



August 15, 2011

The Honorable Geoff Davis  
U.S. House of Representatives  
Washington, DC 20515

Congressman Davis,

NUCA, representing utility and excavation contractors, is a family of more than 1,000 companies across the nation that build, repair and maintain underground water, wastewater, gas, electric and telecommunications systems. NUCA fully supports the Regulations from the Executive In Need of Scrutiny (REINS) Act (HR 10). Requiring an up-or-down vote on every new major federal rule before becoming enforceable will provide needed relief from federal bureaucracies that continue to overwhelm American businesses with often unnecessary regulatory red tape in the midst of vast economic challenges.

Construction has by far been the hardest hit industry sector since the start of the economic downturn. While nationwide unemployment hovers at approximately nine percent, July marked the first month in years when the Bureau of Labor Statistics found that construction unemployment was less than 15 percent. The underground utility and excavation industry faces higher unemployment as a result of ongoing turmoil in the municipal bond market, where project funding is traditionally found.

Despite the ongoing economic challenges facing underground utility construction, the administration continues to issue a range of regulations that have or will negatively impact the construction industry. NUCA recognizes the need for reasonable federal oversight and common-sense regulation. However, arbitrary regulations that are not backed up by sound science are more than overly burdensome—implementation and compliance costs can serve as another nail in the coffin as American companies struggle to stay afloat.

The REINS Act would only impact new “major rules” having an economic impact of more than \$100 million each year, and would therefore serve as a check on a small number of federal rules promulgated every year. Importantly, the REINS Act would ensure that federal agencies no longer have the authority to promulgate major rules without Congressional ratification, and that Members of Congress would no longer be able to avoid accountability for major regulatory measures.

American small businesses are the true “job creators,” and continue to serve as a critical component of the US economy. The work of the underground utility construction and excavation industry creates scores of jobs in a broad range of industries; increases household spending income; expands the local tax base; and enhances our overall quality of life. As our industry continues to climb out of our current economic predicament, federal agencies need to check and double-check their regulations before they publish them to ensure compliance costs are kept to a minimum. By requiring a vote of approval by Congress on major federal regulations, the REINS Act will help ensure this. We thank you for your leadership on this issue.

Regards,

A handwritten signature in black ink, appearing to read "Ryan Schmitt", is written over a light blue horizontal line.

Ryan Schmitt  
Chairman, NUCA