



September 19, 2012

Dear Member of the United States House of Representatives:

The Small Business & Entrepreneurship Council (SBE Council) urges you to vote for H.R. 3409, the "Stop the War on Coal Act." This important bill includes common sense measures that will curb the Environmental Protection Agency's (EPA's) unwarranted and costly regulatory offensive on America's power sector. EPA's outward hostility towards coal is already destroying jobs in the coal industry, while invasive regulations in general increase energy costs for struggling small businesses.

A September 17, 2012 *Associated Press* (AP) article shows why H.R. 3409 is so important. According to AP, Alpha Natural Resources will close eight coal mines and eliminate 1200 jobs in part due to a "regulatory environment that's aggressively aimed at constraining the use of coal," according to CEO Kevin Crutchfield. Unfortunately, many small businesses and their employees will be impacted by these closings as well. Please remember that a large percentage of small businesses provide support activities in the coal industry, and many more depend on its health. Out of the 286 firms that provide support activities for coal mining, 68.5% have 20 employees or fewer, and 95.8% have 500 employees or less (Census Bureau).

Burdensome regulation on coal companies means higher costs for small firms operating in this sector. If Alpha is having difficulty competing through tough market conditions and an aggressive regulatory environment, imagine what a small coal operator must endure. Out of the 663 firms in coal mining, 56.2% have 20 employees or fewer, and 93.6% have 500 employees or fewer (Census Bureau). Consider that just last month, OhioAmericanEnergy, Inc. – a coal mine with 56 employees, announced it was closing. The regulatory "war on coal" was cited as the main reason.

Moreover, constraining the use of coal will drive prices higher for all small businesses. Higher business costs are not what small business owners need right now. With regard to energy costs, 43% of small business owners polled by SBE Council in the spring of 2012 agreed with the following statement: "My business will not survive if energy prices continue to remain high or increase further." H.R. 3409 will help to encourage America's coal industry which will lead to lower energy prices. The bill will also stop misguided tax increases that would only increase energy costs for small businesses.

Please VOTE FOR H.R. 3409 to help bolster small businesses and our weak economy.

Sincerely,

Karen Kerrigan, President & CEO