

105TH CONGRESS
2D SESSION

S. 1957

To provide regulatory assistance to small business concerns, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 3, 1998

Mr. BURNS (for himself, Mr. DORGAN, Mr. CHAFEE, Mr. LEAHY, Mr. KERREY, Mr. D'AMATO, Mr. MURKOWSKI, Mr. ROBERTS, and Mr. HELMS) introduced the following bill; which was read twice and referred to the Committee on Small Business

A BILL

To provide regulatory assistance to small business concerns,
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Regu-
5 latory Assistance Act of 1998”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act is to establish a system of
8 confidential voluntary compliance with Federal regulations
9 that will—

1 (1) provide a low-cost process to significantly
2 improve voluntary compliance by small business con-
3 cerns with Federal regulations;

4 (2) improve the level of outreach to the small
5 business community; and

6 (3) provide for unbiased feedback to Federal
7 agencies on the small business regulatory environ-
8 ment.

9 **SEC. 3. ESTABLISHMENT OF PROGRAM.**

10 The Small Business Act (15 U.S.C. 637 et seq.) is
11 amended by inserting after section 21A the following:

12 **“SEC. 21B. SMALL BUSINESS REGULATORY RELIEF.**

13 “(a) DEFINITIONS.—In this section:

14 “(1) ASSISTANT ADMINISTRATOR.—The term
15 ‘Assistant Administrator’ means the Assistant Ad-
16 ministrator for Small Business Development Centers
17 of the Administration.

18 “(2) COMPLIANCE ASSISTANCE PLAN.—The
19 term ‘compliance assistance plan’ means a 5-year
20 plan jointly developed and revised annually by each
21 participating agency, the Assistant Administrator,
22 and representatives of an association representing a
23 majority of small business development centers, for
24 the establishment and maintenance of the system of
25 voluntary compliance.

1 “(3) PARTICIPATING AGENCY.—The term ‘par-
2 ticipating agency’ means—

3 “(A) the Internal Revenue Service of the
4 Department of the Treasury;

5 “(B) the Environmental Protection Agen-
6 cy; and

7 “(C) the Department of Labor.

8 “(4) SMALL BUSINESS DEVELOPMENT CEN-
9 TER.—The term ‘small business development cen-
10 ter’—

11 “(A) means a small business development
12 center established pursuant to section 21; and

13 “(B) includes a consortium of 2 or more
14 small business development centers.

15 “(5) SYSTEM OF VOLUNTARY COMPLIANCE.—
16 The term ‘system of voluntary compliance’ means a
17 system under which small business development cen-
18 ters provide confidential assistance to 1 or more
19 small business concerns in achieving voluntary com-
20 pliance with regulatory requirements imposed on
21 small business concerns by a participating agency.

22 “(b) DUTIES OF THE PARTICIPATING AGENCY—

23 “(1) COMPLIANCE ASSISTANCE PLAN.—Not
24 later than 90 days after the enactment of the Small
25 Business Regulatory Assistance Act of 1998 and an-

1 nually thereafter, each participating agency, the As-
2 sistant Administrator, and representatives of an as-
3 sociation representing a majority of small business
4 development centers, shall agree to a compliance as-
5 sistance plan.

6 “(2) CONTENTS OF THE COMPLIANCE ASSIST-
7 ANCE PLAN.—The compliance assistance plan agreed
8 to under paragraph (1) shall include—

9 “(A) the regulatory compliance objectives
10 of each participating agency;

11 “(B) the regulatory compliance priorities
12 of each participating agency;

13 “(C) identification of the types of services,
14 materials, and resources to be developed or
15 used by each participating agency;

16 “(D) identification of facilities, expertise,
17 and other resources of each participating agen-
18 cy that may be accessed by the Assistant Ad-
19 ministrator, a small business development cen-
20 ter, or a small business concern participating in
21 the system of voluntary compliance established
22 under this section; and

23 “(E) performance outcome measures and
24 evaluation criteria to be used by each partici-
25 pating agency in evaluating the effectiveness of

1 the system of voluntary compliance established
2 under this section.

3 “(c) DUTIES OF THE OFFICE OF SMALL BUSINESS
4 DEVELOPMENT CENTERS.—

5 “(1) IMPLEMENTATION AND ADMINISTRATION
6 OF THE COMPLIANCE ASSISTANCE PLAN.—

7 “(A) IN GENERAL.—Based on the compli-
8 ance assistance plan agreed to under subsection
9 (b)(1), not later than 180 days after the date
10 of enactment of the Small Business Regulatory
11 Assistance Act of 1998, the Assistant Adminis-
12 trator, with the agreement of an association
13 representing a majority of small business devel-
14 opment centers, shall develop and publish
15 guidelines for the establishment by small busi-
16 ness development centers of the system of vol-
17 untary compliance in accordance with this sec-
18 tion.

19 “(B) GUIDELINE REQUIREMENTS.—The
20 guidelines published under subparagraph (A)
21 shall—

22 “(i) establish priorities for the types
23 of assistance to be provided to small busi-
24 ness concerns under the system of vol-
25 untary compliance established by small

1 business development centers under this
2 section; and

3 “(ii) establish standards relating to
4 educational, technical, and support services
5 required by small business development
6 centers to provide a system of voluntary
7 compliance.

8 “(C) PROGRAM DELIVERY.—The guidelines
9 established under subparagraph (A) shall—

10 “(i) require that the assistance to
11 small business concerns participating in
12 the system of voluntary compliance under
13 this section to be carried out by small busi-
14 ness development centers, which shall, to
15 the maximum extent practicable, access
16 other existing Federal and State nonpuni-
17 tive, compliance and technical assistance
18 programs, including, but not limited to, the
19 technical and environmental compliance as-
20 sistance programs established under sec-
21 tion 507 of the Clean Air Act Amendments
22 of 1990; and

23 “(ii) provide that certain national
24 service delivery and support requirements
25 be carried out under contract with an asso-

1 ciation representing the majority of small
2 business development centers.

3 “(D) ISSUANCE OF GRANT.—Not later
4 than 150 days after the submission of work
5 plans under subsection (d)(1), the Assistant
6 Administrator shall make a grant to each small
7 business development center to carry out the
8 system of voluntary compliance.

9 “(d) DUTIES OF SMALL BUSINESS DEVELOPMENT
10 CENTERS.—

11 “(1) WORK PLAN.—Beginning not later than 60
12 days after the date on which the guidelines are pub-
13 lished by the Assistant Administrator under sub-
14 section (c)(1)(A), each small business development
15 center shall, on an annual basis, submit to the As-
16 sistant Administrator a work plan under which the
17 small business development center will carry out the
18 system of voluntary compliance in accordance with
19 such guidelines.

20 “(2) ASSISTANCE PROVIDED.—

21 “(A) IN GENERAL.—Subject to subpara-
22 graph (B), the assistance to small business con-
23 cerns participating in the system of voluntary
24 compliance shall include—

25 “(i) access to information and re-
26 sources;

1 “(ii) training and educational activi-
2 ties;

3 “(iii) confidential, free-of-charge, one-
4 on-one in-depth counseling;

5 “(iv) technical assistance; and

6 “(v) referrals to experts.

7 “(B) EXCEPTION FOR LEGAL SERVICES.—

8 No small business development center (or any
9 person relied on by a small business develop-
10 ment center in providing assistance under this
11 section) shall provide legal services, other than
12 the provision of basic business law information,
13 without the endorsement of the State Bar Asso-
14 ciation of each State in which the small busi-
15 ness development center (or any person relied
16 on by a small business development center in
17 providing assistance under this section) are pro-
18 viding services under this section.

19 “(3) REPORTS; RECOMMENDATIONS—

20 “(A) IN GENERAL.—Each small business
21 development center receiving assistance under
22 this section shall, on an annual basis, submit to
23 the Assistant Administrator a report on the as-
24 sistance provided by the small business develop-
25 ment center under this section.

1 “(B) PRIVACY PROTECTION.—No small
2 business development center (or any person re-
3 lied on by a small business development center
4 in providing assistance under this section) shall
5 be required to disclose the name or address of
6 any small business concern participating in the
7 system of voluntary compliance under this sec-
8 tion.

9 “(C) AUDITS.—Subparagraph (B) shall
10 not be construed to prevent the Assistant Ad-
11 ministrator or the Inspector General of the Ad-
12 ministration from auditing a small business de-
13 velopment center (or any person relied on by a
14 small business development center in providing
15 assistance under this section).

16 “(e) EVALUATIONS.—

17 “(1) ANNUAL REPORT.—The Assistant Admin-
18 istrator shall, on an annual basis, submit to the
19 Committees on Small Business of the Senate and
20 the House of Representatives and to the Regulatory
21 Fairness Board established under section 29 a re-
22 port, which shall include—

23 “(A) a description of the types of assist-
24 ance provided by small business development

1 centers to small business concerns participating
2 in the system of voluntary compliance;

3 “(B) the level of outreach to small business
4 concerns achieved by small business develop-
5 ment centers under this section; and

6 “(C) recommendations for improvements in
7 the regulation of small business concerns par-
8 ticipating in the system of voluntary compli-
9 ance.

10 “(2) INDEPENDENT NATIONAL ASSESSMENT.—

11 Upon the expiration of the 3-year period beginning
12 on the date on which a majority of small business
13 development centers have received grants to begin
14 implementation of the work plans described under
15 subsection (d)(1), the Comptroller General of the
16 United States shall provide for an evaluation of the
17 system of voluntary compliance established under
18 this section which shall be submitted to the Commit-
19 tees on Small Business of the Senate and the House
20 of Representatives.

21 “(f) FUNDING.—

22 “(1) IN GENERAL.—Subject to paragraph (2),
23 the total amount received under this section in any
24 fiscal year by small business development centers lo-
25 cated in a State shall not exceed the sum of—

1 “(A) the State’s pro rata share of the
2 amount made available under subsection (g),
3 based on the population of the State as com-
4 pared to the total population in the United
5 States; and

6 “(B) \$300,000.

7 “(2) EXCEPTION.—Amounts made available to
8 a small business development center by the Adminis-
9 tration or another agency to carry out section
10 21(c)(3)(G) shall not be included in the calculation
11 of maximum funding of a small business develop-
12 ment center under paragraph (1).

13 “(3) EXEMPTION FROM MATCHING REQUIRE-
14 MENT.—Amounts made available to a small business
15 development center under this section shall not be
16 subject to the matching funds requirements or the
17 eligibility requirements of section 21(a)(4).

18 “(4) CERTIFICATION REQUIREMENT.—

19 “(A) IN GENERAL.—Subject to subpara-
20 graph (B), after September 30, 2000, the As-
21 sistant Administrator may not make any
22 amount available under this section to a small
23 business development center, unless the small
24 business development center (or with respect to
25 a consortium of small business development

1 centers receiving assistance under this section
 2 as a single grantee, each center within consor-
 3 tium) has been approved under the certification
 4 program under section 21(k)(2).

5 “(B) WAIVER.—The Associate Adminis-
 6 trator may waive the requirements of subpara-
 7 graph (A) with respect to a small business de-
 8 velopment center if the Associate Administrator
 9 determines that the small business development
 10 center is making a good faith effort to obtain
 11 the certification described in subparagraph (A).

12 “(5) ADMINISTRATIVE COSTS.—Not more than
 13 2 percent of the amount made available under sub-
 14 section (g) in each fiscal year may be used by the
 15 Assistant Administrator for the costs of administra-
 16 tion, evaluation, and reporting under this section.

17 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
 18 are authorized to be appropriated to carry out this sec-
 19 tion—

20 “(1) \$40,000,000 for fiscal year 1999;

21 “(2) \$50,000,000 for fiscal year 2000;

22 “(3) \$62,000,000 for fiscal year 2001; and

23 “(4) \$77,000,000 for fiscal year 2002.”

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