









## Department Of Government Efficiency on Main Street

D.C. is abuzz with talk about the need to examine what our government is doing and how taxpayer dollars are being spent. There is a once-in-a-generation opportunity for the Trump Administration and Congress to capitalize on that momentum to support the top U.S. economic driver: small businesses.

### Why Are Small Businesses So Important?

-  **99.9%** of businesses are small
-  Employ **45%** of American workers
-  Pay **39%** of all private sector payroll

### Why Regulations Are More Burdensome for Small Businesses?

-  Cost of regulations is high relative to resources
-  Fewer resources for regulatory compliance
-  New regulations designed with large businesses in mind may cripple Main Street

## How Can DOGE Support Main Street?

Any efforts to shrink the bloated bureaucracy and improve government efficiency will help small businesses more. DOGE has a generational opportunity to prioritize their efforts to maximize government efficiency and productivity in a way that invigorates small businesses and restores bustling main streets across the country.

- 1** Prioritize reversing regulations that address the small business community's top complaints about regulation, including: eliminating or reducing burdensome, confusing paperwork and costly reporting; eliminating or reducing the high costs associated with changing regulatory requirements; eliminating or reducing steep fines for good-faith noncompliance with regulations; simplifying regulations that require advanced legal and technical background to understand; and creating safeguards to protect confidential business information disclosed to regulators.
- 2** Encourage agencies to submit major rules, as identified by OMB, to Congress prior to finalization to ensure they do not unfairly benefit large corporations. Americans for Prosperity encourages Congress to pass the REINS Act, which would statutorily require this, but there is no reason agencies cannot proactively do the same. This would protect small businesses from overregulation and ensure that regulations survive judicial scrutiny following the Supreme Court's decision in *Loper-Bright*, which ended the decades-long practice of granting deference to agency decisions when Congress did not speak clearly as to their authority on the matter.
- 3** Remove any barriers preventing small businesses from accessing capital.

**"Regulations affect small businesses differently than their larger counterparts, and they may put them at a disadvantage relative to their larger competitors."**

- Small Business Administration's Office of Advocacy



## How Can Congressional DOGE Caucuses Support Main Street?

Americans for Prosperity believes Congress has a critical role to play in supporting the newly created Department of Government Efficiency (DOGE) in its effort to improve government efficiency and reduce the exorbitant regulatory costs bureaucrats place on small businesses. Congress can provide DOGE with statutory authority to act where necessary and pass key bills that can further reduce the regulatory costs on small businesses and promote greater transparency in the rulemaking process.

### Reorganizing Government Act

Restores a legal pathway for the President to propose agency reorganizations through DOGE and systematize Congress's authority to accept or reject such recommendations. Doing so is critical for small businesses as it will help ensure that any regulatory cost reductions are constitutional and permanent, while also ensuring elected officials, not unelected bureaucrats, have the final say on regulatory matters.

### Prove It Act

Ensures agencies follow laws that require them to consider the impact of their regulations on small businesses, provide less burdensome alternatives, and periodically review regulations. For too long, regulatory agencies have exploited loopholes to impose "one-size-fits-all" regulations on small businesses, often driving them out of business and disregarding their concerns. The Prove It Act would give small business owners a seat at the regulatory table and hold federal regulators accountable.

### Regulations from the Executive in Need of Scrutiny (REINS) Act

Requires significant new regulations to receive congressional approval. This would give small businesses a greater say in their regulatory affairs by ensuring their elected officials, not unelected bureaucrats, are responsible for deciding what new regulations will be imposed on them.

### Repeal the Corporate Transparency Act

Small businesses regularly cite burdensome, confusing paperwork and reporting requirements as one of their top regulatory concerns. Repealing the Corporate Transparency Act would significantly reduce one of the most confusing reporting requirements existing today, while also protecting their personal privacy.

### Permanently Extend the 2017 Tax Cuts & Jobs Act

Congress should make permanent the 2017 Tax Cuts & Jobs Act, under which small businesses were more optimistic and more enthusiastic than ever about growing and expanding their companies. These tax cuts expire at the end of 2025, and if Congress doesn't act, hardworking families and small businesses would pay more in taxes. For an average family of four, that means \$1,500 more in taxes next year. Since millions of mom-and-pop businesses report their income on their proprietor's tax return, failure to act would also hit the bottom lines of enterprises across the country. It would also make it much more expensive to invest in new productivity enhancing equipment, such as computers and modern machinery, that play such an instrumental role in raising workers' wages.

### Conduct Committee Hearings and Host Community Roundtables

The Senate and House Small Business Committees should conduct hearings and host small business regulatory roundtables to hear directly from small businesses and their advocates on how to best improve government efficiency and reduce regulatory burdens. Nobody is better equipped to inform Congress on what actions should be prioritized to unleash the full economic potential of main streets across the United States.