

# Union Calendar No. 532

106<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4946

[Report No. 106–881]

To amend the Small Business Act to direct the Administrator of the Small Business Administration to establish a pilot program to provide regulatory compliance assistance to small business concerns, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 25, 2000

Mr. SWEENEY (for himself, Mr. TALENT, Mr. ENGLISH, and Mr. MCINTOSH) introduced the following bill; which was referred to the Committee on Small Business

SEPTEMBER 21, 2000

Additional sponsors: Mrs. KELLY and Mr. TERRY

SEPTEMBER 21, 2000

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on July 25, 2000]

---

## A BILL

To amend the Small Business Act to direct the Administrator of the Small Business Administration to establish a pilot program to provide regulatory compliance 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 “National Small Business*  
5       *Regulatory Assistance Act of 2000”.*

6       **SEC. 2. PURPOSE.**

7       *The purpose of this Act is to establish a pilot program*  
8       *to—*

9               *(1) provide confidential assistance to small busi-*  
10       *ness concerns;*

11               *(2) provide small business concerns with the in-*  
12       *formation necessary to improve their rate of compli-*  
13       *ance with Federal regulations;*

14               *(3) create a partnership among Federal agencies*  
15       *to increase outreach efforts to small business concerns*  
16       *with respect to regulatory compliance;*

17               *(4) provide a mechanism for unbiased feedback*  
18       *to Federal agencies on the regulatory environment for*  
19       *small business concerns; and*

20               *(5) utilize the service delivery network of Small*  
21       *Business Development Centers to improve access of*  
22       *small business concerns to programs to assist them*  
23       *with regulatory compliance.*

1 **SEC. 3. SMALL BUSINESS REGULATORY ASSISTANCE PILOT**  
 2 **PROGRAM.**

3 *The Small Business Act (15 U.S.C. 637 et seq.) is*  
 4 *amended—*

5 *(1) by redesignating section 34 as section 35;*  
 6 *and*

7 *(2) by inserting after section 33 the following*  
 8 *new section:*

9 **“SEC. 34. SMALL BUSINESS REGULATORY ASSISTANCE**  
 10 **PILOT PROGRAM.**

11 *“(a) DEFINITIONS.—In this section, the following defi-*  
 12 *initions apply:*

13 *“(1) ASSOCIATION.—The term ‘Association’*  
 14 *means the association, established pursuant to section*  
 15 *21(a)(3)(A), representing a majority of Small Busi-*  
 16 *ness Development Centers.*

17 *“(2) PARTICIPATING SMALL BUSINESS DEVELOP-*  
 18 *MENT CENTER.—The term ‘participating Small Busi-*  
 19 *ness Development Center’ means a Small Business*  
 20 *Development Center selected to participate in the*  
 21 *pilot program established under this section.*

22 *“(3) REGULATORY COMPLIANCE ASSISTANCE.—*  
 23 *The term ‘regulatory compliance assistance’ means*  
 24 *assistance provided by a Small Business Development*  
 25 *Center to a small business concern to enable the con-*  
 26 *cern to comply with Federal regulatory requirements.*

1           “(4) *SMALL BUSINESS DEVELOPMENT CENTER.*—

2           *The term ‘Small Business Development Center’ means*  
 3           *a Small Business Development Center described in*  
 4           *section 21.*

5           “(5) *STATE.*—*The term ‘State’ means each of the*  
 6           *several States, the District of Columbia, the Common-*  
 7           *wealth of Puerto Rico, the Virgin Islands, and Guam.*

8           “(b) *AUTHORITY.*—*In accordance with this section, the*  
 9           *Administrator of the Small Business Administration shall*  
 10          *establish a pilot program to provide regulatory compliance*  
 11          *assistance to small business concerns through participating*  
 12          *Small Business Development Centers, the Association, and*  
 13          *Federal compliance partnership programs.*

14          “(c) *SMALL BUSINESS DEVELOPMENT CENTERS.*—

15                 “(1) *IN GENERAL.*—*In carrying out the pilot*  
 16                 *program under this section, the Administrator shall*  
 17                 *enter into arrangements with participating Small*  
 18                 *Business Development Centers under which such cen-*  
 19                 *ters will provide—*

20                         “(A) *access to information and resources,*  
 21                         *including current Federal and State nonpunitive*  
 22                         *compliance and technical assistance programs*  
 23                         *similar to those established under section 507 of*  
 24                         *the Clean Air Act Amendments of 1990;*

25                         “(B) *training and educational activities;*

1           “(C) *confidential, free-of-charge, one-on-one,*  
2           *in-depth counseling to the owners and operators*  
3           *of small business concerns regarding compliance*  
4           *with Federal regulations, provided that such*  
5           *counseling is not considered to be the practice of*  
6           *law in a State in which a Small Business Devel-*  
7           *opment Center is located or in which such coun-*  
8           *seling is conducted; and*

9           “(D) *technical assistance.*

10          “(2) *QUARTERLY REPORTS.—*

11           “(A) *IN GENERAL.—The Administrator*  
12           *shall require that each participating Small Busi-*  
13           *ness Development Center transmit to the Associa-*  
14           *tion a quarterly report that includes—*

15           “(i) *a summary of the regulatory com-*  
16           *pliance assistance provided by the center*  
17           *under the pilot program; and*

18           “(ii) *any data and information ob-*  
19           *tained by the center from a Federal agency*  
20           *regarding regulatory compliance that the*  
21           *agency intends to be disseminated to small*  
22           *business concerns.*

23           “(B) *FORM.—Each report referred to in*  
24           *subparagraph (A) shall be transmitted to the As-*  
25           *sociation in electronic form.*

1           “(C) *INTERIM REPORTS.*—*During any time*  
2           *period falling between the transmittal of quar-*  
3           *terly reports, a participating Small Business*  
4           *Development Center may transmit to the Asso-*  
5           *ciation any interim report containing data or*  
6           *information considered by the center to be nec-*  
7           *essary or useful.*

8           “(D) *LIMITATION ON DISCLOSURE REQUIRE-*  
9           *MENTS.*—*The Administrator may not require a*  
10          *Small Business Development Center to disclose*  
11          *the name or address of any small business con-*  
12          *cern that received or is receiving assistance*  
13          *under the pilot program, except that the Admin-*  
14          *istrator shall require such a disclosure if ordered*  
15          *to do so by a court in any civil or criminal en-*  
16          *forcement action commenced by a Federal or*  
17          *State agency.*

18          “(d) *ASSOCIATION OF SMALL BUSINESS DEVELOP-*  
19          *MENT CENTERS.*—

20               “(1) *IN GENERAL.*—*In carrying out the pilot*  
21               *program under this section, the Administrator, acting*  
22               *through the Office of Small Business Development*  
23               *Centers (or any successor to such office), shall enter*  
24               *into a contract with the Association under which the*  
25               *Association will—*

1           “(A) act as the repository of and clearing-  
2           house for data and information submitted by  
3           Small Business Development Centers; and

4           “(B) transmit an annual report to the  
5           President, the Small Business and Agriculture  
6           Regulatory Enforcement Ombudsman described  
7           in section 30(b), and to the Committees on Small  
8           Business of the Senate and House of Representa-  
9           tives, which report shall include—

10           “(i) a description of the types of assist-  
11           ance provided by participating Small Busi-  
12           ness Development Centers under the pilot  
13           program;

14           “(ii) data regarding the number of  
15           small business concerns that contacted par-  
16           ticipating Small Business Development  
17           Centers regarding assistance under the pilot  
18           program;

19           “(iii) data regarding the number of  
20           small business concerns assisted by partici-  
21           pating Small Business Development Centers  
22           under the pilot program;

23           “(iv) data and information regarding  
24           outreach activities conducted by partici-  
25           pating Small Business Development Centers

1           under the pilot program, including any ac-  
2           tivities conducted in partnership with Fed-  
3           eral agencies;

4           “(v) data and information regarding  
5           each case known to the Association in which  
6           1 or more Small Business Development  
7           Centers offered conflicting advice or infor-  
8           mation regarding compliance with a Fed-  
9           eral regulation to 1 or more small business  
10          concerns; and

11          “(vi) any recommendations for im-  
12          provements in the regulation of small busi-  
13          ness concerns; and

14          “(C) not later than 3 years after the estab-  
15          lishment of the pilot program, transmit to the re-  
16          cipients referred to in subparagraph (B) a report  
17          containing an evaluation of the pilot program  
18          and any recommendations as to whether the  
19          pilot program, with or without modification,  
20          should be extended to include the participation of  
21          all Small Business Development Centers.

22          “(e) *SELECTION OF PARTICIPATING CENTERS.*—In  
23          consultation with the Association and giving substantial  
24          weight to the Association’s recommendations, the Adminis-  
25          trator shall select 2 Small Business Development Centers



1 *from each of the following groups of States to participate*  
2 *in the pilot program under this section, except that the Ad-*  
3 *ministrators may not select 2 Small Business Development*  
4 *Centers from the same state:*

5           “(1) Group 1: Maine, Massachusetts, New  
6           Hampshire, Connecticut, Vermont, and Rhode Island.

7           “(2) Group 2: New York, New Jersey, Puerto  
8           Rico, and the Virgin Islands.

9           “(3) Group 3: Pennsylvania, Maryland, West  
10          Virginia, Virginia, the District of Columbia, and  
11          Delaware.

12          “(4) Group 4: Georgia, Alabama, North Caro-  
13          lina, South Carolina, Mississippi, Florida, Kentucky,  
14          and Tennessee.

15          “(5) Group 5: Illinois, Ohio, Michigan, Indiana,  
16          Wisconsin, and Minnesota.

17          “(6) Group 6: Texas, New Mexico, Arkansas,  
18          Oklahoma, and Louisiana.

19          “(7) Group 7: Missouri, Iowa, Nebraska, and  
20          Kansas.

21          “(8) Group 8: Colorado, Wyoming, North Da-  
22          kota, South Dakota, Montana, and Utah.

23          “(9) Group 9: California, Guam, Hawaii, Ne-  
24          vada, and Arizona.

1           “(10) Group 10: Washington, Alaska, Idaho, and  
2       Oregon.”.

3   **SEC. 4. PROMULGATION OF REGULATIONS.**

4       *Not later than 180 days after the date of enactment*  
5   *of this Act, the Administrator shall promulgate regulations,*  
6   *after providing an opportunity for notice and comment, to*  
7   *carry out this Act.*



**Union Calendar No. 532**

106TH CONGRESS  
2D SESSION

**H. R. 4946**

**[Report No. 106–881]**

---

---

**A BILL**

To amend the Small Business Act to direct the Administrator of the Small Business Administration to establish a pilot program to provide regulatory compliance assistance to small business concerns, and for other purposes.

---

---

SEPTEMBER 21, 2000

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed