

## OFFICE OF MANAGEMENT AND BUDGET

### Draft Report of the Small Business Paperwork Relief Task Force

**AGENCY:** Office of Management and Budget, Executive Office of the President.

**ACTION:** Notice and request for comments.

**SUMMARY:** The Small Business Paperwork Relief Task Force requests comments on the attached Draft Report. In this Draft Report, the Small Business Paperwork Relief Task Force discusses and makes recommendations concerning consolidated information collections, an organized list of information collections, and interactive electronic systems.

**DATES:** To ensure consideration of comments, comments must be in writing and received by OMB no later than June 4, 2003.

**ADDRESSES:** Comments on this Draft Report should be addressed to Stanton D. Anderson, Office of E-Government and Information Technology.

You are encouraged to submit these comments by facsimile to (202) 395-0342, or by electronic mail to [smallbiz@omb.eop.gov](mailto:smallbiz@omb.eop.gov).

**FOR FURTHER INFORMATION CONTACT:**

Stanton D. Anderson, Office of Information Technology and E-Government, Office of Management and Budget, Washington, DC 20503. Telephone: (202) 395-0346.

**SUPPLEMENTARY INFORMATION:** Congress directed the Director of OMB to convene and have a representative chair a Task Force to study the feasibility of streamlining requirements with respect to small business concerns regarding collection of information and strengthening dissemination of information" (44 U.S.C. 3520, Pub. L. 107-198). More specifically, this Small Business Paperwork Relief Task Force is charged with examining five ways to reduce the information collection burden placed by government on small business concerns. They are:

1. Examine the feasibility and desirability of requiring the consolidation of information collection requirements within and across Federal agencies and programs, and identify ways of doing so.

2. Examine the feasibility and benefits to small businesses of having OMB publish a list of data collections organized in a manner by which they can more easily identify requirements with which they are expected to comply.

3. Examine the savings and develop recommendations for implementing electronic submissions of information to the Federal government with immediate feedback to the submitter.

4. Make recommendations to improve the electronic dissemination of information collected under Federal requirements.

5. Recommend a plan to develop an interactive Government-wide Internet program to identify applicable collections and facilitate compliance.

While carrying out its work, the Small Business Paperwork Relief Task Force is asked to consider opportunities for the coordination of Federal and State reporting requirements, and coordination among individuals who have been designated as the small business "point of contact" in their agencies.

The Small Business Paperwork Relief Task Force is required to submit a report of its findings on the first three issues no later than one year after enactment, or June 28, 2003. A second report on the final two issues is required no later than two years after enactment, or June 28, 2004. Both reports must be submitted to the Director of OMB; the Small Business and Agriculture Regulatory Enforcement Ombudsman; and the Senate Committees on Governmental Affairs and Small Business and Entrepreneurship; and, the House Committees on Government Reform and Small Business.

The Director of OMB appointed Dr. John D. Graham, Administrator of the Office of Information and Regulatory Affairs, and Mr. Mark A. Forman, Administrator for E-Government and Information Technology, to co-chair the Small Business Paperwork Relief Task Force.

The Act specifies the following agencies to be represented on the SBPRA Task Force: Department of Labor (including the Bureau of Labor Statistics, and the Occupational Safety and Health Administration); Environmental Protection Agency; Department of Transportation; Office of Advocacy of the Small Business Administration; Internal Revenue Service; Department of Health and Human Services (including the Centers for Medicare and Medicaid Services); Department of Agriculture; Department of Interior; the General Services Administration; and two other participants to be selected by the Director of OMB (who are the Department of Commerce and additional representatives from the Small Business Administration).

The Small Business Paperwork Relief Task Force is now seeking input from

all interested parties concerning the findings and recommendations contained in this draft report. All comments will be considered and may result in modifications to the final report. A summary of the public comments with responses of the Task Force will be attached to the final report.

**John D. Graham,**

*Administrator, Office of Information and Regulatory Affairs.*

**Mark Forman,**

*Administrator for E-Government and Information Technology.*

### Draft Report of the Small Business Paperwork Relief Task Force

*Introduction: The Problem of Paperwork Burden for Small Businesses*

This is the first report of the Task Force created under the Small Business Paperwork Relief Act of 2002 (SBPRA).<sup>1</sup> It contains findings and recommendations intended to reduce the burden imposed on small businesses by Government paperwork information collection requirements.

What Is a "Small Business" and Why Does the Law Focus on the Small Business Community?

For the purposes of SBPRA, "the term 'small business concern' has the meaning given under section 3 of the Small Business Act (15 U.S.C. 632)." This definition includes any firm that is "independently owned and operated" and is "not dominant in its field of operation". The Small Business Administration (SBA) has developed size standards to carry out the purposes of the Small Business Act and those size standards can be found in the Code of Federal Regulations, 13 CFR 121.201.<sup>2</sup> If an industry is not specified in the regulation, the default is (a) 500 or fewer employees, or (b) \$6 million or less in receipts.

While SBPRA applies to all small businesses, the Act further specifies that agencies make efforts to "reduce the information collection burden for small business concerns with fewer than 25 employees."

Small businesses have always been the backbone of our economy. They represent 99.7% of all employers. Of the Nation's 22.4 million businesses, only 17,000 are large (with more than 500 employees). That leaves a total of about

<sup>1</sup> 44 U.S.C. 3520, Public Law 107-198, references at Appendix 1.

<sup>2</sup> For more information, visit <http://www.sba.gov/size/>.