

SMALL BUSINESS REGULATORY REDUCTION ACT

SEPTEMBER 1, 2023.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WILLIAMS of Texas, from the Committee on Small Business,
submitted the following

R E P O R T

[To accompany H.R. 3995]

The Committee on Small Business, to whom was referred the bill (H.R. 3995) to require the Administrator of the Small Business Administration to ensure that the small business regulatory budget for a fiscal year is not greater than zero, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

	Page
I. Purpose and Bill Summary	2
II. Need for Legislation	2
III. Hearings	2
IV. Committee Consideration	2
V. Committee Votes	2
VI. Section-by-Section of H.R. 3995	16
VII. Congressional Budget Office Cost Estimate	16
VIII. New Budget Authority, Entitlement Authority, and Tax Expenditures	16
IX. Oversight Findings & Recommendations	16
X. Performance Goals and Objectives	16
XI. Statement of Duplication of Federal Programs	17
XII. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Ben-	
efits	17
XIII. Federal Mandates Statement	17
XIV. Federal Advisory Committee Statement	17
XV. Applicability to Legislative Branch	17
XVI. Statement of Constitutional Authority	17

The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Business Regulatory Reduction Act”.

SEC. 2. SMALL BUSINESS ADMINISTRATION RULEMAKING COSTS TO SMALL BUSINESS CONCERNS.

(a) **IN GENERAL.**—The Administrator shall ensure that the small business regulatory budget for a fiscal year is not greater than zero.

(b) **REPORT.**—Not later than 60 days after the last day of a fiscal year, the Administrator shall submit to Congress a report on any regulations issued by other Federal agencies that have an impact on small business concerns. Such report shall include rules issued during the fiscal year preceding and the fiscal year following the date of the report and such rules shall be disaggregated by the issuing Federal agency.

(c) **SMALL BUSINESS REGULATORY BUDGET DEFINED.**—In this section, the term “small business regulatory budget” means the cost to small business concerns (as defined under section 3 of the Small Business Act (15 U.S.C. 632)) of rulemaking (including the cost of a new rule and any modification to or repeal of a rule) by the Administrator of the Small Business Administration.

SEC. 3. COMPLIANCE WITH CUTGO.

No additional amounts are authorized to be appropriated to carry out this Act. Such Act shall be carried out using amounts otherwise appropriated to the Administrator of the Small Business Administration.

I. PURPOSE AND BILL SUMMARY

H.R. 3995 was introduced by Rep. Van Duyne (R-TX) on June 9, 2023. The purpose of H.R. 3995, the Small Business Regulatory Reduction Act is to require the Small Business Administration (SBA) to ensure that for each fiscal year the cost to small businesses of the administration’s rule making (including the modification or repeal of a rule) is not greater than zero. SBA must also report on regulations issued by other federal agencies that have an impact on small businesses.

II. NEED FOR LEGISLATION

The legislation will ensure that the SBA’s rulemaking does not compound costs on small businesses by requiring the repeal of costly, outdated rules if the agency chooses to promulgate new rules.

III. HEARINGS

In the 118th Congress, the Committee held a hearing examining the issues covered in H.R. 3995. On June 22, 2023, the Committee held a hearing titled “Reviewing the SBA’s Office of Advocacy Report on the Regulatory Flexibility Act.” During the hearing, the Office of Advocacy’s (Advocacy) Deputy Chief Counsel for Advocacy, Mr. Major L. Clark, testified about Advocacy’s recent report on the Regulatory Flexibility Act.

The Committee examined how excessive regulatory burdens are crushing small businesses. The hearing highlighted the need for Congress to reign in these increasing burdens.

IV. COMMITTEE CONSIDERATION

The Committee on Small Business met in open session, with a quorum being present, on July 18, 2023 and ordered H.R. 3995 as amended reported favorably to the House of Representatives. During the markup four amendments were offered.

V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto. The Committee

voted to favorably report H.R. 3995 to the House of Representatives
at 12:19 PM.

118th Congress House Committee on Small Business Vote RecordDate:
Convened:

Bill:

Adjourned:

from Beth

ANS to HR 3995

Republicans	Aye	Nay	Present
Mr. Luetkemeyer (MO-03)	✓		
Mr. Stauber (MN-08)	✓		
Mr. Meuser (PA-09)	✓		
Ms. Van Duyne (TX-24)	✓		
Ms. Salazar (FL-27)	✓		
Mr. Mann (KS-01)	✓		
Mr. Ellzey (TX-06)	✓		
Mr. Molinaro (NY-19)	✓		
Mr. Alford (MO-04)	✓		
Mr. Crane (AZ-02)	✓		
Mr. Bean (FL-04)	✓		
Mr. Hunt (TX-38)	✓		
Mr. (La-Low-ta) Lalota (NY-01)	✓		
Chairman Williams (TX-25)	✓		
TOTALS:	14		

Mr. Chairman _____ Votes _____

Mr. Chairman _____ Off _____, Votes _____

Mr. Chairman on that vote 14 Ayes 12 Nays and 0 Present

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Democrats	Aye	Nay	Present
Mr. Golden (ME-02)		✓	
Mr. M-fume (MD-07)		✓	
Mr. Phillips (MN-03)		✓	
Mr. Landsman (OH-01)		✓	
Mr. Mc-Gar-vey (KY-03)		✓	
Ms. Gluc-sen-kamp Perez (WA-03)		✓	
Ms. (Skull- ton) Scholten (MI-03)		✓	
Mr. (Tan-a-dar) Thanedar (MI-13)		✓	
Ms. (Chew) Chu (CA-28)		✓	
Ms. Davids (KS-03)		✓	
Mr. Pappas (NH-01)		✓	
Ranking Member Nydia Velazquez (NY-07)		✓	
TOTALS:			

118th Congress House Committee on Small Business Vote Record

Date:

Bill: *Velazquez*

Convened:

Adjourned:

Republicans	Aye	Nay	Present
Mr. Luetkemeyer (MO-03)		✓	
Mr. Stauber (MN-08)		✓	
Mr. Meuser (PA-09)		✓	
Ms. Van Duyne (TX-24)		✓	
Ms. Salazar (FL-27)		✓	
Mr. Mann (KS-01)		✓	
Mr. Ellzey (TX-06)		✓	
Mr. Molinaro (NY-19)		✓	
Mr. Alford (MO-04)		✓	
Mr. Crane (AZ-02)		✓	
Mr. Bean (FL-04)		✓	
Mr. Hunt (TX-38)		✓	
Mr. (La-Low-ta) Lalota (NY-01)		✓	
Chairman Williams (TX-25)		✓	
TOTALS:		14	

Mr. Chairman _____ Votes _____

Mr. Chairman _____ Off _____, Votes _____

Mr. Chairman on that vote 12 Ayes 14 Nays and 0 Present

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Democrats	Aye	Nay	Present
Mr. Golden (ME-02)	✓		
Mr. M-fume (MD-07)	✓		
Mr. Phillips (MN-03)	✓		
Mr. Landsman (OH-01)	✓		
Mr. Mc-Gar-vey (KY-03)	✓		
Ms. Glue-sen-kamp Perez (WA-03)	✓		
Ms. (Skull- ton) Scholten (MI-03)	✓		
Mr. (Tan-a-dar) Thanedar (MI-13)	✓		
Ms. (Chew) Chu (CA-28)	✓		
Ms. Davids (KS-03)	✓		
Mr. Pappas (NH-01)	✓		
Ranking Member Nydia Velazquez (NY-07)	✓		
TOTALS:	12		

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Phillips

Adjourned:

Convened:

Republicans	Aye	Nay	Present
Mr. Luetkemeyer (MO-03)		✓	
Mr. Stauber (MN-08)		✓	
Mr. Meuser (PA-09)		✓	
Ms. Van Duyne (TX-24)		✓	
Ms. Salazar (FL-27)		✓	
Mr. Mann (KS-01)		✓	
Mr. Ellzey (TX-06)		✓	
Mr. Molinaro (NY-19)		✓	
Mr. Alford (MO-04)		✓	
Mr. Crane (AZ-02)		✓	
Mr. Bean (FL-04)		✓	
Mr. Hunt (TX-38)		✓	
Mr. (La-Low-ta) Lalota (NY-01)		✓	
Chairman Williams (TX-25)		✓	
TOTALS:		14	

Mr. Chairman _____ Votes _____

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Mr. Chairman on that vote 12 Ayes 14 Nays and 0 Present

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Democrats	Aye	Nay	Present
Mr. Golden (ME-02)	✓		
Mr. M-fume (MD-07)	✓		
Mr. Phillips (MN-03)	✓		
Mr. Landsman (OH-01)	✓		
Mr. Mc-Gar-vey (KY-03)	✓		
Ms. Glue-sen-kamp Perez (WA-03)	✓		
Ms. (Skull- ton) Scholten (MI-03)	✓		
Mr. (Tan-a-dar) Thanedar (MI-13)	✓		
Ms. (Chew) Chu (CA-28)	✓		
Ms. Davids (KS-03)	✓		
Mr. Pappas (NH-01)	✓		
Ranking Member Nydia Velazquez (NY-07)	✓		
TOTALS:	12		

118th Congress House Committee on Small Business Vote Record

Date:
Convened:

Bill:

Davidson

Adjourned:

Republicans	Aye	Nay	Present
Mr. Luetkemeyer (MO-03)		✓	
Mr. Stauber (MN-08)		✓	
Mr. Meuser (PA-09)		✓	
Ms. Van Duyne (TX-24)		✓	
Ms. Salazar (FL-27)		✓	
Mr. Mann (KS-01)		✓	
Mr. Ellzey (TX-06)		✓	
Mr. Molinaro (NY-19)		✓	
Mr. Alford (MO-04)		✓	
Mr. Crane (AZ-02)		✓	
Mr. Bean (FL-04)		✓	
Mr. Hunt (TX-38)		✓	
Mr. (La-Low-ta) Lalota (NY-01)		✓	
Chairman Williams (TX-25)		✓	
TOTALS:		14	

Mr. Chairman _____ Votes _____

Mr. Chairman _____ Off _____, Votes _____

Mr. Chairman on that vote 12 Ayes 14 Nays and 0 Present

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Democrats	Aye	Nay	Present
Mr. Golden (ME-02)	✓		
Mr. M-fume (MD-07)	✓		
Mr. Phillips (MN-03)	✓		
Mr. Landsman (OH-01)	✓		
Mr. Mc-Gar-vey (KY-03)	✓		
Ms. Glue-sen-kamp Perez (WA-03)	✓		
Ms. (Skull- ton) Scholten (MI-03)	✓		
Mr. (Tan-a-dar) Thanedar (MI-13)	✓		
Ms. (Chew) Chu (CA-28)	✓		
Ms. Davids (KS-03)	✓		
Mr. Pappas (NH-01)	✓		
Ranking Member Nydia Velazquez (NY-07)	✓		
TOTALS:	12		

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Chu

Adjourned:

Convened:

Republicans	Aye	Nay	Present
Mr. Luetkemeyer (MO-03)		✓	
Mr. Stauber (MN-08)		✓	
Mr. Meuser (PA-09)		✓	
Ms. Van Duyne (TX-24)		✓	
Ms. Salazar (FL-27)		✓	
Mr. Mann (KS-01)		✓	
Mr. Ellzey (TX-06)		✓	
Mr. Molinaro (NY-19)		✓	
Mr. Alford (MO-04)		✓	
Mr. Crane (AZ-02)		✓	
Mr. Bean (FL-04)		✓	
Mr. Hunt (TX-38)		✓	
Mr. (La-Low-ta) Lalota (NY-01)		✓	
Chairman Williams (TX-25)		✓	
TOTALS:		14	

Mr. Chairman _____ Votes _____

Mr. Chairman _____ Off _____, Votes _____

Mr. Chairman on that vote 12 Ayes 14 Nays and 0 Present

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Democrats	Aye	Nay	Present
Mr. Golden (ME-02)	✓		
Mr. M-fume (MD-07)	✓		
Mr. Phillips (MN-03)	✓		
Mr. Landsman (OH-01)	✓		
Mr. Mc-Gar-vey (KY-03)	✓		
Ms. Glue-sen-kamp Perez (WA-03)	✓		
Ms. (Skull- ton) Scholten (MI-03)	✓		
Mr. (Tan-a-dar) Thanedar (MI-13)	✓		
Ms. (Chew) Chu (CA-28)	✓		
Ms. Davids (KS-03)	✓		
Mr. Pappas (NH-01)	✓		
Ranking Member Nydia Velazquez (NY-07)	✓		
TOTALS:	12		

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Convened:

Adjourned:

Final Passage
H.R. 3995

Republicans	Aye	Nay	Present
Mr. Luetkemeyer (MO-03)	✓		
Mr. Stauber (MN-08)	✓		
Mr. Meuser (PA-09)	✓		
Ms. Van Duyne (TX-24)	✓		
Ms. Salazar (FL-27)	✓		
Mr. Mann (KS-01)	✓		
Mr. Ellzey (TX-06)	✓		
Mr. Molinaro (NY-19)	✓		
Mr. Alford (MO-04)	✓		
Mr. Crane (AZ-02)	✓		
Mr. Bean (FL-04)	✓		
Mr. Hunt (TX-38)	✓		
Mr. (La-Low-ta) Lalota (NY-01)	✓		
Chairman Williams (TX-25)	✓		
TOTALS:	14		

Mr. Chairman _____ Votes _____

Mr. Chairman _____ Off _____, Votes _____

Mr. Chairman on that vote 14 Ayes 12 Nays and 0 Present

118th Congress House Committee on Small Business Vote Record

Date:

Bill:

Democrats	Aye	Nay	Present
Mr. Golden (ME-02)		✓	
Mr. M-fume (MD-07)		✓	
Mr. Phillips (MN-03)		✓	
Mr. Landsman (OH-01)		✓	
Mr. Mc-Gar-vey (KY-03)		✓	
Ms. Glue-sen-kamp Perez (WA-03)		✓	
Ms. (Skull- ton) Scholten (MI-03)		✓	
Mr. (Tan-a-dar) Thanedar (MI-13)		✓	
Ms. (Chew) Chu (CA-28)		✓	
Ms. Davids (KS-03)		✓	
Mr. Pappas (NH-01)		✓	
Ranking Member Nydia Velazquez (NY-07)		✓	
TOTALS:		12	

VI. SECTION-BY-SECTION OF H.R. 3995

Section 1. Short title

This Act may be cited as the “Small Business Regulatory Reduction Act.”

Section 2. Small Business Administration rulemaking costs to small business concerns

This section requires the Administrator of the SBA to ensure that the small business regulatory budget for a fiscal year is not greater than zero. Additionally, it requires a report on regulations issued by other federal agencies that have an impact on small businesses.

Section 3. Compliance with CUTGO

This section does not authorize any additional appropriations for this bill.

VII. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(d)(1) of House rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974. The Committee has requested but not received from the Director of the Congressional Budget Office a cost estimate for the Committee’s provisions. Once available, the cost estimate will be published in the Congressional Record.

VIII. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(I) of the Congressional Budget Act of 1974, the Committee provides the following opinion and estimate with respect to new budget authority, entitlement authority, and tax expenditures: H.R. 3995 does not direct new spending, but instead reallocates funding independently authorized and appropriated.

IX. OVERSIGHT FINDINGS & RECOMMENDATIONS

In accordance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee on Small Business with respect to the subject matter contained in the H.R. 3995 are incorporated into the descriptive portions of this report.

X. PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the performance goals and objectives of H.R. 3995 are to require the SBA to ensure that for each fiscal year the cost to small businesses of the administration’s rule making is not greater than zero and to require the administration to report to Congress on any regulations issued by other agencies that have an impact on small business.

XI. STATEMENT OF DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, no provision of H.R. 3995 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

XII. CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee finds that the bill does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House of Representatives.

XIII. FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

XIV. FEDERAL ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

XV. APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

XVI. STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to clause 7 of Rule XII of the Rules of the House, the Committee finds that the authority for this legislation in Art. I, § 8, cl.1 of the Constitution of the United States.

