

## Union Calendar No. 7

106<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 391

**[Report No. 106–8, Part I]**

To amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, and for other purposes.

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### IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 1999

Mr. MCINTOSH introduced the following bill; which was referred to the Committee on Government Reform, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

FEBRUARY 5, 1999

Reported from the Committee on Government Reform

FEBRUARY 5, 1999

Referral to the Committee on Small Business extended for a period ending not later than February 5, 1999

FEBRUARY 5, 1999

Committee on Small Business discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## A BILL

To amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses

with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, 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 Paper-  
 5        work Reduction Act Amendments of 1999”.

6        **SEC. 2. FACILITATION OF COMPLIANCE WITH FEDERAL PA-**  
 7        **PERWORK REQUIREMENTS.**

8        (a) REQUIREMENTS APPLICABLE TO THE DIRECTOR  
 9        OF OMB.—Section 3504(c) of chapter 35 of title 44,  
 10        United States Code (commonly referred to as the “Paper-  
 11        work Reduction Act”), is amended—

12                (1) in paragraph (4), by striking “; and” and  
 13                inserting a semicolon;

14                (2) in paragraph (5), by striking the period and  
 15                inserting a semicolon; and

16                (3) by adding at the end the following new  
 17                paragraphs:

18                        “(6) publish in the Federal Register on an an-  
 19                        nual basis a list of the requirements applicable to  
 20                        small-business concerns (within the meaning of sec-  
 21                        tion 3 of the Small Business Act (15 U.S.C. 631 et  
 22                        seq.)) with respect to collection of information by

1 agencies, organized by North American Industrial  
2 Classification System code and industrial/sector de-  
3 scription (as published by the Office of Management  
4 and Budget), with the first such publication occur-  
5 ring not later than one year after the date of the en-  
6 actment of the Small Business Paperwork Reduction  
7 Act Amendments of 1999; and

8 “(7) make available on the Internet, not later  
9 than one year after the date of the enactment of  
10 such Act, the list of requirements described in para-  
11 graph (6).”.

12 (b) ESTABLISHMENT OF AGENCY POINT OF CON-  
13 TACT; SUSPENSION OF FINES FOR FIRST-TIME PAPER-  
14 WORK VIOLATIONS.—Section 3506 of such chapter is  
15 amended by adding at the end the following new sub-  
16 section:

17 “(i)(1) In addition to the requirements described in  
18 subsection (c), each agency shall, with respect to the col-  
19 lection of information and the control of paperwork—

20 “(A) establish one point of contact in the agen-  
21 cy to act as a liaison between the agency and small-  
22 business concerns (within the meaning of section 3  
23 of the Small Business Act (15 U.S.C. 631 et seq.));  
24 and

1           “(B) in any case of a first-time violation by a  
2           small-business concern of a requirement regarding  
3           collection of information by the agency, provide that  
4           no civil fine shall be imposed on the small-business  
5           concern unless, based on the particular facts and cir-  
6           cumstances regarding the violation—

7                   “(i) the head of the agency determines that  
8                   the violation has caused actual serious harm to  
9                   the public;

10                   “(ii) the head of the agency determines  
11                   that failure to impose a civil fine would impede  
12                   or interfere with the detection of criminal activ-  
13                   ity;

14                   “(iii) the violation is a violation of an in-  
15                   ternal revenue law or a law concerning the as-  
16                   sessment or collection of any tax, debt, revenue,  
17                   or receipt;

18                   “(iv) the violation is not corrected on or  
19                   before the date that is six months after the date  
20                   of receipt by the small-business concern of noti-  
21                   fication of the violation in writing from the  
22                   agency; or

23                   “(v) except as provided in paragraph (2),  
24                   the head of the agency determines that the vio-

1           lation presents an imminent and substantial  
2           danger to the public health or safety.

3           “(2)(A) In any case in which the head of an agency  
4 determines that a first-time violation by a small-business  
5 concern of a requirement regarding the collection of infor-  
6 mation presents an imminent and substantial danger to  
7 the public health or safety, the head of the agency may,  
8 notwithstanding paragraph (1)(B)(v), determine that a  
9 civil fine should not be imposed on the small-business con-  
10 cern if the violation is corrected within 24 hours of receipt  
11 of notice in writing by the small-business concern of the  
12 violation.

13           “(B) In determining whether to provide a small-busi-  
14 ness concern with 24 hours to correct a violation under  
15 subparagraph (A), the head of the agency shall take into  
16 account all of the facts and circumstances regarding the  
17 violation, including—

18           “(i) the nature and seriousness of the violation,  
19 including whether the violation is technical or inad-  
20 vertent or involves willful or criminal conduct;

21           “(ii) whether the small-business concern has  
22 made a good faith effort to comply with applicable  
23 laws, and to remedy the violation within the shortest  
24 practicable period of time;

1           “(iii) the previous compliance history of the  
2           small-business concern, including whether the small-  
3           business concern, its owner or owners, or its prin-  
4           cipal officers have been subject to past enforcement  
5           actions; and

6           “(iv) whether the small-business concern has  
7           obtained a significant economic benefit from the vio-  
8           lation.

9           “(3) In any case in which the head of the agency im-  
10          poses a civil fine on a small-business concern for a first-  
11          time violation of a requirement regarding collection of in-  
12          formation which the agency head has determined presents  
13          an imminent and substantial danger to the public health  
14          or safety, and does not provide the small-business concern  
15          with 24 hours to correct the violation, the head of the  
16          agency shall notify Congress regarding such determination  
17          not later than 60 days after the date that the civil fine  
18          is imposed by the agency.

19          “(4) Notwithstanding any other provision of law, no  
20          State may impose a civil penalty on a small-business con-  
21          cern, in the case of a first-time violation by the small-busi-  
22          ness concern of a requirement regarding collection of in-  
23          formation under Federal law, in a manner inconsistent  
24          with the provisions of this subsection.”.

1           (c) ADDITIONAL REDUCTION OF PAPERWORK FOR  
2 CERTAIN SMALL BUSINESSES.—Section 3506(e) of title  
3 44, United States Code, is amended—

4           (1) in paragraph (2)(B), by striking “; and”  
5 and inserting a semicolon;

6           (2) in paragraph (3)(J), by striking the period  
7 and inserting “; and”; and

8           (3) by adding at the end the following new  
9 paragraph:

10           “(4) in addition to the requirements of this Act  
11 regarding the reduction of paperwork for small-busi-  
12 ness concerns (within the meaning of section 3 of  
13 the Small Business Act (15 U.S.C. 631 et seq.)),  
14 make efforts to further reduce the paperwork burden  
15 for small-business concerns with fewer than 25 em-  
16 ployees.”.

17 **SEC. 3. ESTABLISHMENT OF TASK FORCE TO STUDY**  
18 **STREAMLINING OF PAPERWORK REQUIRE-**  
19 **MENTS FOR SMALL-BUSINESS CONCERNS.**

20           (a) IN GENERAL.—Chapter 35 of title 44, United  
21 States Code, is further amended by adding at the end the  
22 following new section:

1 **“§ 3521. Establishment of task force on feasibility of**  
2 **streamlining information collection re-**  
3 **quirements**

4 “(a) There is hereby established a task force to study  
5 the feasibility of streamlining requirements with respect  
6 to small-business concerns regarding collection of informa-  
7 tion (in this section referred to as the ‘task force’).

8 “(b) The members of the task force shall be ap-  
9 pointed by the Director, and shall include the following:

10 “(1) At least two representatives of the Depart-  
11 ment of Labor, including one representative of the  
12 Bureau of Labor Statistics and one representative of  
13 the Occupational Safety and Health Administration.

14 “(2) At least one representative of the Environ-  
15 mental Protection Agency.

16 “(3) At least one representative of the Depart-  
17 ment of Transportation.

18 “(4) At least one representative of the Office of  
19 Advocacy of the Small Business Administration.

20 “(5) At least one representative of each of two  
21 agencies other than the Department of Labor, the  
22 Environmental Protection Agency, the Department  
23 of Transportation, and the Small Business Adminis-  
24 tration.

25 “(c) The task force shall examine the feasibility of  
26 requiring each agency to consolidate requirements regard-



1 ing collections of information with respect to small-busi-  
2 ness concerns, in order that each small-business concern  
3 may submit all information required by the agency—

4 “(1) to one point of contact in the agency;

5 “(2) in a single format, or using a single elec-  
6 tronic reporting system, with respect to the agency;  
7 and

8 “(3) on the same date.

9 “(d) Not later than one year after the date of the  
10 enactment of the Small Business Paperwork Reduction  
11 Act Amendments of 1999, the task force shall submit a  
12 report of its findings under subsection (c) to the chairmen  
13 and ranking minority members of the Committee on Gov-  
14 ernment Reform and Oversight and the Committee on  
15 Small Business of the House of Representatives, and the  
16 Committee on Governmental Affairs and the Committee  
17 on Small Business of the Senate.

18 “(e) As used in this section, the term ‘small-business  
19 concern’ has the meaning given that term under section  
20 3 of the Small Business Act (15 U.S.C. 631 et seq.).”.

21 (b) CONFORMING AMENDMENT.—The table of sec-  
22 tions at the beginning of such chapter is amended by add-  
23 ing at the end the following new item:

“3521. Establishment of task force on feasibility of streamlining information  
collection requirements.”.

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106<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

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