June 22, 2023

Jeff Zients
Chief of Staff
White House
1600 Pennsylvania Ave. NW
Washington, DC 20500

Dear Mr. Zients,

As members of the Manufacturers for Sensible Regulations coalition, representing hundreds of thousands of businesses across the nation that collectively employ millions of Americans, we write to express our concern with the regulatory burden, which is hindering our ability to create well-paying jobs, grow the economy and create the products that will improve the quality of life for everyone.

President Biden has made strengthening the manufacturing sector a priority for his administration. Historic legislation like the Bipartisan Infrastructure Law, the CHIPS and Science Act, key energy provisions of the Inflation Reduction Act and the initial permitting reforms in the Fiscal Responsibility Act underscores the commitment that policymakers have made to our industry. However, the onslaught of new regulations, some of which are previewed in the recently released Spring 2023 Unified Agenda of Regulatory and Deregulatory Actions, is chilling manufacturing investment, curtailing manufacturers’ ability to hire new workers and suppressing wage growth, especially for the small and medium-sized manufacturers that are the backbone of the supply chain.

According to the National Association of Manufacturers’ Q2 2023 Manufacturers’ Outlook Survey, more than 63% of manufacturers report spending more than 2,000 hours per year complying with federal regulations, while more than 17% of manufacturers report spending more than 10,000 hours. That is time that cannot be spent on more productive activities, including delivering products to customers, and it expends resources that otherwise could go toward hiring, raises or capital investments.

The Outlook Survey demonstrates that there are clear consequences to burdening companies with higher compliance costs: “Concern about an unfavorable business climate was the highest in six years […] 65.0% of manufacturers would purchase more capital equipment if the regulatory burden on manufacturers decreased, with 46.9% increasing compensation, 43.2% hiring more workers, 40.1% investing in research and 38.1% expanding their U.S. facilities.”

The cost of complying with regulations can be enormous, particularly when it comes to regulations that impact hiring and retention. The most current data on the cost of regulations shows that the average U.S. company paid $9,991 per employee per year to comply with federal regulations, but the average manufacturer in the United States pays nearly double that amount: $19,564 per employee per year. Small manufacturers face an even higher and

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1 See: https://www.reginfo.gov/public/do/eAgendaMain
disproportionate regulatory cost of $34,671 per employee per year, which is more than three times the cost to the average U.S. company.\(^3\)

Regulations create tremendous uncertainty, which can stall or even prevent manufacturers from growing their workforce, purchasing equipment, conducting research and development and investing in their communities. This puts manufacturers in the U.S. at a competitive disadvantage with countries such as China, threatening America’s global leadership. **To ensure manufacturers remain competitive, we respectfully request that a senior-level adviser be designated to coordinate efforts within the White House to ensure that federal regulators are implementing policies that align with the president’s promise to promote the growth of manufacturing in America.**

Our industry has been extraordinarily resilient in recent years, leading the country forward amid global upheaval. The federal regulatory barrage threatens our ability to continue growing and creating jobs and to compete on the global stage. Manufacturers are committed to commonsense legal and regulatory reforms that ensure public health and safety, and we look forward to continuing working with you to find solutions that foster sensible regulations that support manufacturers’ continued job creation and economic competitiveness.

Sincerely,

Adhesive and Sealant Council  
Aerospace Industries Association  
AICC, The Independent Packaging Association  
Alaska Chamber  
Alliance of Wyoming Manufacturers  
Aluminum Association  
American Bakers Association  
American Boiler Manufacturers Association  
American Chemistry Council  
American Cleaning Institute  
American Coatings Association  
American Coke and Coal Chemicals Institute  
American Composites Manufacturers Association  
American Forest & Paper Association  
American Foundry Society  
American Frozen Food Institute  
American Iron and Steel Institute  
American Wood Council  
AMERIPEN – American Institute for Packaging and the Environment  
AMT – The Association For Manufacturing Technology  
Arizona Manufacturers Council

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Arkansas State Chamber of Commerce and Associated Industries of Arkansas, Inc.
Associated Equipment Distributors
Associated Industries of Florida
Associated Industries of Massachusetts
Associated Industries of Missouri
Associated Industries of Vermont
Association of Home Appliance Manufacturers
Association of Washington Business
Autos Drive America
Beer Institute
Business + Institutional Furniture Manufacturers Association
Business and Industry Association of New Hampshire
California Manufacturers & Technology Association
Can Manufacturers Institute
CBIA
Cellulose Insulation Manufacturers Association
Chamber of Commerce Hawaii
CIBO
Colorado Chamber of Commerce
Composite Can and Tube Institute
Composite Panel Association
Consumer Technology Association
Council of Industrial Boiler Owners
Delaware State Chamber of Commerce and the Delaware Manufacturing Association
Electronic Components Industry Association
Flexographic Pre-Press Platemakers Association
The Food Industry Association
Forest Resources Association
Georgia Association of Manufacturers
Greater North Dakota Chamber
Household & Commercial Products Association
Hydraulic Institute
Idaho Association of Commerce & Industry
Illinois Manufacturers’ Association
Association of the Nonwoven Fabrics Industry
Independent Lubricant Manufacturers Association
Indiana Manufacturers Association
Industrial Packaging Alliance of North America
Industrial Truck Association
Institute of Makers of Explosives
International Molded Fiber Association
International Sign Association
Iowa Association of Business and Industry
Irrigation Association
ISRI, Voice of the Recycled Materials Industry
Kansas Chamber of Commerce
Kentucky Association of Manufacturers
Laboratory Products Association
Louisiana Association of Business and Industry
Maine State Chamber of Commerce
Maryland Chamber of Commerce
Metal Building Manufacturers Association
Metal Powder Industries Federation
Metal Treating Institute
Metals Service Center Institute
Michigan Manufacturers Association
Minnesota Chamber of Commerce
Mississippi Manufacturers Association
Montana Chamber of Commerce
Motorcycle Industry Council
National Association of Manufacturers
National Electrical Manufacturers Association
National Glass Association
National Lime Association
National Mining Association
National Propane Gas Association
National Wooden Pallet & Container Association
Nebraska Chamber of Commerce and Industry
Nevada Manufacturers Association
New Jersey Business & Industry Association
New Mexico Business Coalition
Non-Ferrous Founders’ Society
North American Association of Food Equipment Manufacturers
North Carolina Chamber
Oregon Business & Industry
Paper Receipts Converting Association
Paperboard Packaging Council
Pennsylvania Manufacturers’ Association
Plastics Pipe Institute
Plumbing Manufacturers International
Portable Generator Manufacturers’ Association
Power Tool Institute
PRINTING United Alliance
Railway Supply Institute
Recreational Off-Highway Vehicle Association
Rhode Island Manufacturers Association
Society of Chemical Manufacturers & Affiliates
South Carolina Chamber of Commerce
South Dakota Chamber of Commerce
Specialty Equipment Market Association
Specialty Vehicle Institute of America
Steel Manufacturers Association
Tennessee Chamber and Manufacturers Association
Texas Association of Business
Textile Care Allied Trades Association
The Business Council of Alabama
The Business Council of New York State
The Carpet and Rug Institute
The Hardwood Federation
The Ohio Manufacturers’ Association
The Plastics Industry Association
The State Chamber of Oklahoma
The Sulphur Institute
Utah Manufacturers Association
Valve Manufacturers Association
Vinyl Institute
West Virginia Manufacturers Association
Window & Door Manufacturers Association
Wisconsin Manufacturers & Commerce
Wood Machinery Manufacturers of America