

## Union Calendar No. 527

112TH CONGRESS  
2D SESSION

# H. R. 3987

**[Report No. 112-724]**

To amend the Small Business Act with respect to small business concern size standards, and for other purposes.

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### IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 8, 2012

Mr. WALSH of Illinois (for himself and Mr. CONNOLLY of Virginia) introduced the following bill; which was referred to the Committee on Small Business

DECEMBER 21, 2012

Additional sponsors: Mr. GRAVES of Missouri, Mr. SCHILLING, Mr. HANNA, Mr. WEST, Mr. CHABOT, Mr. MULVANEY, Mr. HINOJOSA, Mr. TIPTON, Mrs. ELLMERS, and Mr. COBLE

DECEMBER 21, 2012

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

[Omit the part struck through and insert the part printed in italic]

# **A BILL**

To amend the Small Business Act with respect to small business concern size standards, 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 Protec-

5 tion Act of 2012”.

6 **SEC. 2. SMALL BUSINESS CONCERN SIZE STANDARDS.**

7       Section 3 of the Small Business Act (15 U.S.C. 632)

8 is amended—

9           ~~(1) by inserting after the section enumerator~~  
10           the following: “**DEFINITIONS.**”; and

11           (1) *by striking “SEC. 3.” and inserting the fol-*  
12           *lowing:*

13       “**SEC. 3. DEFINITIONS.**”; and

14           (2) in subsection (a)—

15           (A) by striking the subsection enumerator

16           and inserting the following:

17       “(a) SMALL BUSINESS CONCERNS.—”;

18           (B) in paragraph (1) by striking “(1) For

19           the purposes” and inserting the following:

20       “(1) IN GENERAL.—For the purposes”;

21           (C) in paragraph (3) by striking “(3)

22           When establishing” and inserting the following:

23       “(3) VARIATION BY INDUSTRY AND CONSIDER-

24       ATION OF OTHER FACTORS.—When establishing”;

1                 (D) by moving paragraph (5), including  
2                 each subparagraph and clause therein, 2 ems to  
3                 the right; and

4                 (E) by adding at the end the following:

5                 “(6) COMMON SIZE STANDARDS.—In carrying  
6                 out this subsection, the Administrator may establish  
7                 or approve a single size standard for a grouping of  
8                 four digit North American Industrial Classification  
9                 codes only if the Administrator makes publicly avail-  
10                able, not later than the date on which such size  
11                standard is established or approved, a justification  
12                demonstrating that such size standard is appropriate  
13                for each individual industry classification included in  
14                the grouping.

15                “(7) PROPOSED RULE MAKING.—~~In conducting~~  
16                ~~rulemaking to revise, modify or establish size stand-~~  
17                ~~ards pursuant to this section, the Administrator~~  
18                ~~shall consider and address the following~~ *In con-*  
19                ~~ducting rulemaking to revise, modify or establish size~~  
20                ~~standards pursuant to this section, the Administrator~~  
21                ~~shall consider, and address, and make publicly avail-~~  
22                ~~able as part of the notice of proposed rule making and~~  
23                ~~notice of final rule each of the following:~~

24                “(A) a detailed description of the industry  
25                for which the new size standard is proposed;

1           “(B) an analysis of the competitive envi-  
2           ronment for that industry;

3           “(C) the approach the Administrator used  
4           to develop the proposed standard including the  
5           source of all data used to develop the proposed  
6           rulemaking; and

7           “(D) the anticipated effect of the proposed  
8           rulemaking on the industry, including the num-  
9           ber of concerns not currently considered small  
10          that would be considered small under the pro-  
11          posed rulemaking and the number of concerns  
12          currently considered small that would be  
13          deemed other than small under the proposed  
14          rulemaking.”.

15          “(8) *NUMBER OF SIZE STANDARDS.*—*The Ad-*  
16          *ministrator shall not limit the number of size stand-*  
17          *ards it creates pursuant to paragraph (2), and shall*  
18          *assign the appropriate size standard to each North*  
19          *American Industrial Classification System Code.”.*

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