Chamber of Commerce, Charlotte Regional Business Alliance, Greater Mount Airy Chamber of Commerce, Mint Hill Chamber of Commerce, Moore County Chamber of Commerce NC Chamber, The Caldwell Chamber.

**North Dakota:**

Greater North Dakota Chamber, The Chamber Grand Forks-East Grand Forks, Williston Area Chamber of Commerce.

**Ohio:**

Chillicothe Ross Chamber of Commerce, Huber Heights Chamber of Commerce, Ohio Chamber of Commerce, Toledo Regional Chamber of Commerce, Troy Area Chamber of Commerce, Zanesville-Muskingum County Chamber of Commerce.

**Oklahoma:**

State Chamber of Oklahoma, Tulsa Regional Chamber of Commerce.

**Oregon:**

Albany Area Chamber of Commerce, Bend Chamber of Commerce, Canby Area Chamber of Commerce, Gresham Area Chamber of Commerce, Lake County Chamber of Commerce, Oregon Business & Industry, Oregon State Chamber of Commerce, Roseburg Area Chamber of Commerce, Salem Area Chamber of Commerce, The Dalles Area Chamber of Commerce, Washington County Chamber of Commerce.

**Pennsylvania:**

Alle Kiski Strong Chamber, Blair County Chamber of Commerce, Chamber of Business and Industry of Centre County, Columbia Montour Chamber of Commerce, Greater Latrobe-Laurel Valley Regional Chamber of Commerce, Hanover Area Chamber of Commerce, Harrisburg Regional Chamber & CREDC, Huntingdon County Chamber of Commerce, Indian Valley Chamber of Commerce, Lancaster Chamber of Commerce and Industry, Pennsylvania Chamber of Business and Industry, Schuylkill Chamber of Commerce, Somerset County Chamber of Commerce, Southern Chester County Chamber of Commerce, TriCounty Area Chamber of Commerce, Venango Area Chamber of Commerce, Williamsport/Lycoming Chamber of Commerce, York County Economic Alliance.

**Rhode Island:**

Greater Newport Chamber of Commerce.

**South Carolina:**

Anderson Area Chamber of Commerce, Berkeley Chamber of Commerce, Charleston Metro Chamber of Commerce, Greater Hartsville Chamber of Commerce, Hilton Head Island-Bluffton Chamber of Commerce, South Carolina Chamber of Commerce

**South Dakota:**

South Dakota Chamber of Commerce and Industry.

**Tennessee:**

Lawrence County Chamber of Commerce, Tennessee Chamber of Commerce and Industry.

**Texas:**

Cedar Park Chamber of Commerce, Cuero Chamber of Commerce, Agriculture & Visitors Center, Denison Area Chamber of Commerce, Gainesville Area Chamber of Commerce, Greater Waco Chamber, Kaufman Chamber of Commerce, Kilgore Area Chamber of Commerce, Longview TX Chamber of Commerce, Metrocrest Chamber of Commerce, Nacogdoches County Chamber of Commerce, North Texas Commission, Rowlett Chamber of Commerce, Texas Association of Business, United Corpus Christi Chamber of Commerce.

**Utah:**

Cedar City Chamber of Commerce, ChamberWest Chamber of Commerce, Davis Chamber of Commerce, Salt Lake Chamber, South Valley Chamber of Commerce, Utah Pacific Islander Chamber.

**Virginia:**

Central Fairfax Chamber of Commerce, Hampton Roads Chamber, Loudoun County Chamber of Commerce, Virginia Chamber of Commerce.

**Washington:**

Burlington Chamber of Commerce, Covington Chamber of Commerce, Economic Alliance Snohomish County, Greater Lake Stevens Chamber of Commerce, Mercer Island Chamber of Commerce, Thurston County Chamber of Commerce.

**Wisconsin:**

Beaver Dam Area Chamber of Commerce, Heart of Wisconsin Chamber of Commerce, Rice Lake Area Chamber of Commerce, Wisconsin Manufacturers & Commerce.

**Wyoming:**

Campbell County Chamber of Commerce, Greater Cheyenne Chamber of Commerce, Jackson Hole Chamber of Commerce, Lander Chamber of Commerce, Rock Springs Chamber of Commerce, Wyoming State Chamber of Commerce.

Mr. FINSTAD. Mr. Speaker, the Prove It Act gives the hardworking American small businesses a voice in the regulatory process. It is time that we strengthen and empower our small business community rather than force them to comply with unnecessary and burdensome regulations.

Mr. Speaker, I thank Representative CARAVEO and Representative MORAN for partnering with me on this important legislation, and I urge all of my colleagues to vote in support of the Prove It Act.

Mr. NADLER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Mrs. LEE CARTER), the newest Member of the Judiciary Committee, proudly carrying on her mother's legacy.

Mrs. LEE CARTER. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in opposition to H.R. 7198, the Prove It Act of 2024, a bill that would vest the chief counsel of the Office of Advocacy within the Small Business Administration, which has been chronically underfunded—and I wish we were spending time on that instead of this bill—with enormous and unreviewable authority over agency rules.

More specifically, H.R. 7198 authorizes the chief counsel, unilaterally and without review, to exempt large parts of the business community from proposed rules if he or she determines that an agency did not properly consider how a proposed rule could affect small entities.

In doing so, this bill would empower large companies and undermine the regulatory process that keeps Americans safe by imposing a series of requirements on regulatory agencies.

As we all know, regulatory agencies play a critical role in our safety and well-being by writing rules designed to protect our food supply, environment, physical infrastructure, and more. These regulations safeguard the freedoms that all Americans enjoy.

While efforts to ease burdens on small businesses can be useful, they should not prevent regulators from doing their jobs in the public interests.

The Prove It Act, under the guise of helping all small businesses, would actually allow an unelected administrator within the SBA to circumvent congressional and agency intent with little oversight. It is simply unacceptable that we would task a single official in the SBA with unilateral and unreviewable authority to suspend new and existing protections and safeguards for large swaths of the economy, not to mention that it would also require agencies to jump through new, vaguely defined and nontransparent bureaucratic hoops, which would cause delays and uncertainty, all the while doing nothing to actually help small businesses.

In fact, the Coalition for Sensible Safeguards, consisting of over 200 labor, consumer, and environmental organizations, oppose this bill, including the AFL-CIO, Economic Policy Institute, and National Women's Law Center.

It is important to convey to the American people that this bill is also simply unnecessary. By law, agencies already take small businesses into account, and these small entities already



have power through the Office of Advocacy to champion their concerns.

Rules and protections are critical to ensuring the safety and soundness of virtually every facet of our lives, including clean air, clean water, safe toys that my children might use, safe cars while I drive my children to school, and safe workplaces for all of us.

Mr. Speaker, we should reject any efforts that would prevent agencies from issuing these lifesaving regulations. Therefore, I urge my colleagues to vote against H.R. 7198, the Prove It Act.

Ms. HAGEMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. MORAN).

Mr. MORAN. Mr. Speaker, I rise today to support H.R. 7198, the Prove It Act, a bipartisan piece of legislation to protect small businesses from the burdens of Federal regulations.

I was proud to join Congressman FINSTAD and Congresswoman CARAVEO in introducing this bill and to vote for it in the House Judiciary Committee.

This legislation puts teeth into the Regulatory Flexibility Act, which has been discussed today. In 1980, it required Federal agencies to take into consideration the direct and indirect impacts of their regulations on small and family businesses, but it is not being enforced today.

□ 1245

Effectively, there is no recourse to those businesses under the Regulatory Flexibility Act, which is why, in more than 75 percent of the cases, these new regulations actually completely ignore that Regulatory Flexibility Act or put a de minimis amount attached to the impact on small businesses.

We need teeth to that 1980 Regulatory Flexibility Act, and the Prove It Act will do just that. It will change what has not been done in the past, and it will restore power to small businesses today to push back against new regulations.

Today, small businesses pay seven times more per employee than medium-sized businesses to stay compliant with Federal regulations. They don't have the resources to keep pace with the ever-growing burdens imposed by the heavy hand of the government.

I am amazed that I am hearing from the opposition words like "delay," "burden," and "uncertainty" as it relates to the Federal Government. I am more concerned with the delays, burden, uncertainty, and inadequate resources that exist for small businesses to respond to these new regulations.

Federal agencies seem to ignore the reality and harm that these regulations cause, which only further discourages American innovation and small business growth.

The Prove It Act empowers small businesses to petition the Small Business Administration to review proposed Federal regulations and gives them the tools to challenge unnecessary regulation imposed upon them, which they do

not have today. It brings more accountability and transparency to the work of government agencies and reaffirms our commitment to stand with small business.

If we are going to stand on the side of government or small business, I choose to stand on the side of small business. Small businesses are, in fact, the backbone of our economy, and their innovation keeps the spirit of the American Dream alive.

Mr. Speaker, I urge my colleagues to vote "yes" on this legislation to support the crucial role small businesses play as drivers of economic growth and job creation. I urge my colleagues to support H.R. 7198, the Prove It Act.

Mr. NADLER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Colorado (Ms. CARAVEO).

Ms. CARAVEO. Mr. Speaker, I thank Ranking Member NADLER for yielding.

Mr. Speaker, I rise today in support of H.R. 7198, the Prove It Act. I also thank my colleagues, Congressman FINSTAD and Congressman MORAN, for working with me to run this bipartisan legislation.

Colorado has more than 600,000 small businesses owned by men and women who work hard day in and day out to provide for their families and serve our communities. Small business owners already face innumerable hurdles in pursuit of the American Dream, and burdensome regulations only add to their challenges.

The repercussions of overregulation are long lasting, impacting our economy and communities from the moment they are implemented, particularly in the Front Range and northern Colorado.

Unfortunately, the requirement for analyzing both the direct and indirect costs imposed on small businesses has often not been satisfied by various Federal agencies. That is where our bill comes in.

This bill would allow small business owners to be heard when they feel the Federal Government is imposing expensive roadblocks on them. It will shield small businesses from undue regulatory burdens and improve communication between small entities and Federal agencies.

Throughout my time in Congress, I have made it a point to engage with local small businesses directly through a series of roundtables throughout the Front Range and northern Colorado. These discussions highlighted the most pressing issues facing these small businesses, particularly the disproportionate impact excessive regulations have on their operations.

With the already razor-thin margins under which these small businesses operate, they need more of our help to thrive. As their Representative, I believe it is my duty to give a voice in Congress to our small businesses and ensure that they have a seat at the table in the regulatory process. Their views and priorities must be taken into consideration if we hope to foster a dynamic and robust economy.

Passing the Prove It Act means we can continue to support the small businesses that are driving our economy.

Mr. Speaker, again, I thank Representatives FINSTAD and MORAN for their work on this bipartisan legislation and for their diligent efforts to support our small businesses, and I urge my colleagues to support this effort.

Ms. HAGEMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. WILLIAMS).

Mr. WILLIAMS of Texas. Mr. Speaker, I rise today in support of H.R. 7198, the Prove It Act of 2024, introduced by Representative FINSTAD. In full disclosure, I am a small business owner.

The Prove It Act is an important piece of legislation that will give small business owners the ability to petition the government when an agency fails to actively account for regulations impacting their operations.

Over the past 4 years, the Biden administration has created an unbelievable amount of \$1.7 trillion in new regulations. The Committee on Small Business, which I chair, conducted a thorough investigation into how it was possible to achieve this unfortunate milestone. We discovered that many agencies are treating the Regulatory Flexibility Act, a law that is supposed to protect small businesses from the most costly regulations, like a check-the-box exercise. They do not uphold the spirit of the law, which is an important check on the administrative state.

The Prove It Act would close many of the loopholes being utilized by Federal agencies and give small businesses the ability for their choice and their voice to be heard when the system fails them.

Main Street America has been dealing with many different economic headwinds. Inflation and labor shortages alone have made it a challenge for small business to survive. Out-of-control regulations are just one more obstacle that businessowners must work to overcome.

My committee held over 13 hearings where we brought in real small business owners to discuss the impact regulations had on their operations. Every one of our witnesses said that taking time to understand and comply with the new mandates prevents them from focusing on their core operations: giving service and selling product.

These small businesses are the economic engines of the country, and we must do all we can to support their continued success. The Prove It Act takes important steps in ensuring that agencies comply with the intent of the RFA and fully consider small businesses in the rulemaking process.

Mr. Speaker, I strongly urge my colleagues to support H.R. 7198.

Mr. NADLER. Mr. Speaker, over 200 labor, consumer protection, and environmental organizations oppose H.R. 7198, the Prove It Act.

Mr. Speaker, I include in the RECORD letters of opposition from the Coalition

for Sensible Safeguards, Earthjustice, and Public Citizen.

COALITION FOR  
SENSIBLE SAFEGUARDS,  
December 4, 2024.

REPRESENTATIVE MIKE JOHNSON,  
*Speaker, House of Representatives,*  
*Washington, DC.*

REPRESENTATIVE HAKEEM JEFFRIES,  
*Democratic Leader, House of Representatives,*  
*Washington, DC.*

DEAR SPEAKER JOHNSON AND DEMOCRATIC LEADER JEFFRIES: The Coalition for Sensible Safeguards (CSS), an alliance of over 200 labor, scientific, research, good government, faith, community, health, environmental, and public interest groups, is writing regarding the House of Representatives' consideration of the Prove It Act of 2024, H.R. 7198 which CSS strongly opposes.

The Prove It Act would expand the authority of the Small Business Administration's Office of Advocacy while failing to address fundamental flaws of the Regulatory Flexibility Act. This bill would slow down the regulatory process and empower an office that has been neither appropriately focused on small business concerns nor adequately transparent in how it conducts its actions.

The ostensible purpose of the Regulatory Flexibility Act is to ensure that small businesses continue to play a role in the U.S. economy. In practice, though, the implementation of the Regulatory Flexibility Act has failed to achieve this basic purpose, as it has instead been wielded as a blunt weapon to weaken regulatory requirements for firms of all sizes, often at the behest of large corporations and the trade associations they dominate.

The result is that protections of public health, safety, and the environment have been sacrificed without substantially improving the competitive position of small businesses in their respective industrial sectors relative to that of larger firms. These flaws are most apparent in the Regulatory Flexibility Act's burdensome analytical requirements, which are designed to weaken regulatory safeguards rather than promote small business competitiveness. H.R. 7198 does not fix this basic problem, however. Instead, it would expand those analytical requirements and make them more onerous.

The Prove It Act would enhance the authority of the Small Business Administration's Office of Advocacy in harmful ways. H.R. 7198, in Section 2(a)(3), would allow for endless petitions from "Any small entity, group of small entities, or organization representing the interests of small entities" that challenge a rulemaking agency's certification that its rule would not have a significant economic impact on a substantial number of small entities. In many cases, these petitions would trigger burdensome hearings conducted by the Chief Counsel for the Office of Advocacy, after which the Chief Counsel could then force the rulemaking agency to retract the certification and instead perform the full suite of burdensome analyses mandated by the Regulatory Flexibility Act. The bill also provides for expanded judicial review opportunities against agency certifications, which would further tie up rulemakings in wasteful and time-consuming litigation.

We urge members of the House of Representatives to consider reforms that would instead place greater constraints on the Office of Advocacy to ensure that it is actually helping, rather than harming, small businesses. A scathing 2014 report by the Government Accountability Office (GAO) found significant deficiencies in the Small Business Administration's Office of Advocacy's compliance with its own internal procedures

when it intervenes in regulatory actions or engages in commissioning research on regulatory costs to small businesses. Of greatest relevance, GAO found that: (1) the Office had no policies dictating when individual staff should intervene in individual rulemakings, making it susceptible to improper industry influence; and (2) the Office repeatedly cited small business input in its regulatory comments but could provide no evidence or documentation supporting this input.

Evidence has also demonstrated the extent to which the Office of Advocacy has been captured by regulated industry. The Office has often worked with large trade associations to weaken rules in ways that benefit large businesses, at the expense of small ones. These interventions have the effect of harming small businesses, contrary to the Office's statutory mission. Nevertheless, this bill would give the Small Business Administration's Office of Advocacy even greater authority to intervene in and block agency rules.

Additionally, the Prove It Act would further delay needed regulatory actions—causing real harm to public health and safety and the environment—without improving the quality of agency decision-making. Numerous studies have demonstrated how existing regulatory analyses, and procedural requirements contribute to extensive delays of agency rulemaking. These studies confirm that existing Regulatory Flexibility Act requirements are among the biggest contributors to these delays. By creating new analytical and procedural requirements, this bill would only worsen those delays. These additional delays are unjustifiable because they do not result in better regulatory decisions.

Finally, the bill would empower the federal judiciary to block regulations by making agency compliance with its new analytical and procedural requirements judicially reviewable. This would provide judges with an additional new tool for blocking needed public protections.

Providing the Small Business Administration's Office of Advocacy with more authority to block, delay, or weaken new regulatory safeguards, without enacting the significant reforms recommended by GAO and others, will leave the public even more at risk to health, safety, and economic security threats. The numerous petitions, time-consuming hearings, and expanded judicial review that this legislation would allow will thwart needed protections while failing to help small businesses with better designed regulations.

CSS urges the House of Representatives to oppose the Prove It Act and encourages the Committee to evaluate proposals that offer real and meaningful reforms to strengthen the regulatory process, such as H.R. 1507, the Stop Corporate Capture Act.

We hope to work with the House of Representatives to ensure that our regulatory process is working effectively and efficiently to protect the American public.

We strongly urge opposition to the Prove It Act of 2024, H.R. 7198.

Sincerely,

RACHEL WEINTRAUB,  
*Executive Director, Coalition*  
*for Sensible Safeguards.*

EARTHJUSTICE,  
*Washington, DC, November 26, 2024.*

Hon. MIKE JOHNSON,  
*Speaker, House of Representatives,*  
*Washington, DC.*

Hon. HAKEEM JEFFRIES,  
*Democratic Leader, House of Representatives,*  
*Washington, DC.*

DEAR SPEAKER JOHNSON AND LEADER JEFFRIES: On behalf of Earthjustice, I strongly urge you to oppose H.R. 7198, the Prove It

Act, which would further a dangerous deregulatory agenda to restrict federal agencies from protecting our environment, health, safety, workforce, and civil rights.

The Prove It Act is an unnecessary deregulatory legislative proposal that seeks to address a problem already addressed by existing Federal law. Proponents of the bill believe small businesses are not allowed enough opportunities to engage directly with agencies to impact the policies, ultimately limiting and hindering their ability to conduct business, create jobs, and compete with larger corporations. The narrative that the rulemaking process leaves small businesses little to no opportunity to address potential economic impacts and engage directly is inaccurate and perpetuates dangerous deregulatory propaganda.

Despite being debilitating underfunding, Agencies are charged with complying with overarching federal requirements that consider impacts on all industries, including small businesses. Agencies, when proposing new rules, are legally bound by the constraints of the authorizing statute passed by Congress, the Administrative Procedure Act, providing appropriate notice and comment opportunities to the public, listening to the public and regulated entities (including small businesses), and carefully reviewing all submitted comments. Small businesses are provided multiple avenues to engage in the rulemaking process and compliance resources through state and federal government offices, including the US Small Business Administration. Businesses can use the Office of Advocacy and the Office of the National Ombudsman within the U.S. Small Business Administration (SBA) to address compliance concerns, make regulatory reform recommendations, and handle enforcement issues.

H.R. 7198 is a tool to help polluting corporations limit their compliance responsibilities and unfairly shift the cost of business to the public. Like other past attempts, this bill seeks to expand the scope of authority of the Regulatory Flexibility Act, which would increase unnecessary and lengthy regulatory delays and encourage costly litigation. The Regulatory Flexibility Act (RFA) already requires agencies to consider alternatives to proposed regulations to limit economic burdens to small entities while still achieving the desired regulatory goals. Agencies must conduct initial regulatory flexibility analysis, assessing potential impacts on small entities and consider the feedback provided by small entities during the rulemaking process. This bill would cost additional resources and time by allowing small entities to require duplicative regulatory analysis to rules they would rather not comply with.

Most concerning are the provisions of H.R. 7198, which allow any small entity or organization representing a small entity to petition the Chief Counsel of Advocacy for the Small Business Administration to direct any agency to adopt a new determination of the economic impact on small businesses. If the agency does not do so or "in any other way fails to assist the Chief Counsel," the rule will be ineffective and invalidated for all small entities.

Regulations are vital to the public and small businesses, yielding many benefits that outweigh the costs. H.R. 7198 act seeks to delay these public protections at the detriment of the environment and the public, yielding health and environmental benefits for all who live here. While regulations are associated with compliance costs and administrative burdens, they can also provide significant benefits to small businesses, including but not limited to bolstering consumer confidence in their products and services,

leveraging the playing field by setting standards all must meet, including larger competitors and preventing monopolies or unsafe work environments, access to certain kinds of federal contacts, and limiting legal liabilities related to workplace safety or product safety issues.

For all the reasons stated above, H.R. 7198 should be opposed.

Thank you for your consideration.

BRIELLE L. GREEN,  
Senior Legislative Counsel,  
Earthjustice.

PUBLIC CITIZEN

Washington, DC; December 4, 2024.

Hon. MIKE JOHNSON,  
Speaker, House of Representatives,  
Washington, DC.

Hon. HAKEEM JEFFRIES,  
Democratic Leader, House of Representatives,  
Washington, DC.

DEAR SPEAKER JOHNSON AND DEMOCRATIC LEADER JEFFRIES: On Thursday, December 5, the House of Representatives will be considering the Prove it Act of 2024, H.R. 7198. While Public Citizen opposes H.R. 7198, this letter does not focus on Public Citizen's concerns regarding that bill which are outlined in a separate letter submitted to the members of the House from the Coalition for Sensible Safeguards which Public Citizen co-chairs. Instead, this letter is intended to provide information that we believe will help assess the current Administration's compliance with the Regulatory Flexibility Act (RFA) as compared to prior Administrations. As the government data we cite below shows, the current Administration has complied with the RFA to a far greater degree than the previous Administration. Thus, any claims that the current Administration is not complying with the RFA are not supported, and in fact contradicted, by the government data we are sharing with members of the House.

One of the most telling indications whether an Administration is in compliance with the RFA comes from the number of so-called "SBREFA" panels that an Administration has conducted as compared to previous Administrations. Under the Small Business Regulatory Enforcement Fairness Act (SBREFA), three agencies, the Environmental Protection Agency (EPA), the Occupational Safety and Health Administration (OSHA), and the Consumer Financial Protection Bureau (CFPB) are required to conduct small business review panels prior to proposing regulations that will have a "significant impact on a substantial number of small entities." The Small Business Administration's Office of Advocacy (SBA Advocacy) plays a central role in identifying small businesses to serve on the panel and collect their feedback. SBREFA amended the RFA to require these panels in order to provide small businesses an opportunity to express concerns to these three agencies when one of their regulations significantly impacts small businesses. To be clear, these three agencies have put in place regulations that have been among the most beneficial in protecting the public.

Our analysis of the number of SBREFA panels that occurred from the Obama Administration through the current Administration reveals a clear pattern of robust compliance with the RFA under the Obama and Biden Administrations with the opposite being the case under the Trump Administration. According to data from SBA Advocacy's website, there were a total of 31 SBREFA panels completed under the Obama Administration. By contrast, there were a total of only 3 SBREFA panels completed under the entire Trump Administration. Under the current Administration, there

have already been 22 SBREFA panels completed. Thus, the three agencies subject to SBREFA completed a total of 53 panels during the Obama and Biden Administrations, but only 3 panels during the Trump Administration.

Such a significant disparity in the number of SBREFA panels under the current and previous two Administrations should be concerning to the Committee as it gives the strong appearance that the SBREFA panel process is hardly neutral but rather is one-sided in practice by only seeking feedback from small businesses when the three agencies subject to SBREFA promulgate new regulatory protections but not when those regulatory protections are rolled back. The Committee should ensure that when small businesses face a less stable regulatory environment and more regulatory uncertainty due to regulatory rollbacks, the SBREFA panel process is reflecting those concerns as intended.

Additionally, Public Citizen urges Congress to conduct robust oversight of SBA Advocacy due to longstanding concerns that Advocacy has ignored certain small business viewpoints, namely those that support federal regulations, while favoring other small business viewpoints, namely those that oppose federal regulations, in an unbalanced and asymmetric fashion. While claiming to be "independent," there is considerable evidence that Advocacy is in reality acting in a partisan and ideological manner by consistently scrutinizing and expressing concerns about new federal regulations that protect the public while doing the opposite when those regulations are rolled back. Certainly, the data regarding the number of SBREFA panels across recent Administrations strongly supports the need for oversight from the Committee.

We hope members of the House of Representatives will find this information helpful as it assesses claims regarding the current Administration's compliance with the RFA and considers H.R. 7198 predicated on the false belief that the current Administration is failing to comply with the RFA. Public Citizen stands ready to assist Congress in any potential oversight of agency compliance with the RFA and whether SBA Advocacy is properly carrying out its responsibilities under the RFA in a neutral and unbiased fashion.

Sincerely,

LISA GILBERT,  
Co-President, Public Citizen.

Mr. NADLER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio (Mr. LANDSMAN).

Mr. LANDSMAN. Mr. Speaker, I rise today to oppose the bill, not because I don't want to see a whole host of reforms as it relates to helping our small businesses but because it does not exclude the big corporations from exploiting this bill to seize more and more of our power and wealth. I think people are very frustrated with just how much wealth and power has been consolidated among a sliver of Americans and a few big corporations.

For that reason, at the appropriate time, I will offer a motion to recommit this bill back to committee. If the House rules permitted, I would have offered this motion as an amendment to focus the same kind of thinking on our veterans.

As part of the VA Committee and working with our veterans and our VA back home, I have become increasingly

frustrated with the layers of bureaucracy that slow down care for our veterans or prevent care for our veterans. My amendment would provide an exemption to this bill for rules that are determined to have substantial beneficial effects on veterans and veteran programs.

Mr. Speaker, I ask unanimous consent to insert the text of this amendment into the RECORD immediately prior to the vote on the motion to recommit.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LANDSMAN. Mr. Speaker, I hope my colleagues will join me in voting for the motion to recommit.

Ms. HAGEMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. STAUBER).

Mr. STAUBER. Mr. Speaker, I rise to speak in favor of H.R. 7198. I will start by thanking my good friend and colleague from Minnesota, Representative BRAD FINSTAD, for his leadership with this legislation.

Small businesses are the lifeblood of our economy. They are the innovators, job creators, and backbone of our communities.

In my home State of Minnesota, small businesses account for over 99 percent of all businesses and employ more than half of all of our workforce. When small businesses succeed, America succeeds.

Unfortunately, we have seen time and time again how the Biden-Harris administration has failed to prioritize these small businesses. Instead, it has burdened them with an avalanche of costly and unnecessary regulations, leaving businessowners to navigate a maze of red tape with little regard for their challenges.

These regulations have a real and negative impact on entrepreneurs, making it harder for them to succeed and grow. It is clear: Small businesses need a stronger voice in the regulatory process.

We have the tools to stop overregulation, but those tools need to be accessible, especially for the smallest of businesses. We must provide clear and accessible pathways for small businesses to hold Federal agencies accountable for the regulations they impose.

That is why I am proud to cosponsor my fellow Minnesotan's bill. This bill gives small businesses the ability to challenge agency regulations and forces agencies to be transparent about how their regulations will affect small business owners.

By holding agencies accountable and requiring transparency, we ensure that small businesses aren't left behind when new regulations are created. This is a critical step in ensuring that any regulation created in Washington is shaped with a clear understanding of the real-world impact. By supporting this legislation, we can help small businesses thrive and continue to drive our economic growth.

Mr. Speaker, I urge my colleagues to vote “yes” on H.R. 7198. Let’s ensure small businesses are heard and their concerns are addressed.

Mr. NADLER. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Ms. VELÁZQUEZ), the distinguished ranking member of the Committee on Small Business.

Ms. VELÁZQUEZ. Mr. Speaker, I rise in opposition to H.R. 7198, the Prove It Act.

Part of the role of the Small Business Committee is to recognize the impact regulations have on small businesses and work to find ways to balance the shared goal of minimizing the burdens and achieving the intended effects of regulations.

Throughout our committee hearings, we have heard that agencies have been better about considering the impact of their rules on small entities since the passage of the Regulatory Flexibility Act.

Another tool at our disposal is the ability of advocacy to convene SBREFA panels to give small businesses an opportunity to provide input at the beginning of the rulemaking process and when it is most important.

The Office of Advocacy has been working diligently to educate and train rule-writing staff about their responsibilities, and we have seen the fruits of their labor. The analysis agencies are conducting has improved significantly.

Yet, this bill ignores the current process. Instead of strengthening it to serve the interests of small employers, the bill we are considering today would bring our rulemaking process to a grinding halt.

It will also give big corporations a powerful new tool to delay and weaken rules, causing uncertainty and harm to small employers.

By creating an unworkable quasi-judicial process within the SBA’s Office of Advocacy for reviewing agency certifications, it allows any group that claims to represent small businesses to petition Advocacy to block rules that it doesn’t like.

The Prove It Act also requires agencies to conduct retrospective reviews based on the indirect costs identified in the initial analysis, without recognizing that agencies may have modified the rule during the rulemaking process.

Most concerning is the broad and unchecked authority of the chief counsel to announce that a rule is no longer effective if an agency fails to conduct a retrospective review. This means a small employer that came into compliance with an existing rule could see it eliminated and then possibly reinstated sometime in the future. This is counterproductive to what my colleagues state they are trying to achieve.

□ 1300

Finally, today’s bill implements another lengthy process without pro-

viding additional assistance to an under-resourced Office of Advocacy. If enacted, Advocacy will need to double its staff and, no surprise, this bill provides no additional resources.

CBO estimates that agencies and Advocacy will need an additional \$40 million over the next 5 years to implement this act, and that doesn’t include the \$17 million added to the Federal deficit.

Small employers need certainty, and this bill fails to provide it. It would only serve to cause undue chaos and confusion while achieving very little to help and support our Nation’s small employers. That is why I urge my colleagues to vote “no.”

Ms. HAGEMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. ELLZEY).

Mr. ELLZEY. Mr. Speaker, small businesses have been hit hard in the last 4 years by rising costs, supply chain problems, and heavy regulations. These businesses, which make up a large part of America’s economy, often bear the brunt of new Federal rules and regulations implemented by the Biden administration.

The Prove It Act, H.R. 7198, is designed to help small businesses push back when Federal agencies don’t follow the rules laid out in the Regulatory Flexibility Act, or the RFA.

This bill gives small businesses the power to challenge proposed regulations if an agency hasn’t fully or accurately considered how those rules would affect them. It also requires agencies to consider indirect costs when conducting a regulatory flexibility analysis, publish any follow-up guidance to the rule online, and periodically review the rule to ensure it still makes sense. If the agency does not adhere to these requirements, small entities are exempt from complying with the rule. It is about time.

While agencies are already required by the RFA to do this type of analysis, they are not required to make it public. The Prove It Act changes that, adding transparency and accountability to the process. If they are doing this analysis correctly, then there should be very little additional burden and no concern in making it public.

This legislation gives small businesses a greater say in the regulatory process and will help ensure that agencies do their due diligence when considering how harmful their regulations are to Main Street.

Mr. NADLER. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker, the Prove It Act is just the latest in a long line of Republican bills meant to undermine or block agency rulemaking. If this legislation is enacted, every single rule—past, present, and future—would be funneled for review through a single official in a chronically underfunded office within the Small Business Administration. This one person would be granted unreviewable and unilateral power to block or suspend lifesaving regulations

that ensure that we have clean air to breathe, clean water to drink, and safe food to eat.

I urge Members to oppose this dangerous legislation, and I yield back the balance of my time.

Ms. HAGEMAN. Mr. Speaker, I yield myself the balance of my time to close.

There are several points that I think need to be made in relation to this bill, but also to the obvious misunderstanding not only of what the bill does but of the rulemaking process and procedure that occurs under the Administrative Procedure Act in this country right now.

First of all, it applies to small businesses, not large businesses. By definition, it applies to small businesses. The allegation that this is going to somehow help these huge corporations is absolutely incorrect.

In addition to which, the Prove It Act does not authorize the SBA to review the substantive policy of any particular regulation. Again, any allegation that this would allow the SBA to address the substantive aspect of a regulation is again incorrect. If the agency has complied with the RFA, then the regulation will apply to small businesses as normal.

Here is something that I think is important. We often talk in the abstract about regulations and the regulatory impacts and regulatory agencies and unelected bureaucrats. Let’s just talk about a real-life situation for once. Let’s talk about what really happens when a regulation is adopted by an agency and the impact that it has on our small businesses.

Let’s use the USDA EID rule as an example. On November 5, the U.S. Department of Agriculture issued a rule mandating electronic identification ear tags on cattle and bison. It will place a substantial burden on small ranchers when it goes into effect.

The USDA, however, in assessing this rule, only completed a brief, two-page initial regulatory flexibility analysis, finding that using the Small Business Administration’s guidelines that the majority of cattle operations in the United States are considered small. In other words, the majority of our ranching operations are considered small businesses.

In 2013, when the USDA first considered imposing a rule like this, they estimated that the cost would be between \$1.2 and \$1.9 billion imposed against our small ranchers, yet in this latest analysis, they did a two-page RFA analysis. I can’t imagine that anyone on the other side of the aisle would actually believe that that is adequate considering the circumstances and the fact that so many of our ranchers will be financially broken by such a rule.

After acknowledging that the proposed rule would have a substantial impact on small businesses, the agency then conducted an insufficient analysis based upon outdated and incorrect information. This entire analysis relies on a cost estimate created by APHIS.

This estimate undervalues the cost to ranchers, and it has not even publicly disclosed how it calculated those costs.

This example of avoiding the RFA requirements resulted in the USDA ignoring the true cost of the rule and how the burden is shouldered by our small businesses.

The USDA and the ear-tag manufacturers are also wholly unprepared to alleviate the harm caused by the rule. In fact, many States have run out of the ear tags before even being able to provide them to the ranchers.

Under the Prove It Act, the USDA would be required to account for the additional, reasonably foreseeable indirect costs that are borne by ranchers because of this rule, costs that the USDA is currently ignoring.

The Prove It Act would give a voice to the ranchers and the organizations that represent them to point out the obvious flaws in APHIS's proposals, flaws which were ignored during the finalization of the rule.

I think it is also incredibly important to understand that we are passing this bill today to help small businesses understand the true cost of compliance with regulations and to force regulators to be transparent when crafting their regulations.

If this bill becomes law, regulators will have to come to terms with the enormous weight that they place on small businesses in the form of regulations. In fact, under the Biden-Harris administration, the regulatory burden in this country is approximately \$2.1 trillion a year. It is almost \$16,000 per household.

I cannot understand, for the life of me, why anyone on the other side of the aisle would not want the agencies to have to disclose the real cost of these regulations. Maybe it is because they don't want the American public to understand the costs imposed by unelected bureaucrats. In an ideal world, regulators would think twice before imposing massive costs on our small businesses that are the lifeblood of so many of our communities.

I also want to point out that the claim that this would slow down rulemaking is absolutely absurd. The Prove It Act is designed to ensure that agencies are complying with existing law, the Regulatory Flexibility Act, when they are crafting their regulations. Agencies must already comply with the RFA's requirements. They are just not doing it, and this is a law that would force them to meet that requirement.

The RFA has been the law since 1980. Why are we allowing these agencies to get away with ignoring the law as written by Congress?

No agency can credibly claim that compliance with the RFA, which Congress enacted, improperly slows down the rulemaking process.

I also want to point out the comment that this would result in a bottleneck created by these large corporations filing petition after petition after peti-

tion. Again, that argument is absurd. The claim that small businesses, large businesses, or trade associations would abuse the Prove It Act's petition mechanism is just simply misguided.

The Prove It Act gives a method for the chief counsel for advocacy at the Small Business Administration to dismiss any petition that lacks merit. Following an initial review, the chief counsel can close the petition without any further action if the case does not warrant it.

To be clear, big businesses are not allowed to petition the SBA under the Prove It Act. I would like to repeat that. Big businesses are not covered by this act.

Finally, the CBO score. The CBO score for this bill is clearly wrong. The generic language that the CBO cites does not remotely support its finding that this bill will increase the deficit. CBO claims that direct spending would increase by \$10 million, and Congress would need to appropriate an extra \$35 million to Federal agencies for them to do much of the same work that they were supposed to be doing for the last 40 years.

Every Federal agency that engages in rulemaking should already have the staff and resources on board to comply with the law. The Prove It Act simply requires the already existing staff perform some additional analyses to report on the reasonably foreseeable indirect costs of their regulations. This should be relatively straightforward for the personnel already tasked with the RFA analysis.

Finally, any agency that is burdened by the Prove It Act's requirements probably did not comply with the RFA in the first place.

One of the things that I find so interesting in these debates about our efforts to force transparency and good government provisions on our agencies is often this discussion that it is going to destroy the air and water, we are going to have sick kids, the toys are going to be destroyed, and everything is going to be dangerous. That is absolutely absurd, and it is a red herring.

There is nothing wrong with requiring our agencies to be transparent and up-front about the costs that they are imposing on our businesses when they adopt regulations. I am actually surprised that anyone would oppose the Prove It Act in light of what it is intended to do.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate on the bill has expired.

AMENDMENT NO. 1 OFFERED BY MS. VELÁZQUEZ

The SPEAKER pro tempore. It is now in order to consider amendment No. 1 printed in House Report 118-791.

Ms. VELÁZQUEZ. Mr. Speaker, I have an amendment at the desk.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Prove It Act of 2024".

#### SEC. 2. TRAINING ON COMPLIANCE WITH REQUIREMENTS OF THE REGULATORY FLEXIBILITY ACT.

Section 612 of title 5, United States Code, is amended—

(1) in the section heading, by striking "**and intervention rights**" and inserting "**, intervention rights, and training**"; and

(2) by adding at the end the following new subsection:

"(d) Not less frequently than once every 4 years, the Chief Counsel for Advocacy of the Small Business Administration shall provide training on compliance with the requirements of this chapter for any agency employee who writes, reviews, approves, or analyzes regulations or guidance documents."

The SPEAKER pro tempore. Pursuant to House Resolution 1602, the gentlewoman from New York (Ms. VELÁZQUEZ) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York.

Ms. VELÁZQUEZ. Mr. Speaker, let me begin by reiterating that as the ranking member of the Small Business Committee, I recognize the impact of regulations, and I have worked to find ways to balance the shared goal of minimizing the burdens while achieving the intended effects of regulations.

The Prove It Act doesn't strike that appropriate balance. It allows big corporations to block, delay, and weaken rules. Yes, the Chamber of Commerce or NFIB could file a petition and doesn't have to identify the business that they are representing, causing uncertainty and harm to small employers. It also gives unchecked authority to the SBA's chief counsel and tasks an understaffed and under-resourced Office of Advocacy with a cumbersome and lengthy review process.

That is why I am offering a common-sense solution. My amendment will require the Office of Advocacy to train agencies on how to comply with their Regulatory Flexibility Act.

Key personnel at every rule-writing agency would be required to undergo RFA training once every 4 years. We have heard from Advocacy that when agencies have a better understanding of the RFA, it leads to more meaningful consideration of small businesses throughout the rulemaking process. Advocacy has been working diligently to train staff, and we have seen the fruits of their labor year after year.

Their training programs have made a significant difference in the rule-writing process, and requiring ongoing training will only lead to more success. Agencies have shared draft documents with Advocacy early in the rulemaking process, and Advocacy has worked to help agencies obtain reliable small business data. Their training program has led to much better analysis, and in many instances enhanced the factual basis for agency certifications or led to modifications to reduce the impact to small firms.

Mr. Speaker, we need to foster a constructive working relationship between

Advocacy and Federal agencies rather than create an adversarial one. This amendment will ensure that Advocacy reaches all agencies on RFA compliance on a regular basis.

Mr. Speaker, I urge Members to support my amendment, and I reserve the balance of my time.

□ 1315

Ms. HAGEMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the amendment.

This amendment simply strikes the entire bill and replaces it with a training mandate. Claiming that training is all that is necessary to help agencies comply with their obligations under the RFA completely ignores the problems that the Prove It Act is going to solve.

The Small Business Administration already offers training sessions for regulators and has done so for over 20 years. According to the SBA, they held nine training sessions and trained 139 Federal officials in 2023 alone.

Further, the SBA has already trained personnel at nearly every Federal agency and department since 2003. Despite this training, however, in 2023, SBA sent 46 letters to agencies across government outlining the deficiencies in their RFA analysis. In 30 cases, the SBA found that agencies conducted inadequate analysis of small business impacts.

What this means is that during the rulemaking process for 30 rules, agencies did not comply with already existing law despite the SBA training they likely received.

Mr. Speaker, I urge my colleagues to vote against this amendment, and I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield back the balance of my time.

Ms. HAGEMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there are a few more points I would like to make.

Despite SBA's best efforts to help agencies comply with their obligations under the RFA, those efforts are being ignored. Agencies have had 40 years to develop the experience and expertise necessary to comply with the Regulatory Flexibility Act and still regularly come up short.

The claim that training is the answer is simply an attempt to distract from the importance of the Prove It Act. If we adopt this amendment and training is mandated instead of adopting the Prove It Act's provisions, nothing will change. Small businesses around the country will still be harmed by regulatory agencies blatantly ignoring their obligations under the RFA and discounting the costs of regulations.

The only legitimate solution is to adopt the Prove It Act, which strengthens the RFA and creates mechanisms to force regulatory agencies to comply with the law.

Mr. Speaker, I urge my colleagues to oppose this amendment, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. RULLI). Pursuant to the rule, the previous question is ordered on the bill and on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ).

The question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ).

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Ms. VELÁZQUEZ. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings will be postponed.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or votes objected to under clause 6 of rule XX.

The House will resume proceedings on postponed questions at a later time.

#### SWANSON AND HUGH BUTLER RESERVOIRS LAND CONVEY- ANCES ACT

Mr. WESTERMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8413) to provide for the conveyance of certain Federal land at Swanson Reservoir and Hugh Butler Reservoir in the State of Nebraska, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 8413

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Swanson and Hugh Butler Reservoirs Land Conveyances Act".

#### SEC. 2. DEFINITIONS.

In this Act:

(1) **FAIR MARKET VALUE.**—The term "fair market value", with respect to a specified property right, means the most probable price, as of a specified date, in cash, terms equivalent to cash, or other precisely revealed terms, for which the specified property right should sell after reasonable exposure in a competitive market under all conditions requisite for a fair sale, with the buyer and seller each acting prudently, knowledgeably, and in the self-interest of the buyer or seller, as applicable, and assuming that the buyer and seller are not under undue duress.

(2) **FRONTIER COUNTY.**—The term "Frontier County" means Frontier County, Nebraska, acting through the Board of Commissioners of Frontier County.

(3) **HITCHCOCK COUNTY.**—The term "Hitchcock County" means Hitchcock County, Nebraska, acting through the Board of Commissioners of Hitchcock County.

(4) **HUGH BUTLER RESERVOIR.**—The term "Hugh Butler Reservoir" means the Hugh Butler Lake and Red Willow Dam constructed as part of the Pick-Sloan Missouri

Basin Program, Frenchman-Cambridge Division, as authorized by section 9 of the Act of December 22, 1944 (commonly known as the "Flood Control Act of 1944") (58 Stat. 891, chapter 665).

(5) **LAKEVIEW LODGE MANAGEMENT AGREEMENT.**—The term "Lakeview Lodge Management Agreement" means the management agreement entitled "Management Agreement between the Bureau of Reclamation, et al., for the Development, Operation, and Maintenance of a Concession Operation at Swanson Reservoir, Nebraska", numbered 23-LM-60-4160, and dated November 1, 2023.

(6) **LAKEVIEW LODGE PERMITTED CONCESSION LAND.**—The term "Lakeview Lodge Permitted Concession Land" means the approximately 21.5 acres of land and water for the operation of a public concession at Swanson Reservoir, as generally depicted on the map prepared by the Bureau of Reclamation entitled "Lakeview Lodge Concession Boundary" and dated August 2023.

(7) **RED WILLOW MANAGEMENT AGREEMENT.**—The term "Red Willow Management Agreement" means the management agreement entitled "Management Agreement between the Bureau of Reclamation, et al., for the Development, Management, Operation, and Maintenance of a Concession Operation at Hugh Butler Reservoir, Nebraska", numbered 24-LM-60-5155, and dated March 7, 2024.

(8) **RED WILLOW PERMITTED CABIN LAND.**—The term "Red Willow Permitted Cabin Land" means the approximately 6.5 acres of land encompassing the 8 permitted cabin lots at the Hugh Butler Reservoir, as generally depicted on the map prepared by the Bureau of Reclamation entitled "Red Willow Cabin Map" and dated March 2024.

(9) **RED WILLOW PERMITTED CONCESSION LAND.**—The term "Red Willow Permitted Concession Land" means the approximately 23 acres of land and water for the operation of a public service concession at the Hugh Butler Reservoir, as generally depicted on the map prepared by the Bureau of Reclamation entitled "Red Willow Concession Boundary" and dated August 2023.

(10) **REQUESTED FEDERAL LAND.**—The term "requested Federal land" means each of the following parcels of land, or any subset of those parcels, with respect to which a title transfer agreement is executed:

(A) The Lakeview Lodge Permitted Concession Land.

(B) The Red Willow Permitted Cabin Land.

(C) The Red Willow Permitted Concession Land.

(D) The Swanson Permitted Cabin Land.

(E) The Swanson Permitted Concession Land.

(11) **SECRETARY.**—The term "Secretary" means the Secretary of the Interior, acting through the Commissioner of Reclamation.

(12) **STATE.**—The term "State" means the State of Nebraska.

(13) **SWANSON MANAGEMENT AGREEMENT.**—The term "Swanson Management Agreement" means the management agreement entitled "Management Agreement between the Bureau of Reclamation, et al., for the Development, Management, Operation, and Maintenance of a Concession Operation at Swanson Reservoir, Nebraska", numbered 24-LM-60-5154, and dated April 19, 2024.

(14) **SWANSON PERMITTED CABIN LAND.**—The term "Swanson Permitted Cabin Land" means the approximately 6.2 acres of land encompassing the 11 permitted cabin lots at the Swanson Reservoir, as generally depicted on the map prepared by the Bureau of Reclamation entitled "Swanson Cabin Map" and dated March 2024.

(15) **SWANSON PERMITTED CONCESSION LAND.**—The term "Swanson Permitted Concession Land" means the approximately 20 acres of land and water for the operation of