



March 2, 2015

The Honorable Lamar Smith
2409 Rayburn Building
Washington, DC 20515

Dear Representative Smith:

On behalf of the Small Business & Entrepreneurship Council (SBE Council) and its 100,000 members, thank you for introducing the “Secret Science Reform Act of 2015” (H.R. 1030).

This important legislation is a needed and reasonable measure requiring that the Environmental Protection Agency (EPA) not propose, finalize, or disseminate any regulatory action unless all supporting scientific and technical information is identified and made available for independent analysis and substantial reproduction of research results. The explosive growth and impact of EPA’s rulemakings make H.R. 1030 even more critical, especially given the ambiguous and mystery science that is used as a basis for these regulatory proposals.

Small business owners, workers and the public must be confident that the uptick in costly EPA regulations have been vetted through a transparent and inclusive process, and are rooted in legitimate science.

Consider the controversy over the secretive process used to establish a highly speculative cost estimate called the “social cost of carbon” (SCC) to measure the benefits of reducing carbon emissions. This is a significant concern for small businesses given that EPA’s greenhouse gas regime will eventually cover the entire economy, including direct, negative impacts on manufacturing, oil and gas, and many other businesses. Smaller firms overwhelmingly populate these industries. For example, 75.3 percent of U.S. manufacturing employer firms have less than 20 workers, according to the latest Census Bureau data, and within the mining, quarry, and oil and gas

extraction sector, 82.9 percent of employer firms have less than 20 workers.

It is important to note that the general public has unease with the federal regulatory process. SBE Council's Center for Regulatory Solutions survey on regulation last year revealed widespread public concerns about how regulations are crafted and enacted:

- 72% said that government regulations are “created in a closed, secretive process.”
- 64% said that government regulations on business are “created in a way that does not consider their real-world impact.”
- 68% said that government regulations on business are “created by out-of-touch people who are trying to push a political agenda.”

The impact of regulatory costs on small businesses and how the America public views the regulatory process should push government officials to be transparent in all aspects of regulation. The “Secret Science Reform Act of 2015” is a valuable, simple reform measure that all members of Congress need to support.

Please let SBE Council know how we can help advance H.R. 1030 into law. Thank you for your leadership and support of America's entrepreneurs.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen Kerrigan". The signature is fluid and cursive, with the first name "Karen" and last name "Kerrigan" clearly distinguishable.

Karen Kerrigan
President & CEO

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Protecting Small Business, Promoting Entrepreneurship