What is the SBEC?

The SBPI is the creation of Raymond Keating, chief economist for the Small Business and Entrepreneurship Council (SBEC). SBEC's mission is "securing policies, resources, and educational initiatives that encourage entrepreneurship and small business growth."

The SBEC has a three-member board of directors: Karen Kerrigan (board president and CEO), Grover Norquist, and Richard Rahn. Norquist is president and founder of Americans for Tax Reform and well-known for his efforts to get public officials to sign a pledge disavowing any and all tax increases. Richard W. Rahn is a senior fellow of the Cato Institute, a libertarian anti-government think tank, and in the past has been a fellow at the Heritage Foundation and the Hudson Institute. Rahn formerly served on the Board of the Cayman Islands Monetary Authority, was the Vice President and Chief Economist of the U.S. Chamber of Commerce, and served in both the Reagan and George H.W. Bush administrations.[1]

The SBEC lobbies for lower taxes at the federal and state levels. It has advocated replacing the graduated federal income tax with a flat income tax, a national sales tax, or a value added tax, all of which raise taxes on average people while giving a tax break to people with high incomes. Since 1998, it has spent over $250,000 in lobbying most years.[2]

SBEC has also published reports critical of government spending, unions, and government regulation. It opposed the Affordable Care Act, favored denying the U.S. Environmental Protection Agency the power to adopt regulations aimed at curbing greenhouse gases, and favored the balanced budget amendment. It blames federal policies, including "a vast increase in government spending," for the recession of 2007-09 and the weak recovery.[3]

1. See Rahn's biography on the Cato Institute web site: http://www.cato.org/people/richard-rahn

2. http://www.opensecrets.org/lobby/clientsum.php?id=D000056794&year=2015

3. *U.S. Business Policy Index 2012*, p. 4 (predecessor to the *Small Business Policy Index*).