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January 30, 2011

Chairman Darrell Issa
Committee on Oversight and Government Reform
2157 Rayburn House Office Building
Washington, DC 20515-6143

Dear Chairman Issa,

Duke Energy has long advocated for reasonable, workable and lowest cost regulation of our industry. Unfortunately, our power plants and other parts of our business face some of the most complex, overlapping and expensive regulations in the economy. We welcome your inquiry into regulations in general, and hope you will focus in part on the regulatory challenges facing the power sector.

We understand that you received responses from the Nuclear Energy Institute, the Edison Electric Institute (EEI) and the American Gas Association. These responses should help identify some of the key areas of concern for our industry. Also, as you know, the power sector currently faces a myriad of new environmental regulations under the Clean Air Act and other environmental statutes. Rather than list them individually we have attached a time line prepared by EEI which shows the various regulations and their expected date of impacts. Beyond this general list, we would draw your attention to three specific regulations that are of high concern to Duke Energy.

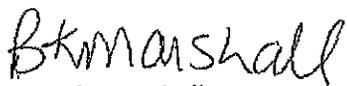
Section 316(b) of the Clean Water Act: EPA is expected to issue a proposed revised Section 316(b) rule by February 2011 and finalize it by July 2012. At issue is whether EPA's new rule will require closed-cycle cooling, i.e., cooling towers, for most generation facilities or some subset of facilities such as those located on particular water bodies like oceans, estuaries, tidal rivers, and the Great Lakes. Also under consideration is whether the agency will exercise its discretion and allow cost-benefit analysis to determine the most cost-effective means of compliance. A one-size-fits-all requirement of cooling towers is a costly proposition that would have negative environmental, energy, price, and reliability impacts and would have no impact on human health. This is a rulemaking that cries out for a careful review of the supposed benefits against the significant costs.

Coal Combustion By-Product Regulation: Last year EPA proposed to change its historic exemption of coal combustion by-products from the definition of hazardous waste. Interestingly at the time it made this proposal, it continued to encourage our industry to beneficially reuse as much of the by-product as possible so the industry sent ash and other combustion by-products off for road construction, wall board production and land fill. If EPA were to reverse course and deem coal combustion by-products hazardous, we would not only be forced to spend billions as an industry upgrading our disposal sites at our plants, we would lose our ability to beneficially reuse coal combustion residuals and would face the issue of dealing with the by-product that had been shipped out for other uses pursuant to EPA's encouragement.

New Source Review: Under the Clean Air Act, EPA, or States working as EPA's delegate, must review new and modifying facilities that meet certain emissions minimums. This preconstruction review includes a requirement that the facility install best control technology in order to secure its permit. This program has long been vexed by the question of what constitutes a modification. For our industry, we face the potential of triggering hundreds of millions of dollars in new control equipment every time we consider an efficiency improvement at one of our plants. Any regulatory program that puts up road blocks for reducing costs and improving efficiency should be scrutinized carefully. Also this program was made all the more problematic by the addition on January 2 of this year of greenhouse gases to the list of pollutants that can trigger its requirements.

Should you have any questions, please feel free to contact me. We look forward to working with you and your staff on these important issues.

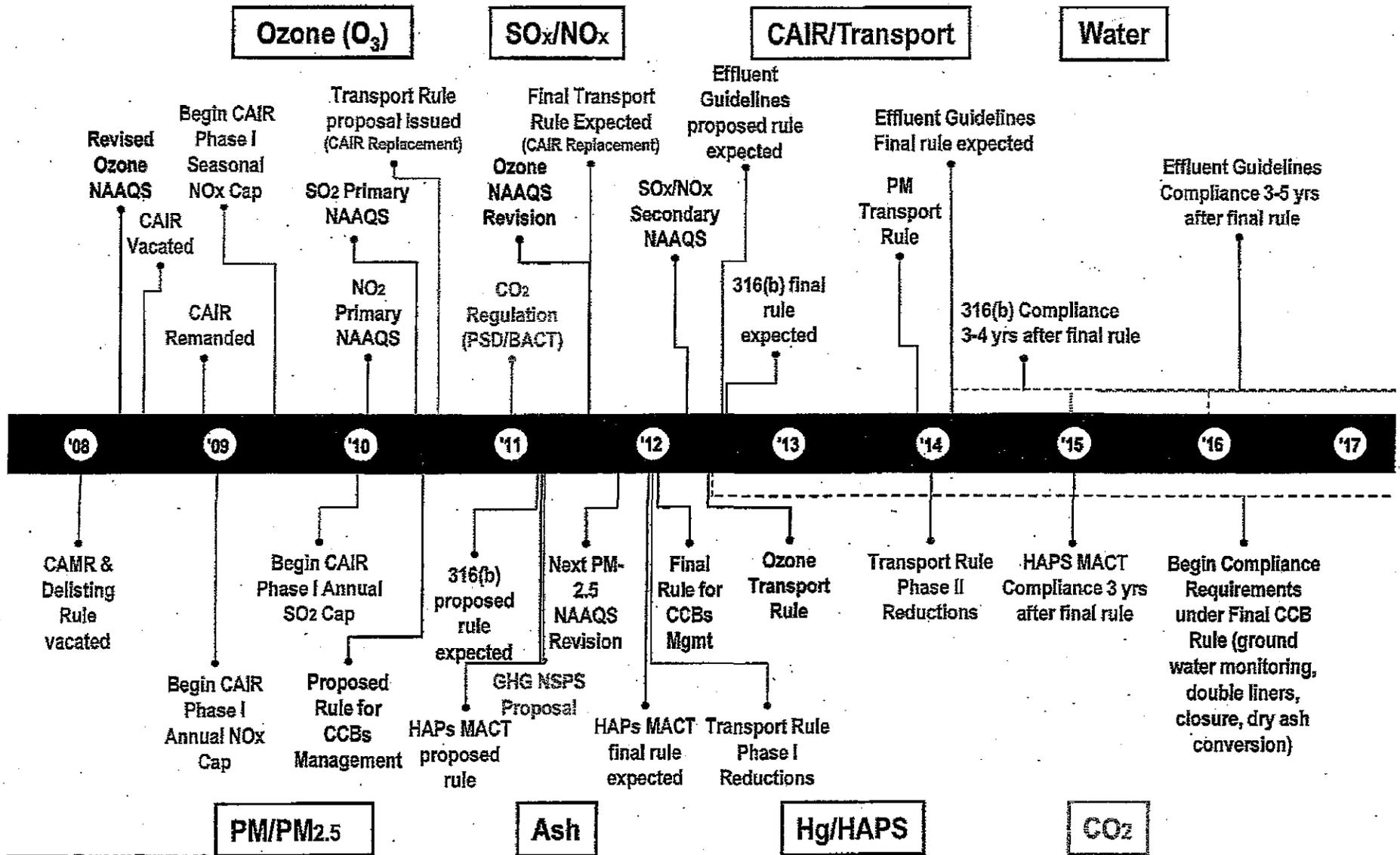
Yours truly,



Beverly Marshall

Enclosure

Possible Timeline for Environmental Regulatory Requirements for the Utility Industry



701 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2696
Telephone 202-508-5555



**EDISON ELECTRIC
INSTITUTE**

THOMAS R. KUHN
President

December 30, 2010

The Honorable Darrell Issa
Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, DC 20515

Dear Representative Issa:

Thank you for your letter asking for the Edison Electric Institute's assistance in identifying existing and proposed regulations that have negatively impacted job growth in our industry. We appreciate the opportunity to provide input for your review.

The Edison Electric Institute is the association of U.S. shareholder-owned electric companies. Our members serve 95 percent of ultimate electricity customers in the shareholder-owned segment of the industry and represent approximately 70 percent of the U.S. electric power industry.

Our member companies' generation, distribution and transmission operations, as well as financial activities, are heavily regulated at the federal, state, and local levels. Because affordable, reliable electricity is so critical to our country's economic growth, the cost impact of regulations on our industry has a ripple effect throughout the economy.

Federal and state regulations play an important role in electric companies' decisions about the type of generation to build to meet consumers' electricity demands. At the state level, decisions by state regulators, state siting laws, and state resource mandates all play a role in an electric company's generation plans, as does the availability and costs of fuel resources. At the federal level, the Environmental Protection Agency's (EPA) rules under various federal statutes have significant impacts on the costs of different generation options. Over the next several years, EPA will be proposing a myriad of rules that will affect the industry's existing generating fleet, as well as utilities' future plans for meeting electricity demand. We plan to work closely with Congress and EPA to help ensure that these rules—many of which have not yet been proposed—provide a reasonable glide path to a cleaner generation fleet.

Utilities' distribution systems are heavily regulated at the state level; however, federal regulations, particularly the Federal Communications Commission's (FCC) broadband proposals, will have an impact on our industry's costs, as will cyber security and smart grid regulation.

The siting of transmission is regulated primarily at the state level; however, the Energy Policy Act of 2005 (EPA 2005) gave the Federal Energy Regulatory Commission (FERC) limited siting authority under certain circumstances. In addition, FERC regulates the transmission and sale of electricity in wholesale electricity markets, utility sales of assets, mergers and acquisitions, and interconnections of certain facilities, as well as providing oversight of grid reliability. With regard to transmission siting, electric companies also must deal with federal agencies and Indian tribes when a proposed transmission line crosses federal lands or tribal lands. In addition, EPA 2005 directed the Department of Energy (DOE) to expedite and coordinate federal siting efforts for utility transmission facilities.

Electric companies were heavily involved during congressional consideration of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"). Our industry uses derivatives, both over-the-counter and through exchanges, to manage commercial risks on behalf of our consumers to keep electric rates stable and affordable. Because our longstanding activity is focused on hedging, it does not pose systemic risk to our financial system and was not at issue in the recent financial crisis.

I would like to highlight for you several of our most immediate concerns regarding regulation in these key areas:

Clean Water Act section 316(b) - Cooling Water Intake Structures

The EPA will shortly propose a rule to establish "best technology available" to "minimize adverse environmental impacts" of cooling water intake structures (CWIS) at existing power plants and other industrial facilities. The proposed rule will replace a rule promulgated by the Bush Administration that was later remanded by the U.S. Court of Appeals for the Second Circuit because EPA had allowed for consideration of cost-benefit and the use of habitat restoration to mitigate technology requirements. The U.S. Supreme Court subsequently ruled that, in fact, EPA is allowed to take cost-benefit into account in implementing section 316(b) of the Clean Water Act. Pursuant to a recent settlement agreement between EPA and a group of river-keepers, EPA must issue a proposed rule by mid-March and a final rule by July 2012. To meet these deadlines, EPA intends to submit the rule for a truncated, 45-day interagency review of the proposed rule and may well find it necessary to abbreviate other EPA procedural requirements associated with producing a final rule.

EEL and other associations whose members will be affected by the replacement rule are concerned that EPA needs to keep the rule reasonable and flexible, recognizing

constraints on existing facilities. EPA has established closed-cycle cooling as "best technology available" under section 316(b) for new power plants and is under pressure to do the same for existing power plants. If EPA were to require widespread use of cooling towers, or to set closed-cycle cooling as the standard for existing utility facilities, the consequences would be enormous and the benefits questionable. First, based on more than 30 years of study, existing utility facilities in general are not having adverse impacts on fish and wildlife at a population level. State permit writers have been using best professional judgment for those 30 years, requiring use of technology they have deemed necessary to protect aquatic resources. That approach in general has been working well.

Requiring widespread use of once-through cooling, or even substantial additions of new CWIS technology, at existing facilities would be costly. To retrofit the over 400 potentially affected power plants (including 60 percent of the nuclear generation fleet), the Electric Power Research Institute estimates the capital costs to be \$64 billion, with substantial additional annual costs for operation and maintenance. Extended power plant outages during the retrofits and the potential for plant closures related to cost and permitting issues present genuine concerns about the rule's impact on electric system reliability. Furthermore, closed-cycle cooling consumes more water than once-through cooling, decreases plant efficiency, and increases air and greenhouse gas emissions.

We are encouraging EPA to allow state permit writers the flexibility to set requirements for these facilities based on site-specific analysis, giving full credit for measures already undertaken at each facility, and taking site constraints and benefits and costs into account in imposing further measures, instead of requiring or promoting use of closed-cycle cooling at existing utility facilities.

Coal Combustion Residuals (CCRs)

On June 21, 2010, EPA proposed two primary regulatory options for CCRs disposed in landfills or surface impoundments: (1) regulation as special listed waste under the Subtitle C hazardous waste regulations of the Resource Conservation and Recovery Act (RCRA); or (2) regulation as non-hazardous wastes under Subtitle D of RCRA. Although the agency has proposed that CCRs that are beneficially used would be exempt from regulation, industries that beneficially use CCRs (e.g., in cement and concrete, highway construction and wallboard manufacturing) have made it clear that regulation under the Subtitle C hazardous waste option would have a devastating impact on the beneficial use of CCRs, resulting in the loss of important high-paying jobs in the CCR beneficial use and related job markets. As a result, thousands of jobs throughout the country would be lost at a time when unemployment is high and the pace of economic recovery remains uncertain.

In addition, regulation of CCRs under the federal hazardous waste program would impose substantial costs on utility power plant maintenance and operations, likely

resulting in the closure of some coal-fired power plants and/or switching to other fuels. Electricity prices are almost certain to increase as a result of these increased operational and maintenance costs, further affecting consumers.

EPA has already concluded that Subtitle D regulations for CCRs would be environmentally protective; equally important, such regulations would not harm beneficial use and would be implemented at a lower cost to industry, consumers and the states. The electric utility industry believes that a federal non-hazardous waste rule for CCRs under RCRA Subtitle D is clearly the preferred and justified approach.

Federal Communications Commission (FCC) Broadband Plan

The FCC currently is considering rulemakings that impact electric utility infrastructure. If done incorrectly, this convergence of energy and telecommunications policymaking may have adverse consequences on the public and the reliability of our systems. Specifically, the National Broadband Plan contends that widespread broadband deployment requires "low, uniform rates" for attaching telecommunications equipment to electric utility infrastructure. While the goal of low-cost, high-speed internet access for all Americans is laudable, it is debatable that subsidizing pole attachment rates for the telecommunications industry will actually accomplish this goal. In addition, the achievement of this goal should not sacrifice a safe and reliable electric grid and should not come at the expense of electric ratepayers. Moreover, the FCC tends to dismiss concerns that broadband attachments are often done in a way that undermines electric system safety and reliability. To be clear, we strongly support the National Broadband Plan's goal of affordable, high-speed internet access for all Americans, but FCC rulemaking needs to consider the impact this will have on the electric grid and electricity consumers.

The nation's electric distribution systems—including poles, ducts, conduits, and rights-of-way—deliver power to electricity consumers along millions of miles of lines and are a key part of our nation's critical energy infrastructure. The structural integrity, safety, security and reliability of utility poles are fundamental components of that infrastructure, and the cost to the utility for maintaining these poles is considerable. Accordingly, the FCC should incorporate the input of the utility industry to ensure pole attachment policies are balanced and employ sound engineering principles while avoiding negative effects on electric system safety and reliability or on electricity consumers.

Further, the FCC's Plan contemplates reallocating broadband spectrum. As these decisions are considered, it is important that the operational needs of the electric sector not be overlooked. Addressing the utility sector's needs, particularly during times of emergency, is integral to the safety of not just utility line workers, but also first responders and the general public. Managing, maintaining and restoring this critical public service requires effective communication infrastructure; accordingly, the FCC

should be aware of how changes to broadband spectrum allocation could impact the utility sector.

Given the competing interests for this finite resource, it is important that Congress ensure that the needs of critical infrastructure industries are not overlooked in this reallocation. Further, as Congress considers legislation to take an inventory of existing spectrum allocation, protecting the sensitive information of these companies is imperative as well.

Electric Transmission Siting and Permitting Issues

The construction of new transmission is critical for electric companies to be able to move power to where it is needed and to maintain a reliable electricity system. In 2009, shareholder-owned electric utilities and stand-alone transmission companies spent roughly \$9.3 billion on transmission investment, compared to \$5.9 billion in 2004. Assuming utilities are able to site new transmission, they plan to continue increasing transmission investments from approximately \$9.7 billion in 2010 to roughly \$12.3 billion in 2013.

However, the siting of new electric transmission lines remains a difficult and lengthy endeavor, particularly when multiple states or regions must approve the project, or when the siting involves federal lands. Congress took several steps in EPAct 2005 to facilitate siting and timely decisions, but those steps have largely not borne fruit.

To begin with, Congress included FERC backstop siting provisions in the Act. However, that authority to incentivize states to approve crucial projects in a timely way has been eroded by litigation and by the overly complicated, bifurcated process that was established in the Act to enable companies to access FERC backstop authority. Last-resort access to FERC's backstop siting authority is available only in the Southwest and the mid-Atlantic areas where the Department of Energy (DOE) has designated national interest electric transmission corridors (NIETCs). Even in those areas, FERC's authority has not resulted in encouraging states to resolve differences on critical transmission projects or, specifically in the mid-Atlantic area, allow FERC to step in to resolve state disputes, since the U.S. Court of Appeals for the Fourth Circuit ruled that FERC cannot overturn a state's denial of a transmission facility. In addition, DOE's interpretation of its authority to designate NIETCs is being litigated. An adverse ruling by the court would gut what remains of the EPAct05 siting provisions.

Other EPAct 2005 permitting provisions for siting new transmission are in various stages of implementation. Congress provided DOE with "lead agency" authority to ensure that federal agencies (a) act within one year (unless not possible) on applications for federal permits for transmission facilities, including federal land use authorizations, and (b) rely on a consolidated environmental review process and record of decision. DOE and eight other federal agencies have signed an MOU

putting the Department of Interior (DoI) in charge when federal lands are involved, and otherwise leaving the decision about who will be the lead agency to be decided case-by-case. There is no evidence that the MOU has had any effect. Federal land agencies continue to lag behind the states in the amount of time it takes to approve a transmission project, including on even the most basic early decisions about the type of environmental analysis that will be required before a project can be approved.

Finally, it appears that implementation of the requirements of Section 368 of EPAAct 2005 have come to a standstill. That provision required DOE, the Bureau of Land Management and the U.S. Forest Service to identify corridors where electric transmission and gas pipelines can be located on federal lands, first in the western United States, then in the eastern United States. The agencies did a reasonable job of designating an initial set of corridors in the West and amending the relevant land use plans to accommodate new energy facilities, though the designations did leave significant gaps. The designations were challenged in court, and DoI has been engaged in settlement discussions for nearly two years. As a result, the industry has been unable to file its petition to intervene in the case and is excluded from the discussions. More importantly, the siting of energy projects in these corridors has stalled. The DoI does not appear to have approved the siting of any new facilities in these corridors. It has not provided streamlined approval procedures tiered off the environmental work already completed as required by EPAAct 2005; nor has DoI taken steps to preserve the availability of these corridors.

Our industry supports full implementation of the EPAAct 2005 provisions to expedite transmission siting on federal lands, as well as clarification of FERC's ability to site high-priority, high-voltage transmission lines when states either fail to act on siting applications within a certain time period or reject these critical transmission projects.

Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

The Dodd-Frank Act provides for the exemption of commercial end-users from most of the provisions of the legislation. In addition, the legislative history of the Dodd-Frank Act includes a letter from Senators Lincoln and Dodd, as well as a colloquy between Representatives Frank and Representative Peterson, clarifying the legislative intent to exempt commercial end-users. However, the implementation of the Dodd-Frank Act by the Commodity Futures Trading Commission (CFTC), which includes 30 teams in charge of more than 40 rulemakings, has raised concerns that some of the proposed rules will create significant uncertainty regarding new regulatory obligations for end-users. Additionally, some end-users could be miscast as swap dealers subject to significant new regulation and costs, depending on how "swap dealer" is defined. Unless this uncertainty and potential over-reach in implementation is addressed, there could be significant costs to businesses and consumers, placing a new burden on the economic recovery. In the case of utilities, the average cash flow impact per company of being miscast as a swap dealer could amount to between \$250 million and \$400 million per year, taking away needed financial resources for our industry's capital

Letter to the Honorable Darrell Issa

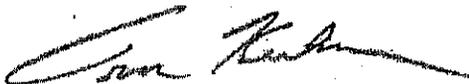
December 30, 2010

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spending programs to build cleaner electric generation, new transmission and distribution, the smart grid, and the infrastructure needed for electric transportation.

In conclusion, we appreciate the opportunity to share with you our insights on a number of critical regulations affecting the electricity sector. We look forward to working with you as the Committee on Oversight and Government Reform considers the impact of federal regulation on our economy and job creation.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Kuhn", with a long, sweeping underline.

Thomas R. Kuhn

cc: The Honorable Edolphus Towns



January 10, 2011

The Honorable Darrell Issa
Chairman
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Issa:

On behalf of the Industrial Minerals Association – North America (IMA-NA), I would like to thank you for your recent letter and for providing us the opportunity to submit comments regarding regulations we feel have negatively affected our member's ability to grow their businesses.

The IMA-NA is a trade association that represents fifty-four companies that produce industrial minerals such as ball clay, barite, bentonite, borates, calcium carbonate, diatomite, feldspar, industrial sand, kaolin, mica, soda ash, talc, wollastonite, and other industrial minerals, and fifty-five associate member companies that provide goods and services to the industry. IMA-NA typically represents seventy-five percent or more of the production for each of these minerals in the United States.

The United States enjoys the most environmentally benign processes for production of industrial minerals in the world. Industrial minerals are critical to the manufacturing processes of many of the products that we use every day. They are used in the production of glass, ceramics, paper, plastics, rubber, detergents, insulation, pharmaceuticals, and cosmetics. They also are used in foundry cores and molds used for metal castings, paints, filtration, metallurgical applications, refractory products and specialty fillers. IMA-NA members have demonstrated a commitment to the goals of sustainable development and operating in an environmentally friendly manner. While we believe that regulations have a place in business, we also believe there have been numerous instances where government agencies have overregulated our industry with onerous provisions that affect our members' ability to compete both domestically and internationally.

One of the agencies that has most significantly affected our members to date has been the Environmental Protection Agency (EPA). The EPA has enacted numerous regulations over the course of the last two years that already have forced companies to cancel new projects. Further, EPA appears to be planning many other regulatory actions which will inhibit the ability of American industry to focus attention on job-building initiatives.

The most glaring examples of these are EPA's Endangerment Finding and subsequent rulemakings involving greenhouse gases (GHGs), such as the Tailoring Rule, Timing Rule, and Tailpipe Rule. We dispute the authority of EPA to promulgate regulations in this area and disagree with the procedural methods the agency is using to bypass the legislative process.

Other EPA initiatives that have or will severely impact our members include the industrial boiler MACT proposal, recently finalized revisions to the NO₂ and SO₂ National Ambient Air Quality Standards,

The Honorable Darrell Issa
January 10, 2011
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possible revisions to the coarse particulate matter standard, possible modifications to the inorganic arsenic risk assessment in EPA's Integrated Risk Information System, the threatened, unprecedented revocation of a Clean Water Act Section 404 permit, the proposed requirement for financial responsibility for hardrock mines under the Comprehensive Environmental Response, Compensation, and Liability Act, and the potential regulation of hydraulic fracturing under the Safe Drinking Water Act.

The added costs to meet the requirements of these new regulations will be significant. Our members already are facing stringent competition from other nations. These regulatory actions will lead directly to lost jobs at our operations within the United States, and at associated operations such as ports and suppliers.

Proposed and contemplated regulations from the Occupational Safety and Health Administration (OSHA) and Mine Safety and Health Administration (MSHA) also are troubling. For instance, OSHA recently proposed a monumental redefinition of "feasibility" under its noise standard that would overturn decades of established agency interpretation. Also, both OSHA and MSHA are planning rulemakings in 2011 on crystalline silica that stand to greatly affect our membership if the permissible exposure limit is reduced to a level that neither is technologically achievable nor justified by the science.

Our sector of the mining industry compares quite favorably to other industries in terms of injury rates, yet it is regulated to a far greater extent than most. Over the last decade, our industry sector has seen a steady improvement in safety performance, yet our members report overzealous enforcement with extraordinary increases in the number of citations issued and amount of fines assessed. While we applaud and share the goals of these agencies to promote worker safety and health, we believe they are not justified in their desire to target our industry with additional regulation.

The metal/nonmetal mining sector of the mining industry has over 12,000 operations throughout the United States and employs over 200,000 people in good-paying, safe jobs that are the economic backbone for many communities throughout the country. Many of these operations are small, family-owned businesses that are struggling to stay afloat in difficult economic times and yet are maintaining good safety records. They require economic certainty now, and not the imposition of increased regulatory burdens. Emphasis should be placed on compliance assistance and other public-private partnerships where business and government can work together to achieve common goals. The likely outcome from these regulations on our industry is increased litigation, mine closures and lost jobs, especially for smaller mines that simply cannot afford to operate in the regulatory environment that we currently face.

IMA-NA stands ready to participate constructively and serve as a resource for your Committee in this important discussion regarding agency regulatory initiatives. Once again, we thank you for giving us this opportunity to submit comments and we look forward to working with you and your Committee throughout the 112th Congress.

Sincerely,



Mark G. Ellis
President

AMERICAN TRUCKING ASSOCIATIONS Burdensome Regulations

HOURS OF SERVICE PROPOSED RULE: On December 23, 2010, the day after Congress adjourned for the holidays, the Federal Motor Carrier Safety Administration (FMCSA) proposed new regulations that would significantly restrict the time truck drivers may drive and be on duty. If implemented, the regulations would (1) likely reduce the maximum daily driving time to 10 hours; (2) reduce the maximum daily working time window by an additional hour; and, (3) counter to the government's news release, abolish the 34-hour restart as it exists today (34 hours would be the minimum period; the restart could actually be up to 54 hours). The agency's proposal ignores the simple fact that the trucking industry's safety performance has improved at an unprecedented rate while operating under the current hours of service regulations that became effective in 2004. Both the number and rate of fatal accidents involving large trucks have declined by more than one-third, and are now at their lowest levels in recorded history. The remarkable reduction in the number of fatal truck-involved crashes occurred even as vehicle mileage increased. We are also concerned that the agency has significantly changed its methodology for the benefit-cost analysis in order to justify the proposed changes.

DOL PROPOSED PLAN/PREVENT/PROTECT REGULATION: The United States Department of Labor has announced its intention to publish an NPRM in April 2011 that will create significant new administrative burdens for businesses. The NPRM would create a regulatory program referred to by the Agency as Plan/Prevent/Protect. Under the Program businesses using employees would have to make written assessments justifying treatment of each category of employee as either exempt or nonexempt under the Fair Labor Standards Act. And businesses working with independent contractors would have to perform a written analysis of each worker's status under the economic realities test to justify independent contractor treatment. The written analyzes would have to be provided to the affected worker and retained for review by a DOL wage and hour investigator. While the compliance burden for the trucking industry under the proposed Program would be very large related to employees' exempt/non-exempt status, it would be enormous for motor carriers contracting with independent contractors. Differences in the circumstances of individual contractors (referred to as owner-operators in trucking) related to investment in equipment; length of relationship; organization of the owner-operator's business; and many other unique factors peculiar to particular owner-operators, could well make individualized assessments for hundreds (in some instances, thousands) of contractors necessary. In an industry that utilizes hundreds of thousands of independent contractors, a significant percentage of which often change carrier partners, the administrative cost will be staggering. In addition, the requirement that the analysis be provided to the contractor will undoubtedly result in a significant increase in status-related litigation. Any industry includes a small percentage of disgruntled workers who want to blame their failures on others. If even a minute percentage of the owner-operators utilized in the trucking industry are influenced to challenge their status, the litigation cost will be huge. In short, the proposed Plan/Prevent/Protect Program will create needless, costly administrative burdens for all types of employers and inflame worker discontent to the benefit of no one other than plaintiff attorneys.

REDUNDANT SECURITY THREAT ASSESSMENTS: Commercial drivers face multiple security threat assessments (STA) and credentialing requirements, costing each driver hundreds of dollars in fees, plus additional costs associated with drivers' lost wages while traveling to and from enrollment centers, fuel costs, and the aggravation of providing fingerprints multiple times. ATA supports one application/enrollment process, one fee, one security threat assessment, and a single credential that allows transportation workers to demonstrate compliance with multiple STAs and access control security requirements. For example, TSA should recognize drivers carrying a valid TWIC as fully compliant with the security requirements for the HME expressed in 49 CFR Parts 1570 and 1572. Congress already intended this result by granting TSA the authority to do so under Public Law 110-53 (H.R. 1, Implementing the Recommendations of the 9/11 Commission). Section 1556 states in part, "An individual who has a valid transportation employee identification card issued by the Secretary under section 70105 of title 46, United States Code, shall be deemed to have met the background records check required under section 5103a of title 49, United States Code." TSA has yet to correct this burdensome, costly and redundant security threat assessment process.

IDENTIFICATION OF NON-HAZARDOUS MATERIALS THAT ARE SOLID WASTE: On June 4, 2010, EPA proposed a rule entitled *Identification of Non-Hazardous Materials That Are Solid Waste*. If the rule is finalized as proposed, the rule could seriously impact the used oil management system that has successfully kept large quantities of used oil out of our waterways since it was first adopted in 1985. Approximately 780 million gallons of used oil is used as fuel annually. Of that amount, about 113 million gallons is used for heating purposes by approximately 100,000 small businesses across the country. No problem has been identified with the handling and combustion of used oil under current EPA regulations. The proposed rule would require costly testing of all used oil intended for reuse as a fuel and would discourage vehicle maintenance shops from accepting used oil from the public as a public service to encourage recycling. If used oil is determined to be off-specification (which may be the case for a very small percentage of the oil), a maintenance facility would have to send that used oil to a commercial industrial incinerator adding further burden and costs. **Status:** EPA filed a motion on December 7, 2010, in the federal District Court for the District of Columbia seeking an extension of the January 16, 2011 date to finalize this and other air rules. The motion has not been acted on by the court and is being opposed by environmental groups. (Also see letter attached to EPA Administrator Lisa Jackson sent by Members of Congress to EPA on December 7, 2010,).

LEASE ACCOUNTING RULES BEING REWRITTEN BY THE FINANCIAL ACCOUNTING STANDARDS BOARD (OVERSEEN BY THE SEC): FASB's proposal, on which the public comment period has recently closed, would change the way companies, both public and private, must account for leases of all kinds. Leased equipment, for instance, would now show as assets on a company's balance sheet, and would have to be revalued periodically, according to changing estimates of the likelihood of the occurrence of contingencies contained in the lease. The changes might be especially traumatic for carriers using owner-operators, if those independent-contractor arrangements were considered leases in whole or part. More broadly, the FASB's proposal, especially as applied to real estate, could have an enormous effect on the economy at large, since it might drastically change lease values and lease terms, particularly as reflected on bank balance sheets. FASB's stated intent has been to make

the new rules effective in mid-2011, after which all existing leases would have to be recharacterized.

CUSTOMS RULE ON RESIDUE IN TRUCK CONTAINERS: In 2009, U.S. Customs and Border Protection ("CBP") modified a longstanding Customs Ruling that changes the common trucking industry practice of bringing reusable containers with some residue remaining back into the U.S. as "empty" Instruments of International Traffic ("IITs"). The new ruling requires these containers to be manifested and entered as if they were fully loaded with imported products. Once enforcement of the new ruling begins, motor carriers must declare the quantity and value of the residue remaining in the container and incur the expenses associated with full manifesting and entry. The new ruling does not increase security or enhance inspector safety, as residue shipments of hazardous materials already comply with DOT's shipping paper requirements indicating the type of chemical being transported. The new ruling also would not increase revenue to the treasury, as these shipments are exempt from duties under a category of *American Goods Returned*. Carriers and shippers, however, would incur additional costs associated with the procedures needed to accurately estimate the quantity and value of the residue returning and in some cases may have to hire licensed customs brokers to help facilitate the return of tank trucks and other reusable containers. In some cases, tank trucks will need to be washed out in Canada or Mexico rather than in the U.S., representing a loss of U.S. business. Congress should enact legislation to establish a *de minimis* threshold quantity for residue returning to the U.S. in reusable containers to facilitate a less burdensome entry procedure.

WETLINES REGULATION

The Pipeline and Hazardous Materials Safety Administration has proposed prohibiting cargo tank operators from transporting flammable liquids in unprotected external product piping (wetlines). The proposed rule would require operators to install purging systems or underride protection and would apply to both new and existing equipment. PHMSA's cost-benefit analysis demonstrates that the costs exceed the benefits based on the incidents that have occurred over the past 10 years. It is only when PHMSA assumes an increase in the number of fatalities or an increase in reported damages through a "sensitivity analysis" that PHMSA can say that the benefits exceed the costs. In addition, many of the assumptions underlying PHMSA's cost analysis are erroneous.

CHARLOTTE

PIPE AND FOUNDRY COMPANY

February 1, 2011

The Honorable Darrell Issa
Chairman, House Committee on Oversight and Government Reform
2347 Rayburn House Office Building
Washington, DC 20515

Dear Representative Issa:

Charlotte Pipe and Foundry is a 110 year-old, family-owned business in Charlotte, NC. We make cast iron and plastic pipe and fittings for plumbing systems – all our products are proudly made in the U.S. We employ more than 1,350 hard-working Americans and we have not had a forced lay-off in more than 35 years – even during this four-year depression in residential and commercial construction, we have kept our people working (albeit at reduced hours) with full benefits. We feel strongly about taking care of our associates – our greatest asset.

However, North Carolina has not fared as well. The state has lost 250,000 jobs since the start of the recession, hitting a record-high unemployment rate of 11.2% last year. Yet, EPA and other agencies feel now is the time to impose new rules and regulations that will hurt job-creators struggling to emerge from the recession.

For example, EPA's proposal to further tighten the National Ambient Air Quality Standard (NAAQS) for ozone to 60 or 70 parts per billion. Typically, EPA waits at least five years before revising standards, but the agency is re-opening the standard after it was tightened from 84 to 75 ppb in 2008. A preliminary analysis by North Carolina's Department of Environmental and Natural Resources shows that the proposed limits will push every metropolitan area in the state out of attainment, placing the estimated \$90 billion compliance cost squarely on the backs of manufacturers, oil refiners and utilities. (Mobile sources of ozone -- by far the largest sources -- tend to be filled with voters and therefore are typically exempted from bearing the direct costs of compliance.)

Particulate matter (PM 2.5) standards are also under review by the EPA. PM 2.5 limits are currently set at 15 ppb. New levels being considered are between 12 - 14 ppb – which are approaching background levels. For example, naturally-occurring levels in rural Oakboro, NC (where we were considering building a new more energy-efficient foundry) are at 12.8 ppb. Clearly we cannot locate a plant on the area of real estate we own and meet these background levels. Even if the standards remain unchanged, we have only a window of 2.2 ppb to work with. Instead of the 450 acres we own, we would need 4,500 acres of land on which to build to comply.

Finally, while Cap and Trade may be dead, the EPA's plan to regulate GHGs under the Clean Air Act will have the same net effect. Allowing the EPA to proceed is to allow unelected bureaucrats to usurp the will and authority of the Congress. Attempts to impose carbon restrictions via a "clean energy" standard and the use of costly renewables also have the same net effect – dramatically higher energy prices from carbon-free sources which will add millions of dollars to our operating costs, making it extremely difficult for us to compete with Chinese imports already at a labor, subsidy, currency, safety and environmental cost advantage. The last of our manufacturing base will likely disappear – and our Company will have a very difficult time surviving as well.

Thank you for your consideration of these important issues. Preserving our manufacturing base is a matter of national security and we hope you will fight unnecessary burdens placed on those who put America to work.

Sincerely,

Bradford Muller
Vice President, Marketing



January 27, 2011

The Honorable Darrel Issa
Chairman
House of Representatives Committee on Oversight and Government Reform
B350 RHOB
Washington, DC 20515

Dear Mr. Chairman:

The American Financial Services Association (AFSA) is pleased to respond to your letter of November 15, 2011 which seeks to identify existing and proposed regulations that negatively impact job growth.

Founded in 1916, AFSA is the national trade association for the consumer credit industry protecting access to credit and consumer choice. Our 350 members include consumer and commercial finance companies, auto finance and leasing companies, mortgage lenders, credit card issuers, industrial banks and industry suppliers.

Our comments address two broad policy concerns. First, reflecting our membership and mission, we will discuss proposed regulations in the financial services sector. Next, we will discuss the need for systemic reform of the regulatory process.

We are very appreciative of your initiation of this process and look forward to working with you and your committee as you remove federal regulatory impediments to our economic recovery.

Financial Regulations Inhibiting Job Creation

The passage of the Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), ostensibly designed to prevent another Wall Street crisis, creates a staggering 533 rulemakings scattered throughout a number of federal agencies. The Dodd-Frank Act also creates a new, all but autonomous, Consumer Financial Protection Bureau (CFPB) that has extraordinary authority over all facets of consumer credit.

Unlike traditional agencies governed by a bipartisan commission, the CFPB will be directed by a single regulator. Although nominally housed within the Federal Reserve Board (FRB), the FRB cannot direct activities, terminate staff, review or block regulatory or enforcement activities.

Also unlike the traditional independent agency model, the CFPB is guaranteed a percentage of the FRB's budget, hence there is no congressional oversight through the normal budget process.

The CFPB has authority over "unfair, deceptive, and abusive" practices that may impact consumers. While the former have been defined over the years by federal regulations and court

decisions, the latter term is virtually undefined and gives the CFPB untrammelled discretion to deem "abusive" any product it dislikes.

The CFPB also has independent litigating authority and need not notify the Department of Justice (DOJ) of any proposed action – far outside the usual norms of federal agency practice. AFSA believes DOJ consultation is necessary to coordinate enforcement activities across agencies and to provide a critical check on the CFPB's discretion when a company is exposed to damaging penalties.

The myriad of regulations mandated by the Dodd-Frank Act have a disproportionate impact on the many AFSA members that are finance companies, sales finance companies or retail installment sales finance companies.

These companies, many of whom are small local or regional businesses, are licensed and supervised by state banking agencies or a consumer credit authority. They are not federally chartered and are funded by putting their own capital at risk, not by federally-insured deposits. They had no part in the causing the financial crisis the Dodd-Frank Act purports to address.

Thanks to the Dodd-Frank bill, the companies find themselves subject to an additional level of federal regulation and enforcement that will dramatically raise their compliance costs. Every dollar spent on additional compliance burdens is a dollar not loaned to American consumers.

The Act further fails to give any statutory direction to the new CFPB to determine the adequacy of existing state laws and regulations under which these companies operate before imposing new federal burdens.

The CFPB may promulgate regulations impacting these companies without:

- finding that existing state law or regulation is inadequate;
- determining an estimate of the number of state-licensed or supervised entities to which the proposed rule will apply;
- describing the projected reporting, recordkeeping and other compliance requirements of a proposed rule; and
- identifying the relevant state statutes, regulations and enforcement proceedings with which the new federal regulation may duplicate, overlap or conflict.

AFSA members who issue credit cards are still adjusting to the impact of the CARD Act of 2009 – the most comprehensive rewriting of federal law in this area since the 1980's.

The CARD Act has already impacted lower income Americans and, even, stay-at-home mothers. Restricting the ability of issuer to price for risk and adjust pricing as risk profiles change, lower income borrowers face higher interest rates at the inception of their accounts and lower credit limits. The cost of complying with the CARD Act has already shifted many banks away from free checking.

Like many federal regulations, those implementing the CARD Act have consequence, whether unintended or not, that impact the very people the regulations are supposed to protect. For example, one of the "reforms" in the CARD Act resulted in a Federal Reserve proposed rule that requires credit-card issuers to consider only a borrower's "independent" income rather than household income. This new standard, which would apply to new credit-card accounts and requests to increase limits on existing accounts, will make it difficult for some customers to get instant credit on the spot in retail, especially for stay-at-home mothers without separate income.

Our economy is still consumer driven and relies on credit availability. Both the CFPB and the CARD Act have, or threaten to, impose extraordinary compliance costs on lenders that will translate into reduced credit availability and higher credit costs, and will be a drag on retail sales that will inhibit economic recovery and job growth. According to a recent study by the academics at the George Mason University Law School, regulations implemented under the Dodd-Frank Act could reduce economic growth by 4%.

Systemic Reform of the Federal Regulatory Process

The complexity, likely impact and lack of Congressional oversight over the Dodd-Frank Act is merely one example of a broken regulatory process and its problems are doubtless manifested in other major regulatory initiatives impacting all segments of the economy. In fact, the role of the regulators has become so pervasive that: a) management is impeded from making basic operational decisions with checking with and getting approval from regulators, and b) the cost of regulatory compliance has gone up dramatically without any increase in effectiveness.

Therefore, AFSA believes that the entire regulatory process is in need of comprehensive, systemic reform. In the last Congress, you were a sponsor of the Regulations from the Executive In Need of Scrutiny (REINS) Act (H.R. 3765) which would prevent federal agencies from implementing major regulatory initiatives without Congressional approval. We urge you to do so again and seek its passage as soon as possible.

That bill ensures that new major rules that impose annual economic costs in excess of \$100 million or otherwise have significant economic or anticompetitive effects cannot take effect unless Congress passes a Joint Resolution approving the regulation within 90 session or legislative days of the rule's submission to Congress.

We believe enactment of the REINS Act would restore Congressional oversight over federal agencies that are, all too often, adopting rules that either exceed their underlying statutory authority or reflect the views of unelected bureaucrats rather than elected officeholders constitutionally charged with creating public policy.

Most federal agencies promulgate rules subject under authority of the Administrative Procedures Act of 1946 (APA) which requires agencies to keep the public informed of their organization, procedures and rules; provides for public participation in the rulemaking process; establishes uniform standards for the conduct of formal rulemaking and adjudication and defines the scope of judicial review.

Unfortunately, the APA provides little protection when federal agencies exceed their congressional mandates. Happily, there is a model that does so. In 1975, in response to an out of control Federal Trade Commission (FTC), Congress enacted the Magnuson-Moss Warranty Act which imposed procedural safeguards on FTC rulemaking.

Under Magnuson-Moss, the FTC must first show "substantial evidence" before it is able to regulate "prevalent" unfair and deceptive acts. In addition to APA procedures, the Magnuson-Moss Act requires two notices of proposed notification, prior notification to Congress, an opportunity for informal hearings, and, importantly, possible cross-examination of witnesses. Magnuson-Moss also requires that the FTC justify a new rule with "particularity" after obtaining objective evidence based on a relevant market taken as a whole rather than the FTC's (and doubtless other agencies) previous reliance on anecdotal evidence.

AFSA believes that, at a minimum, the procedural safeguards of the Magnuson-Moss Act should be extended to other forms of federal regulatory rulemaking.

*

AFSA looks forward to working with you. Please feel free to contact me with any questions at 202-296-5544, ext. 616 or bhimpler@afsamail.org.

Sincerely,



Bill Himpler
Executive Vice President



American Bakers Association

The Voice of the Baking Industry Since 1897

Robb MacKie, President & CEO

rmackie@americanbakers.org

February 7, 2011

The Honorable Darrell E. Issa
Chairman
U.S. House Committee on Oversight and Government Reform
2347 Rayburn House Office Building
Washington, DC 20515-0549

Dear Chairman Issa:

On behalf of the American Bakers Association (ABA), I would like to congratulate you on becoming Chairman of the House Committee on Oversight and Government Reform. The Committee will play a critical role in overseeing the responsible implementation and enforcement of many laws that impact the baking industry. Additionally, your efforts to reduce the regulatory roadblocks to job creation and sustainable economic growth are vitally important.

The American Bakers Association (ABA) is the Washington D.C.-based voice of the wholesale baking industry. Since 1897, ABA has represented the interests of bakers before the U.S. Congress, federal agencies and international regulatory authorities. ABA advocates on behalf of more than 700 baking facilities and baking company suppliers. The baking industry generates more than \$70 billion in economic activity annually and employs close to half a million highly skilled people.

The Committee will have a difficult task ahead in providing appropriate oversight of the many agencies tasked with implementing myriad new laws adopted these past few years. ABA and its members stand ready to assist you and the Committee in this oversight capacity. As such, ABA would like to bring to your attention key issues that the baking industry foresees being of critical concern during the 112th Congress.

Food Modernization Act – Food and Drug Administration

Careful review should be given to the new authorities granted to the US Food and Drug Administration in the Food Modernization Act to ensure that those new activities are clearly focused to prevent food borne illness and improve public health. Additionally, fees approved in the new law for re-inspections of facilities should be carefully monitored and standardized for accountability. Since registration fees, or in effect an industry tax, was not granted in the new law, FDA will be looking for revenue sources to support their new activities. Current FDA funding will not adequately provide the needed resources for new staff and activities associated with the new agency responsibilities.

Greenhouse Gas Regulations – Environmental Protection Agency

Careful consideration should be given to the Environmental Protection Agency's implementation of the Greenhouse Gas Regulation and the indirect impact these will have on small businesses. These impacts to small businesses, such as the baking industry, will increase our energy costs and transportation costs. For example, our industry uses a significant amount of natural gas and electricity for baking and refrigeration and this cannot be altered. Thus we become vulnerable to indirect costs in the form of higher utilities.

Hours of Service Regulations – Department of Transportation

Any change in the regulations, which cover both drive times and work day, would have a dramatic impact on the baking industry's ability to serve Americans with fresh baked goods. Bakers have finely tuned logistics operations that comply with the current rules. Some of the changes envisioned by DOT are completely unrealistic and at best would significantly increase costs and traffic congestion. In addition, fatalities have decreased since 2001, so it would be counterintuitive to restructure a rule that is working properly and at such a heavy price for small businesses.

Health Care Reform – Department of Health and Human Services

As with most other businesses, bakers are hesitant to embrace the new health care law passed in the 111th Congress. While the bulk of the provisions have not yet been implemented (i.e., employer mandate begins in 2014 and the "Cadillac Tax" begins in 2018), the uncertainty caused by the new law have led many business leaders to cut back on future investment and limit growth plans for their respective companies. Specifically, bakers face increasing health care premiums and general costs due to:

- The mandate to offer a certain level of benefits to all employees;
- New form 1099 reports for all non-credit card expenses over \$600;
- A decrease in the effectiveness of utilizing cost saving and popular Health Savings Accounts and Flexible Spending Accounts, and;
- The legislations weakening of the ERISA preemption through heightened state activities

While ABA supports a full repeal of the law, bakers understand the difficulties of passing a full repeal in the 112th Congress. As such, ABA is anxious for Congress to move forward with possible replacement language for the bill. Until that time, ABA supports congressional oversight of the Department of Health and Human Services to help provide some prospective certainty to the business community as this new law is implemented over the coming years.

Plan, Prevent and Protect – Department of Labor

The U.S. Department of Labor (DOL) has indicated that it will move forward with an aggressive agenda in during the 112th Congress. With possible new proposed regulations coming out in April 2011 in reference to the Plan, Prevent and Protect initiatives, ABA firmly believes that

Congress must use its oversight authority to ensure that these proposed regulations are not overly punitive of business, promote businesses' ability to create jobs and grow our ailing economy. Unfortunately, while the specific language of these proposals has not yet been released, early indications show that the DOL's initiatives are focused on penalizing businesses rather than work with them to promote the well being of their workforce.

Specifically, the FLSA-directed "Right to Know" proposal seeks to make it much more difficult to use legitimate independent contractor relationships between businesses. Instead, the DOL is pursuing regulations that would essentially try to force businesses to hire employees instead of contract with independent operators. This would potentially prohibit thousands of independent business owners from securing work for their employees should the independent contractor relationship be damaged through regulation. With the country's unemployment rate hovering around 9.5 percent, now is not the time for the DOL to move forward with regulations that could force thousands to join the ranks of the unemployed.

U.S. Sugar Program

The U.S. sugar program, reauthorized in every farm bill since 1986, is a \$4 billion a year bailout to U.S. sugar growers. While this program is technically revenue neutral to the federal government, it is a government-run program that forces consumers to pay well above world prices for sugar and is responsible for thousands of lost jobs in the U.S. The Department of Commerce data show that high prices under the sugar program were responsible for over 90,000 jobs lost in sugar-using industries while there was significant job growth in the rest of the food sector.

The USDA has authority to increase the quota of sugar allowed in to the U.S. each year should the Secretary determine that such a need warrants an increase. The current program restricts the free trade of sugar, as the sugar program mandates a tariff on all sugar imports, making foreign sugar unattractive to U.S. based food producers. While USDA has the authority to increase imports in times of low supply, it has been extremely slow in reacting to consumer and food industry needs. The solution is to eliminate the current program and bring it into alignment with other commodity programs in the upcoming farm bill, but until that time, ABA encourages the Committee to investigate the USDA's management of this protectionist program.

ABA thanks you in advance for your consideration of these issues. We look forward to working with you and Committee members to mitigate the impact of these new laws and proposed rules on the business community's ability to create and retain U.S. jobs.

Sincerely,



Robb MacKie

MJSA

Manufacturing Jewelers & Suppliers of America
57 John L. Dietsch Square, Attleboro Falls, MA 02763
401.274.3840 | 800.444.6572 | info@mjsa.org | www.mjsa.org

February 4, 2011

Darrell E. Issa
Chairman
Committee on Oversight and Government Reform
U.S. House of Representatives
2157 Rayburn House Office Building
Washington, D.C. 20515-6143

Dear Chairman Issa,

MJSA, the U.S. trade association for jewelry makers, designers, and related suppliers, currently has 1,400 member companies representing all sectors of the industry—jewelry makers, designers, suppliers, retailers with custom design/bench businesses, and service organizations. Together, our member companies employ approximately 50,000 workers.

As with so many manufacturing sectors in the United States, the U.S. jewelry manufacturing industry has been hard-hit by lower-priced imports, the growth of which has helped to put the U.S. jewelry industry under monumental strain in the past decade. According to figures from the Jewelers Board of Trade, prepared in late 2009, the U.S. jewelry industry lost nearly 1,065 manufacturers since 1998, going from 4,315 companies to just over 3,250—a drop of almost 25 percent. Some of the companies went out of business entirely, while other were consolidated into larger operations. In either case, the result was the same: fewer jobs. Although costume jewelry manufacturing has been particularly hard hit, with many companies relocating operations overseas, the precious metal sector has not escaped unscathed: It lost over 14,000 jobs overall between 1997 and 2007, according to the U.S. Economic Census. The picture has only grown worse in the past year.

A depressed U.S. jewelry manufacturing industry has wider repercussions, as well. Jewelry makers spent \$91 million on capital improvements and paid \$11 million in taxes and fees in 2007, for example. Additionally, 700 manufacturing businesses support the jewelry industry, including watchmakers and producers of jewelry materials (castings, for example), as well as producers of lapidary goods and related items. Like the number of jewelry manufacturers, the level of manufacturing support businesses has fallen almost 20 percent in the past few years.

Thus, the financial burden of more regulation could add an additional negative impact to an already weakened industry, which will result in more cost cutting and lost jobs. The

following list of existing or proposed regulations includes measures that we are currently tracking:

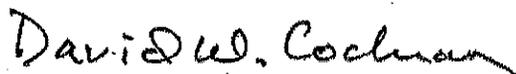
* **The 1099 IRS Reporting Requirement.** Beginning in 2012, this new regulation would require businesses to file an IRS Form 1099 for any vendor to which they pay more than \$600 annually. Previously, businesses only had to file 1099 forms for individuals/partnerships performing professional services (such as independent contractors) that crossed the \$600 threshold. The new regulation will place undue burden on the many small businesses that constitute our membership, increasing the time and money spent during tax preparation. We have asked our members to write to their representatives and support repeal of this measure.

* **The Conflict Minerals Provisions in the Dodd/Frank Wall Street Reform and Consumer Protection Act.** MJSA condemns the use of minerals to fund conflict in the Democratic Republic of the Congo (DRC), in adjoining countries, or anywhere in the world. We work with our fellow trade associations on issues concerning conflict gold and remain engaged in this process. However, using the regulatory authority of the SEC to impact the use of raw materials that are not otherwise restricted by any lawful sanctions or embargos is troubling and perhaps the wrong approach. Nevertheless, we are now grappling with implementation of this law, in an extraordinarily complex gold supply chain. Though the regulations are not yet in place, we are anticipating that the costs to jewelry makers will be great.

* **Proposed Regulations Restricting Cadmium in Children's Jewelry.** MJSA is fully committed to creating standards that protect our children from any toxic elements in jewelry. It is working with the Consumer Product Safety Commission (CPSC) and a variety of other organizations to create an ASTM Children's Jewelry Safety Standard, which could be eligible for possible adoption by the CPSC. The standard would include testing methods that harmonize with existing lead safety measures, as per the Consumer Product Safety Improvement Act. However, there is no guarantee that such testing methods will be adopted, and various proposals that have been submitted to CPSC suggest different methods that would greatly increase industry compliance costs. This is an issue we are also monitoring closely.

We appreciate the opportunity to contribute to your committee's deliberations on the impact of government regulation on our industry, and its ability to create new jobs, or sustain the ones we now support.

Sincerely,



David W. Cochran
President/CEO, MJSA



February 4, 2011

The Honorable Darrell Issa
Chairman
House Committee on Oversight and Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Issa:

Thank you for this opportunity to provide comments about burdensome federal regulations that have had a profoundly negative impact on the powersports industry. We look forward to working with you in your new role as Chairman, and as you seek to provide oversight to shed light on, and to reduce the impact of, onerous regulations that stifle growth and opportunity.

The Motorcycle Industry Council ("MIC") is a national industry organization representing manufacturers and distributors of motorcycles, scooters, parts and accessories and members of allied trades.

While there are any number of regulations our industry could point to that are burdensome and that affect our member companies' bottom lines, one issue is at the forefront; the regulation adopted as a result of the Consumer Product Safety Improvement Act (CPSIA). The CPSIA, enacted in 2008, effectively bans the sale of youth products primarily intended for children age 12 and under that contain more than extremely low lead levels. While much of the initial discussion surrounding the legislation focused on toys, Congress ultimately settled on restricting the lead levels of an extremely broad range of children's products including youth size all-terrain vehicles (ATVs) and motorcycles.

Background:

When the CPSIA's new lead standard took effect in February 2009, all youth models of ATVs and dirt bikes designed and intended primarily for children 6 to 12 years of age became classified as banned hazardous substances because some components in these ATVs and dirt bikes – such as valve stems on tires, aluminum in brake components, and terminals on batteries – contain small quantities of lead, either for safety or functionality. This lead poses no risk for kids.

Missed Opportunities for CPSC to Apply Common Sense Regulation:

Congress enacted an exemption provision in CPSIA in order to allow CPSC to implement a regulatory process to exempt certain products that should not be included in the lead ban. In January 2009, MIC filed a petition with the Consumer Product Safety Commission (CPSC) requesting that its members' products be excluded from these new lead content provisions,

hoping that common sense would prevail in cases where scientific evidence shows there will be no increase in a child's blood lead level from exposure to these products. CPSC rejected the MIC's petition because it decided the CPSIA requires the rejection of a petition if a child could absorb "any" lead, even if there is no health risk to the child. This despite the fact that MIC's petition included an evaluation by toxicologists which noted; "We recognize that the statute refers to no lead absorption in the body; however, we believe that, as a scientific matter, the concept of "no lead absorption" would be reasonably interpreted by the scientific community to mean no measurable impact on blood lead."

CPSC had a second chance to take a common sense approach and provide relief for youth ATVs and motorcycles when it developed its accessibility guidelines that determine what components are considered accessible and therefore subject to the lead provisions of CPSIA. MIC's petition for exemption noted; "As the House Report on CPSIA explained in connection with the exception to the lead standards for inaccessible parts, the legislation's focus was on ensuring 'that any products granted an exception has no meaningful ability to expose a child to lead in such a way that could raise blood lead level.'" MIC's petition and CPSC itself made it clear that there is no threat to children from the small amounts of lead in certain component parts of youth ATVs and motorcycles. MIC and its members urged CPSC to define "accessibility" for purposes of youth off-highway vehicles (OHVs) as parts that the rider touches when seated in the riding position. The rationale for such an interpretation was that they are the only parts of the vehicle that youth riders usually touch, since maintenance should be performed by adults. By defining "accessibility" in this common sense way, CPSC would have drastically reduced the number of component parts subject to the lead content limits and made it possible for the manufacturers to comply. However, CPSC once again decided to regulate against common sense, imposing an accessibility guideline based on a "probe" test, whereby any component on any youth product that can be touched with a probe similar in size and shape to a pencil is deemed accessible.

Safety Impacts Resulting from CPSC's Unwillingness to Provide Effective Relief:

While the science clearly shows, and CPSC acknowledges, that there is no threat faced by children from the lead in youth OHVs, there is a very real threat created by the removal of youth ATVs and motorcycles from the market. The powersports industry developed youth machines to help keep children off of larger adult sized vehicles that are inappropriate for kids. CPSC's own data indicates that almost 90% of youth ATV injuries and fatalities occur on adult sized ATVs. Despite recognizing this very serious safety concern CPSC elected to ignore common sense and instead interpret CPSIA in the strictest terms possible.

Incomplete and Ineffective Relief from CPSC:

Recognizing the very real safety concerns, in May 2009 CPSC issued a stay of enforcement for the new lead standard that was specific to these industries. However, this provided only incomplete and ineffective relief for the powersports industry. The stay, which was put in place for two years and recently extended until December 2011, is a stop-gap measure that has not ended the ban on youth OHVs. While CPSC will not enforce against those who sell these products during the stay the industry remains vulnerable to lawsuits and actions by state

agencies. As a result the availability of youth ATVs and motorcycles has declined precipitously.

Impacts to Industry Resulting from CPSC's Unwillingness to Provide Effective Relief:

In 2009, MIC estimated a \$1 billion annual impact to our industry as a result of a complete ban on youth ATVs and motorcycles. Due to the risks of selling under the stay, half of the major ATV manufacturers are no longer selling youth models despite the stay. It is clear that CPSC's interpretation of CPSIA, and its resultant regulatory actions have delivered a huge blow to the powersports industry.

Need for Congressional Action:

Typically, our industry and others are surprised by the willingness of many federal agencies to promulgate regulation that bears little resemblance to laws enacted by Congress. In the instance of the CPSIA it is clear that CPSC has gone the other way and taken the strictest possible interpretation at every turn. The result is reduced safety for youth riders, a huge financial blow to the powersports industry and the need for Congress to act to amend the CPSIA to exclude youth ATVs and motorcycles or otherwise change the Act to stop the ban on these products.

Again, thank you for your efforts to reduce regulatory barriers to job creation. Please find attached testimony from MIC's General Counsel, Paul Vitrano, from a House Energy and Commerce Committee hearing last year. Also attached are two statements from powersports dealers that have been negatively impacted by the CPSIA.

Sincerely,



Duane Taylor
Director, Federal Affairs

TESTIMONY OF PAUL C. VITRANO
Subcommittee on Commerce, Trade, and Consumer Protection
Committee on Energy and Commerce
United States House of Representatives
April 29, 2010

Chairman Waxman, Chairman Rush, Ranking Member Barton, Ranking Member Whitfield and distinguished Members of the Subcommittee on Commerce, Trade, and Consumer Protection, thank you for the opportunity to testify this morning on the need for amendments to the Consumer Product Safety Improvement Act. My name is Paul Vitrano. I am the General Counsel of the Motorcycle Industry Council. MIC is a not-for-profit, national industry association representing nearly 300 manufacturers and distributors of motorcycles and all-terrain vehicles; motorcycle, ATV and recreational off-highway vehicle parts and accessories; and members of allied trades such as insurance, finance and investment companies, media companies and consultants.

The CPSIA was intended to protect children from ingesting lead from toys. However, the lead provision has had unintended consequences and I am here to testify about one of them. The CPSIA has effectively banned the sale of age-appropriate youth ATVs and motorcycles because of the lead content of certain components. As a result of its broad reach, the Act has inadvertently crippled an industry unrelated to the toy manufacturers that were the intended target of the lead provision. In addition, the resulting ban has resulted in unsafe situations for youth off-highway enthusiasts.

Therefore, the MIC urges the Committee to pass the Consumer Product Safety Enhancement Act (CPSEA) with Section 2 included to stop this unintended ban. Moreover, the CPSEA and/or any other legislative solution should include specific language that provides clarity to the Consumer Product Safety Commission (CPSC) regarding Congress' intent to stop this ban.

It is estimated that over 13.7 million Americans enjoy riding off-highway motorcycles and over 35 million enjoy riding ATVs. Safety of our riders – particularly our youngest riders – is a top priority of the powersports industry. Vehicles, helmets and other gear and accessories are specially designed for youth riders to allow them to safely enjoy this family-friendly form of outdoor recreation.

In February 2009, however, ATVs and motorcycles designed and primarily intended for youth riders aged 6 to 12 became banned hazardous substances under the CPSIA because small amounts of lead – that pose no risk to youth – are imbedded in metal parts of those vehicles to enhance the functionality of those components.

As you know, the CPSC concluded that the language of the CPSIA prevented it from making common-sense decisions and resulted in the CPSC denying the powersports industry's petitions for exclusion from the lead content provision. The exclusion was denied despite the fact that the CPSC's own staff acknowledged that there was no measurable risk to children resulting from lead exposure from these products.

The CPSC tried to temporarily address the ban by issuing a stay of enforcement of the CPSIA's new lead content limits in May 2009. Unfortunately, this stay of enforcement has proven unworkable. Due to the risks of selling under the stay, many manufacturers and dealers are no longer selling youth model off-highway vehicles and there is now a limited availability of these products for consumers. Half of the major ATV manufacturers are no longer selling youth models despite the stay. Sales of the smallest youth ATVs have decreased by 85% more than overall ATV sales during the stay.

The CPSC has acknowledged that the ban on youth off-highway vehicles creates a compelling safety issue because it likely will result in children 12 years of age and younger riding larger and faster adult-size vehicles. For example, CPSC studies show almost 90% of youth injuries and fatalities occur on adult-size ATVs. Again, the CPSC's staff scientists acknowledge that the presence of lead in metal alloys in these youth models -- needed for functionality, durability and other reasons that are safety critical to the components -- does not present a health hazard to children. The Commission also acknowledges that children riding these vehicles only interact with a limited number of metal component parts that might contain small amounts of lead, like brake and clutch levers, throttle controls, and tire valve stems.

As a result, for over one year, MIC, its members, their dealers and many of the millions of Americans who safely and responsibly ride their off-highway motorcycles and ATVs with their children have urged Congress to amend the CPSIA to stop this unintended ban on youth motorized recreational vehicles. Off-highway vehicle stakeholders have sent over one million electronic messages and thousands of hand signed letters and made numerous calls and personal visits to Capitol Hill to advocate for a legislative solution to the ban.

Since the CPSIA ban took effect on February 10, 2009, we collectively have urged Congress to act for three important reasons:

First, the lead content in metal parts of ATVs and motorcycles poses no risk to kids. Experts estimate that the lead intake from kids' interaction with metal parts is less than the lead intake from drinking a glass of water.

Second, everyone agrees that the key to keeping youth safe on ATVs and motorcycles is having them ride the right sized vehicle. The CPSIA has unintentionally put kids at risk because youth ATV and motorcycle availability is limited. Unavailability of youth models results in what CPSC has described as a "more serious and immediate risk of injury or death" than any risk from lead exposure from these products.

Finally, the CPSIA is unnecessarily hurting the economy and jobs when everyone is trying to grow the economy and create jobs. MIC estimates that a complete ban on youth model vehicles would result in about \$1 billion in lost economic value in the retail marketplace every year.

In recognition of the need to end the unintended ban on youth ATVs and motorcycles, CPSC Chairman Tenenbaum and the other Commissioners unanimously asked Congress to provide the Commission with flexibility to grant exclusions from the CPSIA lead content provisions,

specifically noting the need to address youth ATVs and motorcycles. The Energy and Commerce Committee's leadership has responded by proposing the CPSEA and the Act's accompanying report. We appreciate the efforts that you are undertaking to address the unintended consequences of the CPSIA and recognize that it has been difficult to address these issues given the varying interests involved in this process.

As Representative Rehberg stated when introducing his bill to stop the ban on ATVs and motorcycles, "the original legislation Congress passed was meant to keep kids safe from lead content in toys. Ironically, the overreaching enforcement wound up putting kids at risk by forcing them to use larger more dangerous machines that are intended only for adults."

We believe that Congress never intended to ban youth model motorized recreational vehicles when it passed the CPSIA. We already have submitted evidence to CPSC sufficient to obtain exclusions for youth ATVs and motorcycles under the proposed language of the CPSEA. Ultimately, however, it is the CPSC that will interpret that language to determine whether or not to grant an exclusion for the metal parts of ATVs and motorcycles.

That is why the industry is strongly urging the Committee to provide as much clarity as possible in developing a legislative solution so that the CPSC is left with no doubt about Congress' intent to ensure the continued availability of youth model motorized recreational vehicles. Throughout our discussions, we have encouraged the Committee to include statutory language to provide the CPSC with explicit guidance. Although the Committee has not included this language in the proposed amendment, we do support the inclusion of report language accompanying this Act that defines the words "practicable" and "no measurable adverse effect."

The powersports industry supports Section 2 of the CPSEA. It also would welcome additional clarity either to expressly exclude our products -- never intended to be included under the CPSIA in the first place -- or to provide explicit guidance to CPSC to grant exclusions for youth ATVs and motorcycles. We urge Congress to complete its work, pass this bill and help solve this unintended consequence of the CPSIA once and for all.

Thank you.

WRITTEN TESTIMONY OF STEVE BURNSIDE,

OWNER, DSD KAWASAKI,

PARKERSBURG, WEST VIRGINIA

House Committee on Small Business

Subcommittee on Investigations and Oversight

Hearing: "The Consumer Product Safety Improvement Act and Small Business"

May 14, 2009

Chairman Altmire and members of the Subcommittee on Investigations and Oversight of the Committee on Small Business, thank you for the opportunity to submit testimony regarding the significant impact that the Consumer Product Safety Improvement Act's lead content provisions have had on motorcycle and ATV dealers.

I represent a small town community: Parkersburg, West Virginia, where I own a little motorcycle and ATV dealership. Some people may not understand that, in our world, this off-road segment of motorcycles and ATVs is used by everybody for farming, fishing, hunting; it's just fun. That's the biggest segment of our business by far and away.

This past couple of years in this downturned economy, we have suffered some losses already that have been tough to overcome. Since the economy took a turn for the worse in the Fall of 2008, we had been waiting for this Spring -- our main selling and riding season -- to be our salvation.

People are not spending money like they did; what money they do have they are spending on the kids, especially in our segment. But now they can't because of the new law passed by Congress.

Since the CPSIA lead ban on youth motorcycles and ATVs, we have had somewhere from twenty-five to thirty-five percent of our business jerked out from underneath us. But that is not the end of the losses. Many of the people that come to my business will not purchase vehicles for themselves because they cannot buy the proper age-size for their kids. They are just getting out of the game entirely because it is a family sport.

The ones that we really are concerned about are those who are going to put kids on the wrong size product. We do the right thing and tell parents they cannot and should not buy adult vehicles for their kids, but it is a tough spot to be in because we are hungry for sales.

We have embraced families ever since we started our business in 2003. I have had everybody from toddlers to teenagers in my shop and they are not chewing, eating or licking the bike, or anything that will cause them to ingest lead. And even the toddlers, they want to be on the seat and holding the handlebars. That's what they want to do -- "Mom and Dad get me up on there," when they're not trying to climb on there themselves. Lead consumption from motorcycles and ATVs is not an issue -- we've never seen it be an issue and we don't feel like it's necessary to treat it as an issue.

Last month, the CPSC issued a stay of enforcement of the lead content provisions for ATVs and motorcycles to try to get dealers to start selling again and keep kids off of adult size vehicles. But the stay does not solve the problem. The reality is that this stay of enforcement is simply inadequate to protect dealers, like me, who wish to sell these products.

First, the stay requires manufacturers to provide unnecessary and burdensome information about parts of these vehicles. But the CPSC staff has already found these parts present no health hazard to children. And the manufacturers have already explained functional alternatives to the lead are not available.

In addition, the stay does not prevent state Attorneys General from taking enforcement action against companies who distribute or dealers who sell these products. Youth ATVs and motorcycles sold under the stay are still a "banned hazardous product" in the hands of customers. The stay does not protect dealers from private lawsuits based upon the legal status of these vehicles as "banned" products either. Dealers and other small businesses should not have to face these risks because the CPSC provided inadequate relief and Congress has not yet taken action to fix the law.

Finally, the stay is only temporary, with a stated duration of two years. There is nothing to prevent a Commission with new and different members, like those nominated by the President last week, from revoking it at any time, leaving manufacturers and dealers subject to enforcement for products sold under the stay.

Since the stay does not provide the necessary relief to manufacturers or dealers, some manufacturers and dealers simply will not sell youth model ATVs and motorcycles, resulting in more lost sales and more children 12 and under riding larger, faster, adult-size vehicles where they are at risk of serious injury. Those that do sell face serious business and legal risks.

The CPSC should have granted the industry's petition to exclude ATVs and motorcycles from the CPSIA lead content limits. The petition was based upon science showing that the small amounts of lead contained in metal parts of these vehicles do not present any health hazard to children who use them. Yet, the Commissioners said that they had no authority to grant the petition because of the way the CPSIA exclusion provision is written by Congress.

Now, the only way to obtain complete and permanent relief for manufacturers, dealers and riders from this ban is for Congress to take action. The CPSIA must be amended to grant an exemption for youth ATVs and motorcycles which contain small amounts of lead that present no health risk to children. This is the approach taken by H.R. 1587, a bill introduced by Congressman Denny Rehberg with 38 bi-partisan co-sponsors. A separate bill introduced by Congressman Joe Barton, H.R. 1815, takes an alternative approach by revising the CPSIA exclusion provision to give the CPSC authority to grant exemptions in situations, such as youth ATVs and off-highway motorcycles, where small amounts of lead in components present no health hazard to children.

I urge Congress to provide manufacturers, dealers and riders with a permanent end to the ban on youth model ATVs and motorcycles by adopting such an amendment to the CPSIA.

Thank you for giving me the opportunity to present how CPSIA is impacting my industry and my livelihood.

January 10, 2011

The Honorable Darroll Issa
Chairman
Committee on Oversight & Government Reform
U.S. House of Representatives
Washington, DC 20515

**Re: Committee Request for Current and Proposed Federal Regulations for Review:
EPA's Lead: Renovation, Repair and Painting Rule**

Dear Chairman Issa:

In response to your request for the identification of current and proposed federal regulations negatively impacting job growth and preservation, the undersigned organizations, representing hundreds of thousands of businesses, both large and small, would like to strongly encourage a Committee review and investigation of the U.S. Environmental Protection Agency's (EPA) *Lead: Renovation, Repair and Painting* (LRRP) Rule and its proposed amendments. As you know, the nation's building industry has been in a severe recession for several years, and today still faces unemployment at a rate of 21%. Further, the LRRP Rule poses a major obstacle for a market recovery and the proposed amendments expanding its scope will further delay a sustained recovery.

The undersigned organizations support the intent of the Residential Lead-Based Paint Hazard Reduction Act of 1992 and share EPA's objectives to protect children and pregnant women from lead hazards. The final LRRP Rule, which took effect April 22, 2010, requires renovation work that disturbs more than six square feet on the interior of a pre-1978 home to follow new lead safe work practices supervised by an EPA-certified renovator and be performed by an EPA-certified renovation firm. Poor development and implementation of the LRRP Rule resulted in:

- Not enough training opportunities for renovators to become certified and therefore not enough certified renovators at the time of implementation;
- Inadequate lead test kits producing over 60 percent false positives and an EPA-estimated \$200 million in unnecessary additional compliance costs;
- Ineffective and insufficient consumer awareness programs; and
- Woefully underestimated costs for compliance with the LRRP Rule, particularly for small businesses.

These actions have resulted in contractors facing considerable costs to comply with the rule and has hindered job creation in the already depressed construction market. EPA's inability to produce issue any meaningful consumer education on the LRRP Rule has also resulted in consumers hiring uncertified contractors due to the increased costs of hiring certified renovators. This means that legitimate businesses that are complying with the

Letter to Chairman Issa
January 10, 2011
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LRRP Rule cannot compete for much-needed work against non-compliant contractors that, ironically, lack the trained to actually perform lead-safe renovations and prevent lead hazard exposures.

Making matters worse, when EPA published the final LRRP Rule in April 2008, it contained an "Opt-Out" provision that allowed homeowners to waive compliance with the rule if there were no pregnant women or children under six present. However, in July 2010, EPA removed the Opt-Out provision and more than doubled the amount of pre-1978 homes that are now subject to the Rule, which also increases compliance costs by \$336 million in the first year alone, according to EPA. EPA took this action without citing any new data to support its decision and offered such explanations as the need to protect possible future residents of a home, minimizing the impact on neighbors and protecting pets.

EPA has undertaken additional regulatory actions to expand the scope of the LRRP. The current proposed rule to institute "Clearance Testing" is to ensure that renovation work areas are adequately cleaned after certain renovation work is completed. These additional requirements would require expensive multiple dust wipe tests through EPA-accredited labs after renovations are completed and depending on the type of renovation work, ensuring that the renovation work areas (and adjacent areas) meet stringent clearance standards before re-occupancy. We have several concerns about this proposal, including:

- EPA lacks the authority under the Toxic Substances Control Act (TSCA) to impose dust wipe testing or clearance requirements on renovators;
- EPA's proposal is inconsistent with TSCA because it eliminates the distinction between lead abatement activities and renovation work;
- Clearance testing results would make contractors liable for any lead present in a home, even outside renovation work areas;
- EPA seriously underestimated the cost of compliance by basing estimates on the likelihood that "next generation" field test kits would be approved by September 2010. EPA was unable to approve any new test kit and it is unclear whether technical limitations will preclude the development of accurate and cost-effective test kits;
- EPA's has failed to provide any data to justify the proposed expansion of the LRRP Rule

EPA has also begun the process of extending the LRRP Rule to commercial and public buildings through an advance notice of proposed rulemaking—even though Congress only granted EPA authority to issue *guidelines* for work practices applicable to RRP activities. We are particularly concerned that, in TSCA, Congress directed EPA to first

Letter to Chairman Issa
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conduct a separate and independent study of lead paint hazards in public and commercial buildings before it can issue regulations for renovating and remodeling those structures. EPA is on record as stating that it *lacks data* on the lead hazards in commercial buildings, but the agency is nonetheless proceeding swiftly down the regulatory path.

In addition, EPA granted a petition from the Sierra Club, Alliance for Healthy Homes and the National Center for Healthy Housing and is in the process of recalibrating the definitions for lead in paint and lead hazards in dust. These definitions are the very basis for the LRRP. Since 1993, property owners have made costly investments in testing their properties and carrying out activities based on the definition of lead in paint. Changing this definition of lead in paint is of unproven public health value and will significantly increase the already expensive costs of compliance with the LRRP rule by extending the rule to properties that may now be considered as lead-free.

In summary, we are concerned that the revisions that EPA has made and is considering making to the LRRP rule will create costly disincentives to ongoing repair and rehabilitation activities in residential, public and commercial buildings, and hinder job creation in the seriously stressed construction sector without demonstrably improving the public health.

Thank you for your consideration and we look forward to working with you and the Committee in the 112th Congress.

Sincerely,

Air Conditioning Contractors of America
Associated Builders and Contractors
Associated General Contractors of America
Electronic Security Association
Hearth, Patio & Barbecue Association
Insulation Contractors Association of America
Manufactured Housing Institute
National Apartment Association
NAIOP, the Commercial Real Estate Development Association
National Association of Home Builders
National Lumber & Building Material Dealers Association
National Multi Housing Council
Plumbing-Heating-Cooling Contractors—National Association
The Real Estate Roundtable
Vinyl Siding Institute
Window & Door Manufacturers Association

The Window Man

Mr. Issa

Thank you for an opportunity to explain what is happening on Main Street.

My Son & I have morphed from building homes to operating a small replacement window business. This being said; we survive having low overhead & the use of sub-contractors. The problems facing our economy have had a serious impact on the housing industry as a whole. The Government's reform of the banking system & lack of financing destroyed 50 to 60% of the market share in remodeling projects.

Our local banks that still owe tarp money cannot lend. The so-called tier 1 lending institutions would rather play in the global market to satisfy their bond holders. Their strict guide lines disqualify most homeowners from borrowing. (The average home has lost 25-60% of its equity.) The 2010-11 Cost vs Value report shows an extreme reduction in equity buildup from projects done in years past.

Inflation has shown its ugly head: QE2 has improved the FEDs' bottom line but at what cost: They have raided our national trust fund to convert it to Treasury Bonds to swap for foreign currency. Because of QE2 these bonds are extremely discounted.

Material costs are going up daily; companies are charging delivery along with a fuel change.

The replacement window/remodeling business has been impacted by the EPA-RRP (Lead containment). This program requires that anyone who owns rental property or does home improvement for hire- must be certified for testing and removal of lead in properties older than 1978. This EPA regulation has impacted/deterred homeowners from moving forward on doing improvements due to the added cost of @ 15%. This does not account for training, processing & record keeping - that must be retained for life.

Today, customer inquiries are down significantly from year to date.

The 2010- \$1500.00 energy tax credit did stimulate business for the home improvement industry.

Labor- Unemployment has been higher in this industry than the national average. I would love to have an in house staff to oversee the book-keeping and installation activities. We have advertised/listed employment opportunities many times without success. Candidates that inquire are complacent with the benefits received from unemployment. The 99+ weeks of entitlements' has seduced them into a socialist state. They expect the government to continue extensions.

My thoughts: Make it mandatory for the unemployed; to give 8hrs of community service to a State or City operation per-pay week. Offer employers hiring opportunities- @ min-wage for six months, for training/probation; continue to supplement candidates with unemployment for said period. Wave or abolish Obama-care.

In closing: The government is unable to connect with the smallest of businesses. The Mom & Pops; Father & Son operations are truly the backbone of the community and nation!

Thanks

Tom Rowe

Wise Natural Resources

Dear Friend,

The western U.S. is steeped in the history of mining and as early as 1850, miners found gold in Southwestern Oregon, followed by discoveries in Eastern Oregon, along the Cascade Range, and the Oregon Coast. Miners opened up the Oregon territories and settled throughout Oregon and brought their families to live in our beautiful land where they settled down and raised their families.

To this day a small core of hard working small-scale miners continue to raise their families throughout Oregon. Some depend solely on their income from mining to take care of their families needs, while others depend on what they make mining to supplement their incomes. Much of what is made from their hard work goes back into the small rural communities. The rural communities we work in depend on what we spend in these small towns to survive as much as we need them to supply our needs.

I don't know if you are aware that Oregon suction dredge miners are under attack by the Oregon Department of Environmental Quality (DEQ) and the environmental who would like nothing better than to ban gold dredge mining in not only Oregon but other western states just as they succeeded in doing in California (destroying an industry that contributed over \$60 million annually to CA).

The DEQ with support from USEPA is using an EPA National Pollutant Discharge Elimination System permit (NPDES) to regulate small-scale miners in Oregon out of existence. The 2010 permit is written even more restrictive than the 2005 permit we are presently fighting in the Oregon Supreme court. An NPDES permit is written for industries that add pollutants to the water. The regulation requires a system of treatment for the pollutant to bring the effluent discharge within Water Quality Standards within a specified mixing zone.

Gold dredge miners only discharge dredged material already present in the waterway. There is no treatment available to reduce the turbidity (cloudiness from the dredged material) that DEQ is calling a pollutant short of reducing the size of the dredge or not dredging in areas that have turbidity levels that are visible after the allowed mixing zone of 300 feet. Either of the choices would limit the profitability of mining to a point that would put almost all of Oregon miners out of business in a time when jobs are not easy to come by.

In addition there is published scientific evidence that intermittent turbidity, such as that which occurs during small-scale gold suction dredging, is only temporary and of short duration. The turbidity causes no harm to the environment or its inhabitants. Retired US EPA scientists are aiding the mining community by reviewing the scientific literature. They have found that small-scale suction dredging research, that studied the effects of disturbed bottom material and the resulting turbidity, has concluded that the effects on water quality and stream biota are less than significant.

DEQ's choice to use of turbidity as a pollutant of concern and their refusal to take into account the economic and social factors important to Oregon miners and the rural communities in which we live has forced us to take DEQ to court. The outcome of this litigation will affect all future small-scale placer gold mining and prospecting (from simple gold panning to modern suction dredge mining) throughout Oregon (and possibly other states). Put bluntly, it is the living

heritage of the individual gold miner in Oregon that is at stake – if we loose, mining in Oregon will go the way of the timber industry.

Our having to fight multiple court cases against DEQ simultaneously results in our running out of funds as fast as they come in. Eastern Oregon Mining Association (EOMA) located in Baker City, Oregon and Waldo Mining District (WMD) located in Cave Junction, Oregon is again taking the lead in the fight against DEQ and the environmental organizations. We have received money from Oregon, Washington and California mining clubs to fund our fight so far but it isn't enough so we have to resort to drawings to hopefully fund our fight.

The DEQ receive our tax dollars to fight us in court and they also receive funds from the USEPA for every NPDES permit they sale to miners. The environmental NGO's fighting for standing to put us out of business are getting government grants that they may be using to pay their expenses. Doesn't seem fair to me that gold dredge miners have to litigate to keep the industry economically profitable putting out more of their hard earned cash they need to raise their families while NGO's use more of our tax dollars to keep them in business to continuously badger our industry. We need your help.

The fight is primarily over our right to mine on Federal land where the mining law of 1872 gives mining rights to small scale miners working in the public domain and is considered necessary to our national security. I have been discussing the fight going on in Oregon but it is also happening in many other western states pushed not only by some of the same NGO's and state agencies but also federal agencies. As miner's rights are infringed upon in one state other states jump on the ban wagon to limit miners rights in another state. The state of California for example banned suction dredging last year because the CDFG did not do the job required by a court order to do and EIR on effects of small scale gold dredging after being sued by the Karuk Tribe of California and environmental NGO's.

More information regarding our rights to mine for locatable minerals in the public domain and what state and federal officials are doing to limit our economic profitability can be found at www.waldminingdistrict.org and www.eoma.org.

Thank you for any help you can give to support our Federal mining,

your friend,
Claudia Wise

Claudia J. Wise

[REDACTED]
Albany, Oregon 97321
[REDACTED]

Dear Congressman Issa:

SUBJECT: NEW JOBS, BRING IT!!!

Greetings from Southern California!!!

Congratulations on your recent Committee Chair appointment. I am thrilled along with millions of Americans that you will now get the support and help of the new Republican House majority in enacting laws that will stop our country from spiraling out of control. Thank you also for taking the initiative in creating this website. I am sure it will garner an overwhelming response from small business owners that have come up with so many innovative ideas that can help put millions of unemployed Americans back to work again.

I have one such idea for a bill. This proposed bill would generate NEW PRIVATE INDUSTRY JOBS – and lots of them. It would systematically create these new jobs in the near, mid and long term. These new jobs will not only be created in California but in all fifty states as well.

Since this proposed bill will involve the federal workforce it must undergo the legislative process by Congress. Your role and influence on the Oversight and Government Reform Committee would be crucial in implementing a plan that would put primarily, “NEW” white collar jobs back on the market. It would offer the federal government an active partnership role in creating new private industry jobs along with industry instead of one that is perceived as passive or obstructive.

This proposed bill will not grow the size of the federal government or become another tax burden for American taxpayers. The strategy we have developed is an incremental approach that would start with the federal workforce and quickly spread to other major segments of the population; all the while – creating new private industry jobs.

In keeping with protocol, many attempts were made to discuss this matter with my U.S. Representative for District 47 – Loretta Sanchez and U.S. Senators Dianne Feinstein and Barbara Boxer. I was not able to make much headway. It is understandable how a significant “jobs” bill such as this one could be overlooked and underestimated since it is not being pushed by powerful lobby groups or big labor unions. I am hoping the same will not happen here.

Given the chance to discuss this matter with you, I am confident that you will find this proposed bill to be profoundly simple, ingenious and timely.

Thank you for your service and great leadership role in the Congress. May God’s favor be upon you as you endeavor to fight on behalf of the family, church and our great Nation.

I look forward to hearing from you soon.

RESPECTFULLY,

/s/ Meki Masaniai

[REDACTED]
Santa Ana, CA 92703

[REDACTED]
[REDACTED]
[REDACTED]



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www.bercolnc.com

Established in 1969, Berco Industries is a second generation manufacturer located in St. Louis, Missouri. Like all manufacturers, we have a multitude of rules and regulations that must be adhered to on a daily basis. Some of these regulations are necessary evils of doing business while others are just evils. Below are the rules and regulations that leave us with a less than desirable taste in our mouth.

OSHA

1. Inconsistency among inspectors has required us to make several modifications to the same part on the same machine on more than one occasion. We have spent man-hours and thousands of dollars to change a part to only be told by another inspector that the change wasn't correct or necessary in the first place.
2. Paperwork and record keeping that is required to be maintained on a monthly basis is tedious and time consuming.

Department of Homeland Security

1. For I-9 verification, we must do constant testing to cover changes in the procedures.
2. Paperwork and record keeping that is required to be maintained is tedious and time consuming.

Department of Health and Human Services

1. Due to HIPPA, it makes it difficult to assist our employees with claim issues and questions.
2. Paperwork and record keeping regarding notifications of employee rights is also tedious and time consuming.



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Department of Labor

1. COBRA requires an exorbitant amount of paperwork. With all of the changes and extensions, notifications have become such a nuisance.
2. ERISA rules are so complex that companies have to hire outside consultants to manage their 401(k) and profit sharing plans. In some instances, the costs deter companies from offering this benefit.
3. FSLA require small companies like ours to hire a dedicated HR professional just to keep track of all of the laws and updates.
4. FMLA is another law that requires small companies like ours to incur burdens of having to hire temporary workers because of the extended time off we are required to give workers.

National Labor Relations Board

1. While the NLRB is supposed to be unbiased and independent, most companies like ours feel that this is not the case. They have become very pro-union and do not support the rights of employers.
2. The NLRB's proposed rule of posting a notice to increase knowledge of the NLRA among employees is just another way to try and force unionization.
3. Unionization for companies like ours causes increased costs in areas like business insurance and health insurance that are required to be covered by the employer.



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4. Unionization also requires excessive amounts of paperwork that has to be submitted to the NLRB on a regular basis.

This list is not considered all inclusive but represents just a sample of the red tape we deal with on a daily basis. Thank you for the opportunity to provide this information. We are hopeful that someone will take control of our government and make the United States a better place to do business.



THE HANDLEBAR

304 E. Stone Ave. Greenville SC 29609
www.handlebar-online.com 864 233 6173 fax: 864 349 0144

February 7, 2011

Broadcast Music Inc. (BMI) is one of three Performing Rights Organizations (PROs) that, under the outdated and harmful Copyright Act of 1976, has the Congressional mandate to operate as thugs that shakedown businesses.

A couple of years ago, BMI settled a \$40,000 lawsuit against our company, Handlebar Enterprises Inc., thanks to intervention from our Congressman (then-Rep. Bob Inglis, R-SC). BMI, as part of the settlement, forced me to sign a \$5,000 judgment against myself, in addition to a \$5,000 judgment on my business, in addition to the \$5,000 yearly license fee our company is also being forced to pay. (On top of our annual licensing fees for ASCAP (American Society of Composers, Artists, Producers) and SESAC (for "just" \$1,500 each -- rates that go up each and every year.)

Every year, all three PROs litigate hundreds of lawsuits against small business -- and levy "taxes" on those same businesses -- that use music at their businesses.

In May 2005, the Subcommittee on Courts, the Internet and Intellectual Property heard the Rich White Guys who run the PROs tell the Committee what a great job the PROs are doing upholding the copyright law and protecting their members. First, a vast portion of their members aren't getting served; second, the PROs have become

even more aggressive, hostile, thuggish, harassing and threatening to small businesses, and, third, hearing from PROs, and not the small businesses they are shaking down, is sort of like getting testimony from Big Oil to ask how things are going for their customers after Hurricane Katrina.

Ask Neville Pereira, owner of the Capitol Grille, in Concord, New Hampshire, who was sued by BMI for \$44,000 for playing CDs in his 160-seat restaurant. Ask Barry Pollack in Willis, Texas, whom BMI sued for a small fortune. He has singer/songwriters coming to his rescue, holding a fund-raiser to pay his BMI fees, but, according to an Internet story about Barry's ordeal:

The money, however, doesn't necessarily go to the local artists playing original music. It is distributed based on random sampling done by BMI, according to its (own) Web site:

“BMI uses an independent source of pop concert information to create a database which is used to solicit concert set lists. We compile these responses and determine semi-annually which musical acts were among the 200 top-grossing tours. A royalty payment is calculated for each BMI-licensed work used in the opening and headliner's acts in each of these top musical tour set lists.”

Whatever all that means ...

So, Congressman Issa: How can a \$5,000 judgment against me possibly help BMI, the songwriters BMI allegedly serve or the ones I hire in my concert venue, The Handlebar? How do these relentless lawsuits (more than 300 a year from BMI alone) serve the country? How can BMI and ASCAP, allegedly not-for-profit organizations, earn \$3 billion last year, without anyone watching over *them*?

Congressmen have heard from the PROs. Now hear from Neville Pereira, Barry Pollack and Mike and Margaret at the Acoustic Coffee, a tiny home for struggling songwriters in Portland, Maine, who also got slammed by BMI.

Help. That's all we ask. Help, before our small businesses get wiped out by huge-money machines that Congress inadvertently loosed on this nation.

Many of us across the country are frightened of them. Many of the small businesses I talked to, because of interest in the story from TIME magazine, said they are and have been intimidated by BMI, threatened with our very livelihoods. Me, my credit is about to be destroyed.

I would be happy to discuss this at your convenience in more detail.

Best regards,

John Jeter

2011 a bad year for Charter for Hire Fishermen

At the heart of Catch Shares debate is Dr. Lubchenco's administer of NOAA a former Environmental Defense Fund board member. Catch shares will eliminate jobs, cause family's to lose their homes, While a handful of stake holders will benefit and have the majority the total allowable catch? At a time when the National debt continues to rise at a staggering pace why would the Federal government want the fishing industry as a whole Including Recreational, For Hire Charter/Head Boats & Commercial fishermen to lose their jobs. 5.5 Billion dollars are spent on recreational fishing in the State of Florida each year quite a large tax base.

ADVERTISEMENT:

CITIZENS OF NORTH CAROLINA

ARE YOU A TAXPAYER?

DO YOU EAT SEAFOOD?

DO YOU EVER GO FISHING?

DO YOU BELIEVE THAT YOU HAVE THE RIGHT TO GO FISHING?

If you answered yes to any of the above questions you have a problem!

The problem is something called CATCH SHARES.

CATCH SHARES is a concept that grants exclusive rights to harvest fish to particular entities.

CATCH SHARES is a concept that has been promoted for years by the Environmental Defense Fund and is now being put in place by NOAA/National Marine Fisheries.

CATCH SHARES have been used around the world for 30 yrs. Where used they have *reduced the fishing fleets by 30% to 60%.*

NOAA/National Marine Fisheries Services and the Environmental Defense Fund want Catch Shares. The plan was officially released to the public on November 4, 2010

CATCH SHARES will:

- 1) Reduce coastal business and tax collections.**
- 2) Reduce the amount of locally harvested seafood.**
- 3) Devastate the charter/head boat industry.**
- 4) Legally establish the framework for a *very few to own the exclusive right to catch fish.***

***CATCH SHARES is not about conservation!
CATCH SHARES is only about allocation!***

"The last thing the federal government should be doing in these economic times is spending millions of taxpayer dollars to expand a policy that will put even more Americans out of work."

The President said in his recent State of the Union that if making changes in legislation would make a difference in helping small businesses, 'we' will change them. I believe the exact quote was, 'When we find rules that put unnecessary burdens on small business, we will change them.' The Reauthorization of the Magnuson-Stevens Act of 2007 is our 'unnecessary burden'. We have had our hands tied by NOAA & NMFS whom have imposed over restrictive regulations, season and area closures with using "FLAWED DATA"

******With the RAMSA, Congress mandated NMFS to have a new data collection system in place by 1-1-2008 to date no such system has been implemented!***

We need flexibility in the Reauthorization of the Magnuson-Stevens Act of 2007. What we have proposed in the past is below. There are thousands of jobs and hundreds of businesses at stake as NOAA fisheries works through all the different Regions, pushing catch shares, sector separation, and other items on their agenda all to 'reduce participation in the fishery'.

We need flexibility so that the fisheries can rebuild at a slower pace and businesses and jobs related to the fishing industry and tourism will not be lost in the process of rebuilding.

You could re-introduce the Pallone bill HR-1584 and the Shumer bill s-1255 [or similar legislation] with language below added that will allow the fishing industry to get back to work. The amendment proposed by the Panama City Boatman Assoc. and Conservation Cooperative of Gulf Fishermen is:

Notwithstanding any other provision of law, the reef fish fisheries in the Gulf of Mexico and South Atlantic shall not be required to be rebuilt, and over-fishing ended, by a specific date provided that the annual level of fishing does not exceed the net reproduction rate for that fishery such that the fishery is rebuilding each year. If the objective set forth in this section is not met for any of the Gulf of Mexico and South Atlantic reef fish fisheries in one year, the Secretary of Commerce shall adjust the fishing rate in that specific fishery in subsequent years to compensate for any overage.

Stop Sector Separation and Catch Shares in the U.S. Recreational Fishery. The current NOAA budget has \$52 Million allocated to promoting catch shares in the U.S. fisheries. Funding in the budget for new research has been reduced. We ask that you request these catch share funds be re-allocated to improve data research and annual stock assessments, specifically in the Gulf of Mexico and the South Atlantic Fishery.

Beaches construction

I believe that for the United States to have plentiful jobs we need to decrease government in all departments that overlap each other to the fact that the departments argue between themselves and keep all the secrets to themselves to create the bureaucracy and cost money from all employees and employers.

We need to create jobs for the USA to export internationally and stop importing or at least have a n even balance between importing and exporting. Tariff at the borders of all incoming imports, to create revenue for our bureaucrats.

Stop all illegal aliens from the barter system and start collecting the sales taxes and income taxes that they do not pay.

The United States needs to get tough and stop the belly aching and stop being the good guy and buying friends in the other parts of the world.

Decrease Government by 30% and eliminate all new Department that has being formed since 1995.

What is putting us out of business is the U.S. Congress giving insurance companies and PBM's the sole right to set the prices that they will pay. There is no negotiation -- their way or the highway.

They reserve the right to change agreements unilaterally and with the help of the government, to redefine base figures (AWP -- average wholesale price, MAC -- maximum allowable cost, AMP, etc.) always to our detriment.

We are struggling with prescription filling fees of \$.50, \$1.25, \$1.40, etc. above cost and are forced to fill several prescription a day below our true acquisition cost -- often costing us \$15-\$20 in time to try to retrieve \$3 or \$4 to bring Rx's above acquisition costs.

We are made to fill prescriptions costing us \$500 - \$1000 at one or 2 dollars upcharge. Many, many prescriptions are filled at gross margins of 2-5% with brand name prescriptions yielding about 10% above acquisition cost, without figuring in many costs of doing business (such as filling an RX for 90 of a seldom used drug costing \$500 -- our net cost being \$450 for \$453, leaving us with an obsolescence factor of \$47 not covered, likely to go outdated and lose us another \$15 or so in outdate credits.

You cannot run an independent business where you have no control over your costs and your reimbursements and we are being forced to 'throw in the towel' and put another 12 people out of work.

E. Darrell Rafferty, R.Ph.

Battle Ground Pharmacy

Battle Ground, WA 98604

How to Eliminate Poverty, Taxation, and Budget Deficits

Eliminating poverty, taxation, and budget deficits sounds good, but how can it be done? As a nation, we have spent years attempting to solve these problems, but we are no further ahead than we were ten, twenty, or fifty years ago. So what's the answer?

If an individual or an organization aspires to move from poverty to wealth, then the accumulation of assets is necessary. Assets are what separate the wealthy from the poor. The working poor make too little money and/or make poor financial decisions that result in being unable to obtain assets. They live from paycheck to paycheck--money in and money out. Every cent they make is spent meeting basic survival needs. No one has ever been able to "spend" his/her way to wealth. Wealth is achieved only through savings and accumulation of assets.

This same scenario applies to both private and public non-profit agencies. Non-profits administer grants to help poor and low income to become self-sufficient (see CSBG regulations -- Title II, Subtitle B, Sec. 672). Throughout the better part of the 20th century and now into this century, the ultimate goal of every grant was and is to eventually make the poor and low income self-sufficient. But the results are discouraging, because there is a basic problem with this scenario. That is, how can a poor non-profit make poor people self-sufficient when the non-profit is not, nor does it know how to be, self-sufficient? Additionally, the employees of the non-profit often are working poor themselves. Again, the question is, how can poor non-profit employees make poor clients self-sufficient?

This approach has failed, as evidenced by the many years this process has been in operation. Therefore, I contend that we change the focus from making the clients self-sufficient to first making the non-profits self-sufficient, then the staff, and eventually the clients. The organization, staff, and clients are the natural order for self-sufficiency.

A financially sound and self-sufficient organization will set an example for the poor employees and for clients. An organization that accumulates assets and does not live from paycheck to paycheck--money in and money out--will set an example of how to be self-sufficient. Additionally, the employees and the clients will begin learning and understanding self-sufficiency as they see the organization becoming self-sufficient.

So how do we make non-profits self-sufficient? I believe that foundations have found the key. The Duke Endowment, located in North Carolina, is an example of a foundation that I will use to make my point. James B. Duke set up the Duke Endowment in 1924 with 40 million dollars to be used for charity. However, knowing that if he did not institute some controls, the money would soon disappear, he set up an investment policy and a spending

policy. The investment policy allowed the money to be invested in the stock market. The spending policy was the key--it dictated that the principal or corpus would never be touched. The only amount that could be spent was five percent (5%) annually of the total fund. The five percent is tied to the stock market in that, over time, the market will return ten percent (10%). Thus, five percent could be used to fund programs, while the additional five percent was retained to grow the principal or corpus. This was so successful that as of December 2000 the fund was worth approximately 3 billion dollars and it had given approximately 1.5 billion in grants and programs!

How do we apply the Duke Foundation example to non-profits that depend on grants from federal, state, and local sources? It is essential that Congress take a strong look at how important it is to build something of value. Current funding guidelines require spending every dime in the budget or returning the surplus to the funding source, always relying on the taxpayer for the funds to run our governments and non-profits.

Therefore, I propose that Congress mandate that every grantee receiving federal funds be required to establish a trust or endowment (similar to the Duke Endowment) with ten percent off the top of each grant. This endowment would be used to make the non-profit self-sufficient over a period of time, such as thirty years. The grantee would establish a spending policy just like the Duke policy. As this fund grows, it would eventually eliminate the need for tax-supported grants thus making the organization self-sufficient.

Monitoring would be relatively easy, in that if the fund is not growing in order to make the organization non reliant on taxpayer dollars, then the fund is not being managed appropriately. That organization would **not** be allowed to administer any future grants until the situation was corrected.

If Congress is hesitant about this concept across the board, then I would suggest some pilot projects with a number of federal grantees to see how well it would work. I am confident that the results would be astonishing!

The Duke Endowment concept could apply to federal, state, and local governments as well. If each government would put back ten percent (10%) of the total budget, with the intention of being self-sufficient in thirty years or so, this could eventually eliminate or substantially reduce the need for taxes. No taxes or greatly reduced taxes would have a very positive impact on eliminating poverty, taxation, and budget deficits.

After working 33 years in non-profit financial management, I have found one particular federal and state requirement that is having a very negative impact on the economic future of our nation. That requirement is the one **where all grant dollars must be spent during the budget year and any dollars left over must be returned to the grantor.** Thus, almost all non-profits, both public and private, will spend any left over grant dollars on items they do not need. They do this in order to keep from looking bad and losing those dollars from next year's grant. By adopting the Duke Endowment concept, we would be changing the focus from spending to savings. Thus, grantees would be

required to have funds left over. This would create a savings mentality as opposed to a spending mentality. Grantees would be looking for savings to become self-sufficient rather than spending in order to keep from sending unspent funds back to Grantors.

Additionally, by putting all this money into the stock market, would cause the market to soar. This money would provide an underpinning for the stock market. With a spending policy the principal would never be taken out of the market. Only five percent annually would be available for spending. This would lead to increasing capital gains that would accelerate the process of self-sufficiency.

Again, self-sufficiency requires accumulation of assets. That is the key to eliminating poverty, taxes, and budget deficits. As a nation with multiple levels of government, we must stop living from paycheck to paycheck, just as we expect our poor clients to do. But the government should set the example. We must start building something of value that will eliminate or at least dramatically reduce poverty, taxes, and budget deficits. We must stop spending everything, including deficit spending. As noted above, no one has ever been able to spend his/her way into wealth. What we have been doing clearly is not working, and it's time to take a different approach toward achieving personal, organizational, and governmental self-sufficiency.

Please give feedback and comments. All feedback will be greatly appreciated and will be used to further enhance the above idea. If you need additional information or want to discuss the above paper, please contact me.

Ronnie L. Mace, Finance Director
Blue Ridge Community Action, Inc.
800 North Green Street
Morganton, NC 28655

[REDACTED]

Congressman Jordan,

We started this company in 1997 with one man and a backhoe. Thanks to the hard work of our dedicated employees and determination of our management our small company has grown to be a force in the construction market in the Northwest Ohio area. Since this company's creation the amount of Government paperwork and requirements has skyrocketed to a ridiculous level. From the department of Administrative services to EEO Filings to keeping up with minority and DBE percentages on all of our government jobs. Making sure we are doing things correctly according to the state of Ohio has become a full time job for someone and I do not believe that this is the type of job creation we should be focusing on.

So much has changed in the bidding process for our company and new rules are just enforced with no education to go along with them. We bid a project back late 2009 for the village of Malinta in Ohio and because we did not fill the 6100- form out correctly they gave the job to another contractor. **THIS** was a **3.5 million** dollar project that was thrown out over a paperwork issue. It should have never happened. We were the low bid and they gave it to another contractor and because of that it cost the taxpayers and government approximately 300K more. Its not right.

The minority issue is a real problem for us I do not know if you are aware but that fact is we live in a predominately white area. As a matter of fact Findlay's population is 94.26% white. It is not that we are not hiring different races it's because different races are just not applying here. As far as hiring women they are not beating our door down either. We applied for our Certificate of Compliance and they issued it to us based on Deemed Compliance? This means that they feel we have not demonstrated good faith efforts when hiring employees. When I asked why the lady at the Ohio DAS she said we did not have enough minorities on our projects I told her that understood this but what was I to do about it if minorities are not applying here and she said that because we are a union employer we need to ask the union to send us minorities I told her that when we get someone from the union hall they send us the next person on the list and she said that we need to tell them we want a minority. Ok I get that but I feel bad for the poor chap that was supposed to go out next. It's not right. No one should ever be hired or fired because of their race regardless of their race. Ever.

Health Care? Do I need to say anymore? We signed our renewal in May of 2010 in November of 2010 our specific brand was dropped by the carrier. The reason? They couldn't afford it anymore. We had to go shopping for insurance and we are now almost paying double what we were. How is this helping any business I ask you? It is just madness.

The EPA and its regulations have been put into place by people who are bent on saving the environment. They have come up with many costly rules and regulations and as contractors we are charged with following them. I ask you who tracks these regulations are they really helping? Is the environment showing improvement? Or is it all for show? It takes time, money and energy to implement these regulations and ultimately I do not know if they have helped anything or have they just cost everyone involved in the implementation.

Government and unions should not be in bed together. Enough said.

I want Government to start treating business like the driving force it is in this country. We are what keeps this country going. Quit burdening us with endless forms and policies and red tape that does nothing but create jobs at the government level and cost the tax payers money. Thank you for listening.

Sincerely,

Ame Johnson

Helms & Sons Excavating Inc.

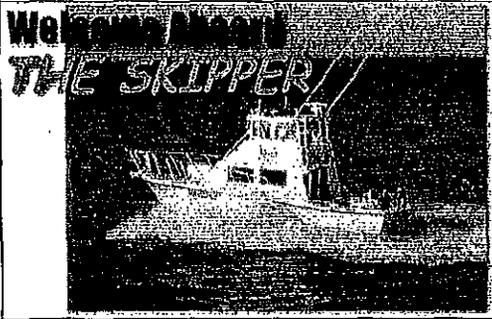
P.S. Looking forward to the Ohio sales tax audit at the end of April.

Medicaid has declared that Mental Health services are "optional". In doing this, it paves the way for States to cut, from their embattled budgets, the costs associated with providing mental health care to their citizenry. In NC the average cost of a psychiatric care in a hospital setting is \$1,400 dollars. Prison beds go for approximately \$35K-\$40K annually or \$96/day. Clearly a cost savings, however, not the most appropriate place for persons with psychiatric conditions. NC has a better answer, Clubhouses of which there are seven. This model only costs approximately \$70/day to provide productive, structured "work-ordered" days to adults with severe mental illness.

Please consider changing the language in Medicaid such that mental health treatment and services are not considered optional, but necessary, for the citizens of the US to experience true freedom from oppression: Oppression in the form of wrongful imprisonment.

Most sincerely,

Irene Dwinnell



SKIPPER

T & D Charters
632 Michelle Dr. Biloxi, MS 39532-4500
Phone: (228) 385-2910
Fax: (228) 385-2085
Cell: (228) 323-5835
Website: www.skipper4fish.com
Email: tdchart@bellsouth.net

To Whom it May Concern,

February 4, 2011

I started my business in 1985, after retiring from the United States Air Force after 26 years. The Pressure from Washington and the rules they are making has put us on the brink of closing down our very successful business, that now my son would love to take over, if there will be anything left of the Charter for hire sector to fish for with any possibility of a profit.

This is another one of those issues that will really put a HUGE loss in fisherman and families who have work this for all their lives.

I DO NOT Support Catch Shares

I live in the Southeast and care deeply about the health of our fisheries, local sustainable seafood, and coastal communities.

I support the Council's progress toward better fisheries management through real science, more independent fishery research, and the advice from knowledgeable, experienced, and historical fishermen. I DO NOT support catch shares for the snapper, grouper and golden crab commercial fisheries (amendments 21 and 5).

Catch shares will not end overfishing and rebuild fisheries, WILL NOT stabilizing good jobs, WILL NOT improving local seafood availability and WILL NOT contribute to our local economy. Catch shares will destroy the fishing fleets and fishing communities. The Council should not approve any catch share plan. Better management of recreational fishing should also become a Council priority. The use of REAL, UNBIASED SCIENCE, plus improved data collection, and independent fishery research will help to improve recreational fisheries. Using number of fish rather than pounds will help to extend recreational fishing seasons and provide easier methods to collect data. Use flexibility in your management requirements for all fishing sectors to improve fishing opportunities for anglers.

Sincerely,

Signed

Thomas J. Becker, Captain and owner

T & D Charters

A short and simple run down of facts:

FDA loses in court to make electric cigarettes a drug delivery device, court rules they should be treated as tobacco product.

The FDA seized a shipment of my company's products on 01/11/2010 (value over \$100,000.00) without any reason given in writing.

FDA Safety Officer Dennis Poertner (909-390-7860.x104) told me I would receive a letter from the FDA to explain the seizure, I have not received a letter to date 2/02/2011.

Poertner told me that the FDA did not care what the courts ruled, they (the FDA) considered this a drug delivery device and the seizures will continue regardless of any court ruling other than the Supreme Court.

US Court of appeals ruled on 01/24/2011 against FDA for rehearing and refuses to reinstate stay of preliminary injunction for FDA to refuse entry of electric cigarettes.

Customs in San Francisco is currently refusing entry to more of my company's products that were delivered to customs 01/30/2011.

Reason for detainment is FDA refuses entry based on their beliefs of drug delivery device and NOT the law.

I have now spent over \$20,000.00 on shipping and return shipping in the last month.

Our business has lost over \$100,000.00 in sales due to the corrupt FDA and their belief that they are above the courts and the law.

Sincerely,

Ron MacDonald

President

Crown7



weiland[®]
Sliding Doors and Windows, Inc.

February 3, 2011

Darrell E. Issa
49th District, California
Washington Office

Dear Mr. Issa,

I am writing in response to a letter we received dated Jan 20, 2011. We are a family owned business which begun out of a garage over 25 years ago in San Diego county. Our company has grown to 70 people dedicated to getting better every day and we build beautiful doors and windows to show for it!

We appreciate your efforts on behalf of the business community, especially small businesses like ours. We don't need to tell you that our obstacles are high taxes, strenuous regulations for OSHA compliance, and payroll and labor paperwork. In addition, we even have difficulties with the Fish & Game who block our request to have adequate annual maintenance of the creekbed along our property line, preventing our business (and others) from being flooded each year! We also struggle as a small door and window company trying to keep up with the new energy requirements. It takes great investment to test each door for energy performance and to re-design some of them to meet the ever increasing code requirements. We are slowly losing markets to the narrowing codes.

Please help us! We love what we do, we love our product and want to continue to provide a healthy and happy work place.

Sincerely,

Sue Weiland

To Whom This May Concern, I am a commercial fisherman of the Northeast. The Dept. of Commerce, NOAA and NMFS has allowed the ENGOs (Pew/EDF/Oceana/CLF/Moore Foundation/Walton Foundation/Packard...et al) to hijack our natural resources and the Laws that govern them so that they may privatize our publicly held fish to the tune of \$54 million to manage the process with taxpayer dollars while killing thousands of jobs UNNECESSARILY! Their own Head Scientist at NOAA's Woods Hole--Steve Murawski, has declared that there is absolutely 'no over fishing going on in the USA'! Yet they keep pressing this fatally flawed message to the general public---as the ENGOs own media---and thereby getting away with this Crime! We have 'shovel ready' jobs and Jane Lubchenco (Head of NOAA) intends on eliminating them by the thousands--not just in the northeast, but Nationwide while using our own tax dollars to do it! It is Pathetic. She came into the appointment after President Obama won the presidency and she came in with the intention of shoving 'Catch Shares (a sordid method of allocating our fish to a chosen few with faulty data to do it) down every fishermen's throats (commercial/recreational/charter) as a former EDF vice president. She is Incompetent and agenda driven. The OIG has found that NOAA has blatantly abused the power of the Office of Law Enforcement (to the tune of 96 million dollars from fishermen nationwide in a 4 ½ yrs span of time! Utilized for the purchase of luxury yachts, worldwide trips and 202 cars purchased for 172 officers!! Just to name a few things). The stakeholders (fishermen) were denied a 'referendum' vote on this quota scheme (which is NOT a tool of conservation as it is presented, but rather a tool of economics) since the referendum was known to produce an outcome that was 'counter' to Catch Shares. Billions of taxpayer dollars are being wastefully spent to manipulate and misrepresent what is going on in the fisheries! The ENGOs have infiltrated NOAA/NMFS and our Councils to the point that this is just a Farce! A Farce that will cost the American People heavily and Unnecessarily! Please Help us stop this madness.

One simple and of no cost fix is to change the Magnuson Stevens Law as it was reauthorized in 2006-07, to require the fish stocks to be rebuilt utilizing a 'Positive Trajectory' instead of an Arbitrary and inflexible table of 10 yrs! This was input by the ENGOs and it has to go! Nowhere in the world is such a table of rebuild used.

Thank You,

Amanda & Chris Odlin

F/V Lydia & Maya

F/V Bethany Jean

Hello,

As a small business owner, nothing is easy when it comes to dealing with government agencies. I operate a Charter Fishing business on Florida's east coast offering offshore charter fishing. Though I fish exclusively in Federal waters, I still must provide a State Fishing License \$\$\$, along with federal Fishing Permits, and Identity Card \$\$\$\$. I must have a USCG Captains License\$\$\$ and Homeland Security TWIC card\$\$\$\$. Add insurance, corporate tax information for local and state and this becomes both time consuming and costly.

As frustrating as dealing with all the "Red Tape" associated with operating a small business is, it pales in comparison to what NOAA and its Fishery Management Councils are doing in this field right now. Despite having to pay for permits for the "right" to fish in Federal Waters each year, each year brings more regulations, more restrictions, and much less opportunity to operate a business at a "break even" level, let alone grow it.

There is a well documented agenda within the fisheries management, headed by Jane Lubchenco to install a National Catch Share Program to both Commercial, Charter and Recreational sectors. She helped form this program when she was a board member for EDF (Environmental Defense Fund). She had to resign from that position to accept the NOAA position, however, the program is now on a fast track to be implemented in the fishing industry, despite the overwhelming opposition by the fishing community. The Catch Shares policy does NOTHING for fish stocks (that is managed with bag limits, sizes, seasons). Catch Shares ONLY dictates WHO CAN and CANNOT fish! Under this program, the catch limits would be the same, but MANY anglers, from commercial to recreational would be locked out of fishing. This is already happening in some regions of the country.

Leading up to this Catch Shares policy widespread implementation is an unprecedented wave of closures the likes of that have not been seen before. Despite Scientific data showing a positive growth of many fish stocks, closures continue. Although the Magnusen Stevens act is cited as their inability to fix the problems, most believe that the fisheries mandate is in itself to deal with situations as they arise, when the MS conflicts with actual DATA. Despite an acknowledgement of growth rates of fish stocks, and the devastating effect that an unnecessary closure would have on coastal communities, the Fisheries Council's under NOAA's direction continues full speed ahead.

As a Charter Captain, the current economy is hard enough on business, without having to convince potential clients that despite an abundant fish resource, we are not allowed to keep anything we catch. More Charter Captains have gone under in the last 2 years than continue to operate now! I am one of the few that is "Holding On". That's about it however. With the latest closure only 2 weeks away, there will not be much incentive for clients to go fishing. This latest closure is of the Black Sea Bass. This fish is readily acknowledged as the most abundant fish in the south-east region that we fish for. With stricter limits imposed several years ago, and the major downturn in the economy, the stocks have had a tremendous growth. Even so, they are closing it, citing MS mandates. I myself will have to burn more gas each trip, and spend more time trying to find fish we can keep, but "Head" Boats (party boats) don't have that luxury, and will likely start shutting down, and laying more people off.

Of course this inter-related industry involves Bait Shops, Restaurants, Boat Repair and Sales Operations, and many other associated services. As mentioned Growth of my business is out of the question. I do have another boat that I would like to set up as Commercial, however, with the ever increasing restrictions in this field, making enough money to break even on the one boat is taking all my effort. It is NOT about a lack of fish, or a decline in fish stocks, but an ever increasing reduction in allowable catch's, below what is considered sustainable, and an ever increasing drive to restrict fisherman from the resource, and hand pick who get the permits to fish, that is threatening to put tens of thousands of coastal residents out of work. This is already occurring across the nation, and is well documented.

Organizations like PEW and EDF, which Jane Lubchenco (NOAA Administrator) used to be affiliated with, are now seeing millions of dollars in grants come their way, and their agenda being fast tracked in the

fishing industry. I would like to make my business grow, add an employee or two, and add another boat. Even with the economy this could be possible. The potential clients are there, and Fish stocks are in better shape than they have been in years, however, many of my guest would like to at least be able to take enough fish home for dinner, and with the direction the current NOAA administration is headed, a "Catch and Release" fishery will not sustain our industry.

Many fishermen, recreational to commercial have made their thoughts known to the fishery councils, and even to their state representatives, both despite an acknowledgement of the major problem that exist, nothing has been done to fix it. A Federal lawsuit was the only thing that stopped the proposed total fishing closure of our waters at the end of 2010, but now NOAA is attacking and closing the individual species one at a time! Despite the economy, the main reason my business cannot expand, is the same reason many other's are going out of business, and that is the administrations policy and agenda to establish a national catch shares program, with unnecessary closures being used to implement this as part of it Accountability Measure requirement of the MS.

Thank You for your attention, and willingness to listen. If I can be of any other assistance or provide any other information, please feel free to contact me.

Captain Henry Hauch
ACME Ventures llc
www.ACME-Ventures-Fishing.com
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January 24, 2011

I am just aghast at the new ocean wave of regulations coming from the Federal Government and the State of California, in addition to the thousands already in place.

How am I to find the time to become proficient enough to negotiate the pitfalls and roadblocks they entail, some with criminal penalties, without a mistake???

This uncertainty already has an impact on my business as I am actually considering downsizing the business to a more manageable size, with less employees and associated risk of regulation violations.

William Nash
Owner

To whom it may concern

My business Mexico Beach Charters is being ruined by NOAA and the NMFS. They are closing down business's by reducing the numbers of fish that we are allowed to catch . This is being done to promote Marine spatial Planning(very bad for the masses-will only benefit a few) and catch shares(an idea that is proven not to work around the world.

We need changes in The Magnuson Stevens Act to let the fisheries rebuild at a slower pace. We need NOAA and the NMFS to spend OUR money not pushing catch shares, but on getting better data and better ways to collect data . In turn we will KNOW what shape our fisheries are in and can adjust the daily bag limits and seasons accordingly.

For some reason NOAA and the NMFS are being pushed by privately funded groups like the EDF and their many arms under differing names. These fishery closures are killing the tourist industry along our coasts which is in turn killing our faltering economy. Marinas, hotels,tackle shops, restaurants, not to mention charter fishing guides and the likes are all slowly being strangled. Please get this Marine spatial planning and the leaders of NOAA and NMFS to see the light—THEY are killing the US economy by unneeded closures and laws.

Thanks

Thomas e Adams

[REDACTED]
Port St joe, Fl 32456
[REDACTED]

Representative Issa,

My experience with prevailing wage jobs is that although it may have good intentions it creates an atmosphere of cheating. It should be as simple as taking the amount that you would normally pay an employee and adding the difference between his or her normal wage and the prevailing wage. In the public sector where I add my eight percent overhead cost and no profit I am consistently outbid by fifteen to twenty five percent. This is a law in my opinion that takes honest business owners and makes them compromise our values just to get a job.

Sincerely,

Jack Austhof
Sobie Company, Inc.
3276 Industrial Drive
Dutton, MI 49316
Ph: 616.698.9800

Mr. Issa:

I want to thank you for your efforts to ease regulatory pain on the business industry. Government officials, generally, do not take into account the damages inflicted on business from regulations imposed on us. You get it. I not only applaud you for your efforts, but for having the courage to stand up to the rest of government, and fight for what is right for the people.

I always knew that my biggest challenge in business would come from my competitors. I never thought my biggest competitor would be my own government. From taxes, to fees, to air pollution regulations from the EPA, it is a wonder how any business could thrive in this country.

You, sir, are a breath of fresh air when it comes to politicians.

Thank you

Ruben Ayala

VP / Tippy's Tow Service

President / Riverside Community Parks Association

President / Reid Park Advisory Team

Board of Directors / California Riverside Ballet

Our company Bechtel Property Services, Inc. has been in business for 22-years. We maintain shopping center in the Southern California area. The complaint I have is that as a small business owner, we are on our own without help from the state of California or the Federal government. All they want is money. Ok that's my complaint. What I would like to see is that the government would give larger companies 10 employee plus companies a tax break to hire smaller companies like ours. Also the SBA is not working for the small businesses. We are just trying to make a living. The small business needs to be qualified by the government. Let's face it there is small business out there that should not be in business, because they don't play by the rules that a good small business needs to do. The Government should help to promote by marketing. Once that small business becomes a larger company it will help the small business. It's a domino effect. Give the small business promotions as for example. Our company could help shopping centers be more green. I looked into having us become an Inspector. This cost to take this class is \$3,000.00, Too much. I know I am being very broad. I could give more detail if I had a chance to talk to someone.

Garden Isle Vacations

- I feel there is way too much Federal, State, County and Local regulation that affect the survival of a small business. With the Vacation Lodging industry in Hawaii, the taxes are a total of almost 14%, not to mention the rental car fees, price of fuel. I used to pump gas for \$.27 per gal. Now, it is an absurd \$3.50 and climbing. Association fees for a small condo are almost the same as a house payment...
The US with NAFTA sent American business overseas and laid off American workers. So the Welfare goes up, so taxes go up. Greedy people screwed up the Real Estate Industry so the common home owners are forced into foreclosures and short sales, as home sales and investments are delayed past normal Escrow periods, due to lenders not lending money to allow the economy to keep moving... so, the people that have money to move are now holding it until government puts its foot down and makes something happen. Are you happy now?

Gerontology Home Companion Agency, Inc.

- We have been in business since 1986.
Providing nursing care to seniors, quadriplegics, stroke, parkinson's, cancer and many other patients in their home. AND to this day, we are unable to secure a SBA loan to expand and open a new office and open a facility to transition patients to a higher level of care when they can no longer stay at home. We NEED working capital and an SBA loan to establish a facility.

Fruit Growers Supply Co.

- It has taken us over 10 years and well over \$1 million in expenses to do a Habitat Conservation Plan and hopefully get, in June of 2011, an incidental take permit from the U.S. Fish and Wildlife Service and the National Marine Fisheries Service. This whole process should take no longer than 1 year but because of NEPA and the CYA attitude of agency personnel these permits are almost, if not impossible, to obtain.

AA Architectural, Inc.

- On all public work suspend all regulations until unemployment drops below 6%:
 - No wage scale imposed by unions this way any subsidy will go further
 - Allow for the GC to change any subcontractor at any time if approved by the owner. At present major subcontractor could not be changed Structural Electrical Mechanical Plumbing.
 - Abolish affirmative action Davis Bacon act etc

Stop the Department of Energy imposing building efficiency standards this is an enormous waist. Do you want efficient buildings then tax the energy and use the money to pay back the debt. Tax on a sliding scale each year CPI plus 5% for the next 20 years

Tax each transaction on exchanges

Ban all credit derivatives on the United States

Audit the FED

TKE Enterprises

- The EPA has enacted a lead safe renovation law which I happen to agree with, but only in it's original form. Prior to "special interest" meddling, the law was to address any households with children under 6 or pregnant women, the remainder of house holds could "opt out" if that was their choice. That was changed to all homes built prior to 1978 with no opt out available. The requirements of the law does increase my costs and consequently the cost to the consumer. The law should be enacted with the opt out clause, get the Sierra Club out of my life.

Ashford Hospitality Trust

- * Healthcare regulations - even before Obamacare, the regulations are unbelievable. For years, we've been trying to design plans that reward healthy behavior, only to be thwarted.

- * Americans with Disabilities Act - the original and new (2010) regulations are too much. The usage rate for the special ADA rooms in hotels has been estimated at 2%. This is a huge overkill, WAY too much is being provided for an extremely small portion of the population.

- * 401(k) - the regulations are far too burdensome, they prevent setting up different classes of employees - it's a one size fits all program.

- * Sarbanes Oxley - Compliance is ridiculous and costly. Laws are too vague as well.

- * Union laws - ridiculous, complicated, and costly. We have a hotel where the employees have voted to get rid of the union. Result? The NLRB is suing us (with the NLRB as both prosecutor and Judge). Outrageous and costly.

Jim's Dive Shop

- I own a SCUBA Shop in St. Petersburg, Florida. My business is dependent on and is affected by weather, fuel prices, water quality, fish life and fishing seasons / closures. Currently, the future of the recreational fishing industry in Florida, Alabama, Mississippi, Louisiana and Texas is in jeopardy due to NOAA and the National Marine Fisheries Service (NMFS). In Florida alone, recreational fishing equates to a multi-billion dollar industry and countless jobs. NMFS arbitrarily closes harvest of species based on fatally flawed scientific data. According to the Magnuson Stevens act, the NMFS is breaking the law, by not taking into consideration the economic effect of it's ill will, I ask of you to revamp motives of NOAA and the NMFS and to realign their budget to allocate more money to sound scientific data collection and less to the implementation of catch shares.

How can a fisheries health be determined by a few phone surveys? But we are told this is the "best available science". How does a person that is surveyed respond to the questions and how are the answers evaluated? If a person says yes they fished and caught their limit does that mean the stock is healthy, they are a good fisherman or that the fishery has been overfished? If a person answers they fished and did not catch fish does this mean they are a poor fisherman or that the fish stock is in trouble? Fisherman have been told that fishing effort is at an all time high even though fishing related business can show otherwise. All seems to fall on deaf ears at NOAA and NMFS.

Currently, in Florida, Gulf Gag Grouper is closed in federal waters from January 1, 2011 until May 31, 2011 and with the possibility of closure for all of 2011 based on the unscientifically gathered, fatally flawed data gathered by the NMFS. In past years, Gag Grouper has only been closed February 1st - March 31st. This increase in grouper closure will affect tackle shops, marinas, dive shops, boat builders, fishing charters and tourism to name a few. With unemployment at an all time high, how can we afford to lose these jobs?

I am not for rape and pillage of our natural resources and am a proponent for sound management of our fisheries. I understand the need for size and bag limits and the need for seasonal closures. I also respect the efforts of our wildlife officers and would be thrilled if our states could afford a larger staff

to better enforce game laws. However, being an avid SCUBA diver and spear fisher I can not fathom the actions of NOAA and NMFS in the process in which closures are determined.

The actions of these government agencies can and will destroy our Nation's fishing heritage and the economies of the all ready beleaguered economies of the Gulf States. No new jobs will need to be created but many can be saved.

Check it Out Property Inspections

- Congress has failed to work together to make progressive moves. Republicans are willing to sacrifice environmental protection for short term dollars. The future is in cleaner, more efficient production and less consumption. Stop making excuses about why we can't do this or that, and use good old American "can do" ingenuity and hard work for new challenges. Too much sense of entitlement in this country, we need more hard work. Do not cut environmental protections.

Ring Investments

- I am on the Board of a number of small companies. There are 2 major problems that all these businesses have in common:
 1. The rising costs of healthcare and the loss of HSA's under the new Healthcare law.
 2. Access to working capital from banks for small profitable companies is still unavailable. Increasing the cost of money from the Fed would increase the motivation of banks to lend to small businesses.

Franklin Associates

- The federal government is not implementing the Affordable Health Care laws adopted. This means I have to buy my own health insurance and that of an occasional employee. This witch hunt Issa is on is a travesty. Would like to see him doing the real business of governing and legislating instead of self important posing and screwing around. He is a roadblock to accomplishing anything. And by the way, I think the EPA needs to be more aggressive in pursuing corporate criminals who foul our air and water.

Cletus Moses Design

- 1. Health Insurance should not be employer-based. We need a single payer health care system. This would make my business, and other American businesses more competitive.
 2. Lack of a sound physical infrastructure makes my business less efficient. We need to improve the physical infrastructure - roads, bridges, etc. -

Quail's Run Farm

- The USDA continues to allow genetically engineered seeds from Monsanto and others to cross-pollinate with my organic crops. Please tell them to stop approving genetically engineered crops - they aren't listening to small American farmers.

DGP Engineering LLC

- A screwed up financial market thanks to Congress messing in Freddie and Fannie and thereby screwing up the entire system has ruined our economy. The housing market is dead and that is what has historically brought us out of past recessions. Other construction is equally dead since there is no demand for new construction.

Canady & Lortz LLP

- Efforts to repeal health care reform create uncertainty and risks removal of a long-awaited change from the status quo. It has been virtually impossible for very small businesses such as ours (and self-employed persons such as myself) to obtain and offer health insurance for our employee and ourselves. Under the current system, a self-employed person, and anyone who is willing to work for such a small firm, must be married to a person whose employer allows them to purchase coverage for their spouse. Health care reform offered an opportunity for us "little guys" to be able to purchase coverage and offer it to employees, allowing us to compete with larger employers. Now there is talk of repealing it, and this is a source of distress for us. Also, claiming the mandate is unconstitutional is ridiculous. Without the mandate, affordable coverage would not be possible. Even with the mandate, the penalty for opting out is quite small. If a fellow self-employed person opted out, they could do so and just pay the penalty. The pool of potential hires is very limited for us because we cannot compete with larger employers on core benefits.

Dennis G. Jenkins, CPA

- Annual surveys from Dept. of Labor are intrusive and do not serve the public good. Surveys require tedious classification of employees and wage scales. Time to complete could be used to service my clients instead of spending extra time on week-end to complete this silly survey which is mandatory. Governmental filings such as LM-2 are extremely difficult to complete and labor organizations are subject to higher-accounting fees for me to complete and takes away financial resources from the client to be used for investment.

Frank Cammarata, Inc.

- I started my company at the height of the building boom and was on track and investing in a great number of properties that when the government deregulations causing the recession sent me into a financial spiral. I had to sell all the properties because what I owed in taxes when the values dropped. I had to sell my office and work out of my home. I had to re-incorporate 18 months ago and there's no help for the real small businesses. The true definition of a small business is 1 to 10 employees and should not be anywhere near the income levels you beaucratic republicans set as "standards". Stop the crusade on spending and listen to every business lecture there has ever been : "you need to spend money to make money when times are lean" as a business major and private business owner for almost ten years its time to do the right thing and spend on the people, not the billion dollar corporations.

EBP

- The government is holding my business back, by giving power and concessions to Corporations. There are representatives that actually ask corporation "How can we make your giant corporation have more power then the US government.

Teddy Roosevelt would fight the corporation to insure that they couldn't have a monopoly, and to insure that small businesses had a competing chance in the free market.

I run an ECO friendly business using mostly "green materials". It is because California is PRO Environment that my small business is taking off. If the coal companies have there way in appealing the EPA laws then my small business will suffer.

PLEASE! PLEASE! Protect the EPA and say no to Giant corporations.

P.S. I noticed that one of the fields required to mark was "What country is my business located?" Any cooperation out side of the USA should have NO right or privilege to influence our lawmakers!

Charter Boat Miss Mary

- I have owned and operated a small charter fishing boat in the Florida panhandle for over 25 years. What was once a good business is being slowly strangled by excessive regulation by the Federal government.

The biggest onslaught now of regulations we now face is from the National Marine Fisheries Service attempts to ram a radical environmental agenda down our throats. I like many other recreational and commercial fishermen have had enough. The fisheries are in far better shape in this country than most Americans realize.

Those pushing this environmental agenda are the same ones that attempted to implement the "global warming" scheme. With global warming we would have been faced with carbon credit trading. Well guess what? Now they are pushing catch shares, marine payments for ecosystem services, ocean zoning, and ecosystems market places to trade our oceans natural resources.

Capt. Chip Blackburn
Charter Boat Miss Mary
Mexico Beach, Florida

Little River Fishing Fleet

I am part of a group of recreational, commercial and charter head boat fisherman that have been greatly effected by poor government actions in the regulation of our fish stocks. Our numbers are small 150+- Individulas that employ 250-450. However our overall economic impact to our coastal region is large and effects 1000s. We need changes to the Magnuson-Stevens Act to allow common sense fishery management with decision based on realistic data and the real economic impact.

Stephen Greer

- Please add to the committee's work the SEC's regulations regarding the Sarbanes-Oxley law (anti-Enron law) of 2002. This law is singularly inhibiting the formation and lifespan of new, high-value-potential startup companies. The law places an extraordinary paperwork cost burden on small and medium-sized companies wishing to grow themselves by gaining access to public capital markets via IPO. The law does this by requiring ALL public companies regardless of size to have anti-fraud systems of similar sophistication of very large companies like General Electric. These regulations have a poisoning effect on small companies by increasing the incentives to sell out to larger companies rather than grow themselves by selling shares to the public. The costs of the regulations are so great that they have the perverse effect of snuffing out companies' long-term growth rather than protecting the investors.

Additionally, why did the SEC publicly state recently that it was going to investigate the Facebook Company's intent to sell shares in a private offering simply because the news leaked out to the media. This is, in fact, what was in newspaper reports (Financial News Agency, Jan. 3, 2011). The end result

was that Facebook's investment banker could not accept investors for the offering from the United States but only overseas because by news leaking out they violated some SEC regulation. So now, the SEC is strangling the search for financial capital from both small and medium-sized startup companies as well as larger firms. How does the SEC expect companies to grow at all? The SEC and all its regulations need a very close look by your committee. They did nothing to prevent the 2008 financial crisis fraud and are strangling business with their regulations designed to prevent fraud. What's the point of their existence??

Finally, I want to highlight a general problem at FDA. For a long time now, it's taken years and multiple hundreds of millions of dollars for a drug or medical device company to get a new product approved through the agency. I read recently that venture capital firms are now funding mostly companies that can market their medical devices in Europe b/c the FDA has too-rigorous rules for U.S. approval. Also, the rate of approval of new drug entities has been going down for several years, likely b/c of the enormous costs associated w/ drug approvals. This is all a prescription for stagnation for both industries. I believe the Prescription Drug User Fee and Medical Device User Fee Acts are up for renewal this year or last year. Please use this opportunity to hold hearings to prod the FDA into reforming its drug and medical device approval rules such that it does not take nearly so long or cost so much to get a product approved for marketing in the United States. We can still provide the level of safety we expect in the U.S. w/o killing the golden goose.

Hennenfent.com

- ObamaNomics is ruining my business opportunities. We need to abolish the minimum wage, bring manufacturing back to the USA, and cut taxes. Thank you, Bradley Hennenfent, M.D., physician & economist

Chaya Company

- Bureaucracy in banking that disallows capital loans for small businesses. high regulatory administration and expense for healthcare

EC Innovation

- The single most onerous thing for me is the reporting burden for taxes. I have a rather radical idea (especially coming from me, since I am a Democrat, the least likely person you'd expect this from): why don't we just eliminate corporate and payroll taxes and shift all corporate profit and payroll taxation to personal income taxes? I mean, think about it: companies create the jobs, so why suck away money they can use to create them? By shifting it to the personal tax burden, you ensure you are taking the money AFTER the job is created (i.e., you are taxing all the individual's wealth and income) not BEFORE it is created (by taxing the job-creating company's income). In the process of this shift, you wipe out all the truckloads of paperwork and hassle and hours needed by companies to deal with Federal corporate taxes. And it means no more whining about who gets what loopholes, subsidies, etc.

I am not looking for a free pass or lower taxes. Get the same revenue as you do now. Just do it from the people who profit from the corporation, not from the job-creating machine that is the corporation itself. Raise my personal taxes, eliminate my corporations! I am quite happy to make that exchange. I can use the company's savings to create more jobs!

On a separate note, another thing we can do is acknowledge the more virtual nature of the modern workplace by designing separate requirements for a workforce that increasingly is home-based, thanks to the internet. Example: Why should I have to buy a workplace OSHA safety poster and mail

that to my sales guy working from his home in Chicago?! That makes no sense! It's 20th-century thinking.

Clayton's Towing

- Regulations, taxes, Air Resource Board / Cap and Trade, over spending, sinking our economy with debt, bloating government too large, playing politics with housing ie. Fanny and Freddy which triggered this bad economy, workman's comp and health care costs, painting too many targets on businesses for potential predator lawsuits.
The better question is...What is government doing to help businesses? Not much! I can't think of anything. The more they get their boots off our necks the better chance we have to paying our bills. Maybe eventually we can even make a profit!

Barney's Ice Cream

- I hope you'll be fair and honest and let all pro-business views be heard. My father was driven out of business not by government but by a large cartel like company which was able to move into an area, drop prices drastically until competitors were driven out of business and then jack up prices and gouge the consumer. Small businesses need a level playing field and government must do that. We need more regulation of huge businesses that destroy Main St.

NYCHHC-Health

- The government's health safety regulations along with peer group oversight by the Joint Commission for Health Care Organizations (JCAHO) helps to hold down malpractice costs.

Tony Bator

- The administrative agencies of government do not follow the law as Congress has written it. The Constitution, the Bill of Rights and The Declaration of Independence mean nothing in our country today. Our country was founded upon the principle that I am a free man, and my freedom ends when I infringe upon the property or person of another. This concept was lost LONG ago in our nation. Today I am charged with crimes undefined by law, drummed up by low level administrative agents whose political philosophy in life mimics Chairman Mao. Philosophically communist but living in denial....
I am currently involved in defending myself against criminal charges under regulations which contradict the law. Ninth Circuit Case number 10-10292, Why would any American choose to mine or manufacture anything in these United States????
I am an American. I am an avid Constitutionalist. I would sit down and cry if I were not so angry.

I have also been a commercial farmer. A small manufacturer, owned a dry cleaning plant and delivered milk when I was a young man. Currently I face a law suit for millions of dollars. I am being sued because dry cleaning solvent vapors were found in the ground, I sold this business 38 years ago. NO regulations existed when I sold the plant and I NEVER did anything to jeopardize the environment. But someone found a trace of solvent, a TRACE, and now I am in civil litigation too. Regulations were not in place till over ten years after the business was liquidated.

When I was involved in agriculture my building permits were held up by local government because of the misapplication of Federal Regulations. So Sorry our agencies violated the law. Too bad we are immune because we work for government.

Yeah. I have been in jail for contempt of court. I claimed my 4th 5th and 7th Amendment Constitutional rights. The state law said the Nevada department of Taxation (Sales tax collection) had to have my notarized signature on file to compel me to collect sales taxes. But who cares what the law says.

Yes I did go to federal Court. As normal the case was dismissed.....

Expect any other result. We HAVE LOST OUR COUNTRY. From what I understand we are the laughing stock of the world. Congratulations. In your quest to buy votes you have lost the principles our country was founded upon. The losers run this country.

I fear we might not be able to save it. I do NOT believe YOU have the political will to obey the constitution and the principles this country and all of western civilization was founded upon. Hey guess what. WE ARE A CHRISTIAN NATION.

I have little faith that this email will mean anything to anyone. I fear what the upcoming collapse will bring. I do have hope though quite slim.....

TONY BATOR

Always will to defend the Constitution.

David Wentz

- get rid of the republicans. Keep Obamacare it makes my insurance a lot cheaper. republicans hate the working class, they love rich people and they will do anything to make the president fail.

Mid River RV

- The government is not protecting my rights to prospect for gold. The lack of Justice Department involvement shows how our government doesn't care about citizens who do not reside in major metropolitan areas. The State of California has taken away prospectors rights by making it illegal to dredge for gold. This has removed my ability to supplement my income as well as taking away %75 of my RV Parks business. Additionally they use my tax dollars to help the groups actively trying to kill my business. All on a demonstrable lie.

The AV Crew

- Giving tax breaks to the wealthy takes money out of the economy. Cutting spending takes money out of the economy. Not concentrating on job creation means less money in the economy. Government needs to increase infrastructure spending, bailout cash strapped states. The more money pumped into the economy, the more jobs created and that means more customers for my company.

GeoMar, LLC.

- 1) Patent system is broken. Particularly software patents. Stifling Innovation.
- 2) Network Neutrality isn't taken seriously. Lack of neutrality threatens software startups like mine.
- 3) Inconsistent taxation across states for products sold over Internet. Federal government should simplify or eliminate.

The Other Fence Company, Rob Cadwell

- Government actually helps my business by making Health Care Affordable and being a responsible stuart of our economy. Also our wood comes from Canada instead of destroying our forests (old growth cedar) If only they'd increase minimum wages I'd be paying workers a living wage, as it is I have to compete with everyone else and we all have to pay low.

Bad winter, slow work, lots of people hungry, snow and more snow, frozen ground, hard to dig.

Eddo's Harbor and RV Park, Dawn Gulick

- We are a small merchant who processes credit cards. Our credit card processor whom we pay fees to handle the credit card transactions, has now informed me that we have to pay 19.95 per month for "Insurance" to cover PCI/DSS (Payment Card Industry Data Security Standards) compliance. Did I mention we are a small business? So small that I only have a credit card processing machine hooked to a phone line. No networks. No computers transferring data. They also told me the other day that I am no longer able to "self-certify" my data security. I have to buy their "Insurance". This is a lie. Only businesses that process more than 1 million transactions per year cannot self certify. This is a junk fee imposed upon my business. To the tune of 240.00 per year. Which I have to pass on to my customers. This processor will certainly lose my business as soon as my 2 year contract is up. Small businesses such as our need a bill of rights protecting us from unwarranted and unfair junk fees and charges. The system is broken. You were elected to fix it. Get To Work.

Cascadia Family Health

- We would like to see the federal government accelerate implementation of the Affordable Care Act, so that more of our currently uninsured patients will have health insurance, sooner than 2014. Other provisions (also not until 2014, unfortunately) will allow us to offer affordable health insurance to employees as we add them, and will help us concentrate fully on our business instead of one of having to hold a conventional day job in order to get the company provided health insurance.

Thanks!

Miss Nautica, Inc, Eric Smith

- Mr Crabtree and his agency, NMFS, has tried to put the Charter boat business out of business for the past ten+ years shutting down the fisheries left and right. Our primary season is about 120 days per year and if we get 40 to 60 we are lucky. He claims there are no fish out there and we do not find that true... I believe the Lobbyists are controlling their desitions.

Burnt Tree Enterprises, Sam Styron

- Tax cuts on the wealthiest Americans are killing us because the burden of taxes is now falling on the middle class.

We need to drop the "Bush tax cuts" and make the wealthiest Americans pay their share of taxes.

Doing this will greatly reduce the tax burden on the rest of us.

The 400 wealthiest Americans pay a tax rate of 17 percent while those of us in the middle class are paying 20 - 30 percent.

Laubach Construction, Inc, John Laubach

1. The government requires we pay prevailing wages on all fed funded jobs. My guys can do just as good for half the cost.
2. The IRS has audited us. They are not accusing us of hiding income or rejecting any expenses. Just want to verify the year they should be accounted to. My auditor had no clue how to do this correctly, the Appeals person didn't even try to settle but said she did and now I am forced to hire a lawyer.
3. Lead paint and asbestos requirements are not well thought out and onerous to building owners.
4. There are many requirements brought onto owners that increase the cost of construction to comply with ADA requirements, energy standards and pollution requirements. If these were not in place like most of the world, we would do more building.

Curious Workmanship, Sarah Natividad

I sell baby booties retail at craft shows, but most of my sales are small wholesale orders to boutiques. The market for high end boutique baby items dried up. Part of it was the slowing economy, and part of it was boutiques waiting to see what would fall out with CPSIA. Once CPSIA was more or less settled and the closures stabilized, I saw a slight increase in business, which I attribute to me being one of the few businesses left standing. A lot of my friends in similar businesses closed theirs or changed to making adult or pet products, and others were dissuaded from starting up by CPSIA. These are just micro-businesses that would turn a few hundred bucks a month, but that's a few hundred bucks a month people are now not making. If you need that money for bills, you have to get another job, which is what I did when things got so slow that the business was no longer bringing in enough money to pay my bills.

For a lot of women like myself who have home based micro-businesses, closing these businesses *is* eliminating a job. Many of us chose to work this way because we *can't* work a traditional job. Some of us are disabled or have kids with special needs. Some of us can't find jobs in our field that are flexible enough with hours, or pay enough to bring in the same amount of money after paying child care expenses. We haven't turned to the government for solutions or handouts; we got creative and made our own opportunities. And now those opportunities are being taken away from us, in dribs and drabs, by every one of these laws aimed at the "big guys."

And even if the economy were booming, we wouldn't be able to expand our businesses. Could we hire somebody part-time to do the books or the shipping? I wouldn't even know where to start with that. It would cost me more than I could afford just to talk to a lawyer or an accountant to ask. Not to mention that they'd probably tell me I had to have MSDS data sheets on hand for the cup of water I offer my employee when he's thirsty, or that I'd have to spend hours finding an adequate health plan, or something. It would open me up to an entirely new circle of bureaucratic hell, deeper than the one I'm currently in just by having a business. You shouldn't have to hire a lawyer and an accountant to bring in a part-time teenage shipping clerk. The law should be clear and easy for the layperson to use.

Government, with all their aggregate statistics, simply ignores cottage industry. And yet the Internet has made it possible for cottage industry to expand exponentially. Congress seems to think that if the "big guys" agree to the regulation, that means they have the consent of businesses. But it's a power-law distribution: 80% of the business is done by 20% of the companies. Unfortunately the laws always seem to be written in ways that ignore the "long tail" of the distribution-- people like me, in the 80% of companies that do 20% of the business. We're too small to belong to any organization bigger than the Handmade Toy Alliance-- we can't afford the dues for Chambers of Commerce and the like, let alone lobbyists and certainly not top-notch lobbyists. If you want to defend the "little guy"-- defend *us*. Defend us against the trial lawyers' groups. Defend us against laws that bigger businesses can stomach but we can't. Defend us against predatory "consumer" groups who want to count coup on "big business" and don't care if we get hit in the crossfire. We are the ones who are truly defenseless in this fight, because literally all we have to "fight the power" with is a Twitter account.

Sdpps.com

- Requiring apt and investment property owners to have to prepare and file 1099's for all goods and services costs over \$600 per year! What a burden and how ridiculous!! Do we 1099 the gas station or UPS driver or utilities etc, etc!!!

NO, we are not paid for working for the IRS!

Otto Radelonn

- Government is not holding my business back. If there were no government, then I wouldn't be in business. Without the government, I am not able to count on a reliable money supply. I cannot insure my investments, I cannot be certain that the things I am purchasing are safe to use. I cannot determine if the food that my employees eat out of the vending machines will kill them or not.

I cannot use the water in my place of business without concern that it is tainted. I cannot be certain that the courts will be there if I need to go there to enforce my contracts.

Without government, I cannot be certain that the infrastructure on which my products travel will be able to carry it without risk. Without the US Postal Service, I would not be able to ship my packages to remote locations that Fed Ex and others don't deliver to.

Lariat, Brett Glass

- I founded the world's first wireless Internet service provider in 1992, and continue to operate it to this day. We serve rural areas where the telephone companies and cable companies do not provide broadband. The Federal Communications Commission has recently drafted "network neutrality" rules which would outlaw our most economical rate plans - the ones which offer the best value and are most popular with our customers. They have also frightened away investors, preventing us from expanding our coverage area and creating jobs. At the same time, distracted by its drive to regulate the Internet, the FCC has fallen behind on the action items in its National Broadband Plan, which include making more spectrum available to wireless providers like myself and helping Internet providers to obtain economical access to the Internet backbone. These actions are not only holding my own business back; they are holding back businesses in my service area which could benefit from economical and vast broadband service. The FCC's actions, and lack of action, have also impacted my approximately 5,000 colleagues in this industry - small businesses all - which together make broadband service available to more than 70% of American homes and businesses.

Because this matter is so important not only to me but to the members of my community who need broadband, I am willing to come to DC to testify and to prepare detailed written testimony. Please contact me and let me know if I may have the opportunity to do so.

SquareNail Woodworking, Jim Holbert

- The tax breaks initiated by The Obama Administration have made it possible for me to re-hire one employee I laid off last year, also I will be able to hire one or two others. I can depreciate my equipment all this year and take full advantage of the Health Care Reform act to get up to 50% tax breaks for my and my employees health care. Quite frankly, the only fear I have from my Gov't is when well meaning but out of touch Republicans take my benefits away and give more to the large multi National Corps. I fought in Viet Nam for this Country, I know you or any of your current GOP members did, and I know that No Multi National Corporations will ever be called to duty. So back off your high horse bull shit and be a real American for a change. Thanks for allowing me to comment.

Jim Holbert
Veteran
Father
Voter

Tiki2, Christopher Novosad

- The US government refuses to enact government-run single payer health insurance. As a business owner I do not get sufficient ROI from for-profit health insurance corporations (in fact, any of the plans that I can afford are absolutely terrible) for me to expand and hire more workers.

Airport Equipment Rentals, Inc., Jon Cook

- The EPA and/or US Army Corps of Engineers are unreasonably delaying or nearly every major developmental projects in Alaska including ConocoPhillips CD5, Shell OCS, Exxon Mobil Point Tomsen and Alaska Railroad Northern Rail Extension. These agencies have exceeded their original mandate, do not perform relevant cost/benefit analyses, and are responsible for exporting jobs, dollars and entire industries overseas where regulations are either more reasonable or non-existent.

SkyMaster, Rob Augugliao

Current Federal regulations prevent business growth in general aviation air taxi operations. As an aircraft owner federal law allows me to only fly paying passengers on sight seeing tours that are within 25 miles of the airport. I took off from, and must then return to that same airport. If I want to take a paying passenger 26 miles, or to another airport then I must become a "part 135" air taxi operation. The requirement to become an air taxi operation is an automatic "dream-killer" for a "mom and pop" flying business. I think the current laws regarding paying passengers in very small Cessna type aircraft is preventing small business creation. Additionally the current laws are totally unnecessary...why is it ok to fly 25 miles but not 26 miles, or even more? Why is it ok for me to take off and land at my home air field with paying passengers but not to land at another airport? Remember, the aircraft are safe enough for me to fly my own family in, but are not allowed to carry paying passengers in. Please change this so that small mom and pop flying operations have a chance to pursue an American dream.