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H.R. 4666, H.R. 4667, H.R. 4480, H.R. 4670, H.R. 4668, H.R. 4669, H.R. 4671, H.R. 3995

HEARING

BEFORE THE

COMMITTEE ON SMALL BUSINESS
UNITED STATES
HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

FIRST SESSION

HEARING HELD
JULY 18, 2023



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MARKUP OF: H.R. 4666, A BILL TO REQUIRE THE SBA OIG TO SUBMIT QUARTERLY REPORTS ON PPP/EIDL FRAUD; H.R. 4667, THE RECLAIM TAXPAYER FUNDS ACT; H.R. 4480, THE SERV ACT; H.R. 4670, THE SMALL BUSINESS CONTRACTING TRANSPARENCY ACT OF 2023; H.R. 4668, POST IT ACT; H.R. 4669, DOE AND SBA RESEARCH ACT; H.R. 4671, THE CORRECTIVE ACTION REPORT OVERSIGHT AND ACCOUNTABILITY ACT; H.R. 3995, THE SMALL BUSINESS REGULATORY REDUCTION ACT

TUESDAY, JULY 18, 2023

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,
Washington, DC.

The Committee met, pursuant to call, at 9:55 a.m., in Room 2360, Rayburn House Office Building, Hon. Roger Williams [chairman of the Committee] presiding.

Present: Representatives Williams, Stauber, Meuser, Van Duyne, Salazar, Ellzey, Alford, Crane, Bean, LaLota, Velázquez, Phillips, Scholten, Thanedar, Chu, and Davids.

Chairman WILLIAMS. Okay. We are ready to get started. And before we get started officially, we are going to say the Pledge of Allegiance and a short prayer. Representative Meuser will lead us.

Mr. MEUSER. My honor, Chairman.

Please bow your heads.

Let us all appreciate, Dear Lord, the glory and beauty of this day. We undoubtedly will face many struggles. In some cases, we will disagree. In some cases, we will agree. But give us the strength and peace to keep you in mind to work for the moral good and perform our patriotic duty to our Constitution and our country, the United States of America. Amen.

Please stand for the Pledge of Allegiance.

I pledge allegiance to the flag of the United States of America. And to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Chairman WILLIAMS. Okay. The Committee will now come to order.

A quorum is present, and without objection, the Chair is authorized to declare a recess of the Committee at any time.

As required by House rules, a copy of the legislative measures have been made available to Members and the public at least 24 hours in advance. Pursuant to Committee Rule 13 and House Rule 11, all votes will be rolled to the end of this meeting.

I now recognize myself for opening remarks.

We welcome everybody here today. And today's markup is here to discuss eight bills that address the various needs of Main Street America. Frankly put, our nation's small business entrepreneurs and innovators have faced some of the strongest economic headwinds in recent memory over the past 2 years. Here on this Committee, it is our job to be the strongest advocate for small businesses as they are at the heart of each of our communities and employees of nearly 62 million Americans. That is why our work here is so important and why we must get our economy back on track and our workforce motivated.

Furthermore, it is our job to produce policy solutions to ensure the federal government is held accountable, especially on behalf of the American taxpayer. The contents of these eight bills have been thoroughly discussed by our Members. My colleagues and I are proud of our hearings, our resulting in legislative action to keep and help address the major issues facing Main Street America.

Before us today are bills that address some of the shortcomings of the SBA as identified by the Office of Inspector General. Further, these bills address regulatory burdens, assist veterans in their access to capital, enable follow-up guidance on rulemaking and support collaborative research for small businesses.

I want to thank our Members for bringing these bills forward as they represent the work and devotion of our Committee as a whole, as well as the Ranking Member and her staff by working hand in hand with us to come up with bipartisan policy solutions to address the issues impacting main street.

I ask unanimous consent for four letters of support for our legislation to be entered into the record.

Without objection it is so ordered.

So, with that I look forward to today's markup, and I yield to the distinguished Ranking Member from New York, Ms. Velázquez, for her opening statement.

Ms. VELAZQUEZ. Thank you, Mr. Chairman. And thank you for holding this markup today.

I am committed to working in a bipartisan manner to enact legislation that assists small businesses, as well as conduct rigorous oversight of SBA's programs.

The past 3 years have been extremely challenging for small businesses. SBA provided more than $1.2 trillion in pandemic relief, which enabled small businesses to navigate the pandemic and stay afloat. Today, we are seeing the benefit of that aid. Entrepreneurs have started a record number of small businesses who have created jobs at a rapid pace. Small firms have paved the way for some of the lowest unemployment rates in recent times and we got more news, good news last week as annual inflation dropped to 3 percent.

Despite the success of the pandemic relief programs, we know bad actors took advantage of the programs. Last week, we learned from the IG and SBA the extent of that fraud. And while the numbers are vastly different, we must work together to recover fraudulent funds and ensure we learn best practices for the next global catastrophe.

That is why I support this legislation to require the SBA and OIG to submit quarterly reports detailing the amount of fraud.

I also support legislation requiring SBA to issue clear guidance for borrowers, lenders, and financial institutions on how to return PPP funds and implement a process for SBA to track the returned funds.

But, our work does not end with the pandemic oversight as we have many other challenges facing our small business community. That is why I plan to lend my support to the bills we are marking up today to help veterans, small contractors, and innovators.

It is important to note that we did not see eye to eye on these bills at the beginning of the process, but through hard work of the Chairman, bill sponsors, and Committee staff on both sides of the aisle we were able to reach a compromise. And while I am proud of those achievements, it is disappointing we failed to reach an agreement on one bill, but it is my hope that we can continue to work through those differences.

Thank you, and I yield back.

Chairman WILLIAMS. Thank you.

Now, does any other Member seek recognition for the purpose of making an opening statement?

Okay. Seeing none, we will now move to the consideration of the first bill.

H.R. 4666

The first bill we will mark up today is H.R. 4666, a bill to require the SBA OIG to submit quarterly reporters on PPP and EIDL fraud introduced by Mr. Bean and Mr. Mfume.

I now recognize the bill's sponsor, Mr. Bean for a statement.

Mr. BEAN. Thank you very much, Mr. Chairman. And a very good morning to you. And good morning, Small Business Committee.

I am fired up to introduce the PPP/EIDL Fraud Report Act of 2023, alongside my good friend from Maryland, Mr. Mfume. This bill will require the inspector general of the SBA to submit a report to Congress every quarter that provides detailed updates concerning the ongoing fraud investigations of the PPP and EIDL loan program. Most importantly, Members, it will ensure that the recently released report of the pandemic loan fraud program will not be swept under the rug.

Specifically, the report shall include the dollar amount of all loans covered that were made, the number of new fraud cases, suspected fraud cases, the type of fraud identified in those cases, and the number of fraud cases resolved to date.

Members, this stems from the shocking report and the jaw-dropping meeting that we had last week where the inspector general came and talked about the tremendous fraud that is now becoming apparent over the COVID program. It included $200 billion in potentially fraudulent COVID-19 loans that were distributed by the

SBA. The same report at that meeting, we learned that there were more than 250,000 OIG Hotline complaints received since the start of the pandemic, and more than 90,000 of these cases are suspected to have fraud. It represents—are you ready for this? Did you hear it last week? I will repeat it again. It is over 100 years of casework. And so, we asked the inspector general. He said I am going to climb that mountain. Together, we can do it. We want to be kept in the loop. And so, 100 years of investigative casework. It only happens in crazy town right here in D.C.

And by the way, one in five, if you are playing along at home and you want to do the math, one in five loans are suspect of having fraud. One in five. As the inspector general continues working on the tens of thousands of investigative leads on the fraud, it is important for Congress to be kept up to date and that is what this bill will do.

To close, Mr. Chairman and Members, I want to say to all the fraudsters and thieves that stole our money, we are coming after you. And so, to come after you, we need to be kept up. We are going to prosecute. We are going to get our money back and we are going to move forward.

I urge my colleagues on both sides of the aisle to support this legislation.

And Mr. Chairman, I yield back the remainder of my time.

Chairman WILLIAMS. The Member yields back.

And now are there any other Members who wish to be recognized for a statement on H.R. 4666?

Mr. MEUSER. Mr. Chairman, I ask to be recognized.

Chairman WILLIAMS. You are recognized.

Mr. MEUSER. Thank you, Mr. Chairman.

As we discussed earlier in our hearing last week, the SBA's inspector general detailed in his report that $200 billion of pandemic loan dollars were potentially obtained fraudulently. This number includes $64 billion or 8 percent of PPP and $136 billion or 44 percent of the EIDL loans. We are thankful for the inspector general's work investigating potential fraud in these programs, as well as tracking down or recovering those who have committed this fraud. This legislation would simply require the inspector general to report updated information on his ongoing fraud investigations to Congress on a quarterly basis. This Committee very much needs to take very seriously our role in overseeing the SBA's loan programs, especially the fraud that existed in these elite programs and pursue the bad actors, bring them to justice, who fraudulently obtained the tax dollars of our constituents and the American people. I think we all should be very concerned and curious and accept as our responsibility what were the entities that committed the fraud. Were they particular banks? Were they outliers? Who are the criminals? Where are the gaps in the system and what type of penalties will take place to send a message that this will not be tolerated?

So, I thank my colleague, Mr. Bean from Florida for his leadership on this legislation. I urge my colleagues to support its passage, and I look forward to its swift consideration on the House floor.

Thank you, Mr. Chairman. I yield back.

Chairman WILLIAMS. The gentleman yields back.

Are there any other Members who wish to be recognized for a statement on H.R. 4666?

Ms. VELAZQUEZ. Mr. Chair?

Chairman WILLIAMS. You are recognized, Ranking Member.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

I want to start off by thanking Representatives Bean and Mfume for introducing H.R. 4666, which will better enable this Committee to fulfill its oversight responsibilities.

During a worldwide pandemic of impressive proportions in which our nation and our world were on the brink of economic peril, the SBA stepped in and acted as a lifeline to keep America's small businesses to remain open. Through PPP, EIDL, and other COVID-related programs, the SBA distributed more than $1.2 trillion in economic aid and executed 14 years of lending in 14 days.

During these unprecedented times, the SBA weakened and removed its internal controls to disburse funds as quickly as possible. Organized criminal syndicates, transnational gangs, and other criminals exploited this weakened control in order to steal from the American people. The legislation we are considering here today will help this Committee better understand the data. This legislation requires the SBA inspector general to send periodic reports to this Committee for the next 2 years with detailed information regarding the status of fraud cases, as well as the number of cases that has been resolved. While one dollar in fraudulent activity is certainly one dollar too many, I think it is important to consider how our work here today will help this Committee continue our effort to root out fraud where it exists.

I urge my colleagues to support this legislation, and I yield back.

Chairman WILLIAMS. Thank you, Ranking Member.

And I now recognize myself to speak in support of this legislation.

I agree with the gentleman from Florida that it is essential for Congress to be informed regularly of ongoing investigations concerning COVID-19 pandemic lending fraud. The need for this bill was demonstrated last week during our Committee hearing where we examined two recent reports that investigated fraud in the COVID-19 pandemic lending program. These contradicting reports, one from the SBA's Office of Inspector General and the other from the Small Business Administration, raised serious concerns. The SBA Inspector General report concluded the SBA disbursed more than $200 billion in potentially fraudulent loans through pandemic relief programs while the SBA reported that the fraud in these programs is closer to $36 billion. This massive discrepancy, more than $160 billion, demands answers.

And I greatly appreciate the work that the Office of Inspector General has done thus far to begin uncovering the extent of this fraud, including appearing before the Committee last week to answer questions from our Members about their findings.

I want to again voice my total disappointment that the SBA Administrator Guzman declined her invitation to be part of the conversation and answer questions about both the IG report and the SBA's findings. For such an important topic involving the abuse of billions of hard-earned taxpayer dollars, Americans deserve an-

swers, they deserve better, which is what this bill sets to accomplish.

I want to thank my colleague from Florida, Mr. Bean, and my colleague from Maryland, Mr. Mfume, for introducing this bill. I also urge my colleagues to support it.

If there is no further discussion, the Committee now moves to consideration of H.R. 4666. The clerk will report.

The CLERK. H.R. 4666, to require the Inspector General——

Chairman WILLIAMS. Without objection, H.R. 4666 is considered as read and open for amendment.

Does anyone wish to offer an amendment?

All right. Seeing none, the question is now on adoption of H.R. 4666 and ordering it favorably reported to the House.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the ayes have it. And H.R. 4666 is agreed to and ordered favorably to the House.

Mr. BEAN. Mr. Chairman?

Chairman WILLIAMS. Mr. Bean, for what purpose does the gentleman seek recognition?

Mr. BEAN. Mr. Chairman, for the purpose of requesting a recorded vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on this bill are postponed.

H.R. 4667

The next bill we will mark up today is H.R. 4667, The RECLAIM Taxpayer Funds Act introduced by Ms. Salazar and Mr. McGarvey.

I now recognize the bill's sponsor, Ms. Salazar, for an opening statement.

Ms. SALAZAR. Thank you, Mr. Chairman.

This bill, The RECLAIM Taxpayer Funds of 2023 requires the Small Business Administration, the SBA, to establish processes to account for fraudulent and unused PPP loans as recommended by the inspector general who we spoke to last week in this Committee. The SBA will work with the Treasury Department to make sure those funds are returned to the taxpayers now, as soon as possible.

Last year, the inspector general found that the SBA did not have the ability to handle fraudulent PPP loans, and today, inquiries from borrowers and lenders have gone unanswered. And as a result, hard-earned taxpayer dollars in the millions are being wasted. This bill addresses this problem immediately by requiring the SBA to establish guidance for borrowers and lenders to return the money now.

While the Committee continues to uncover the extent of the fraud in the PPP loans, I urge my colleagues to support this common-sense bill that is a step towards restoring integrity to government lending and dignity back to the taxpayers.

I want to thank Representative McGarvey from Kentucky in joining me on this legislation, and I ask my colleagues to vote yes on The RECLAIM Taxpayer Funds Act.

I yield back, Mr. Chairman.

Chairman WILLIAMS. The Member yields back.

I now recognize the bill's co-sponsor, Mr. McGarvey, for an opening statement.

Okay. Are there any other Members who wish to be recognized for a statement on H.R. 4667?

Okay. Seeing none, I would like to recognize the Ranking Member to speak on the bill.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

While Mr. Bean and Mr. Mfume's legislation will enable us to oversee the investigation and prosecution of potentially fraudulent PPP loans, Representatives Salazar and Mr. McGarvey's legislation will help ensure any unused PPP funds are properly returned to the American taxpayer. H.R. 4667 requires the SBA to issue guidance and rules for lenders and borrowers on how they are to handle and return unused PPP loans to the SBA. Importantly, this legislation directs SBA to issue detailed guidance for financial institutions on how they are to return PPP funds even if they suspect the borrower acquired the funds through fraudulent means. The IGs May report points to the SBA lack of guidance, regulations, and ability to account for return PPP funds as a central obstacle for lenders and borrowers returning unused PPP funds to the administration. The lack of guidance and regulation has led to confusion for borrowers and lenders, leaving some lenders to even inform borrowers that the SBA could not accept funds. This bill resolves the problem by codifying the IG's recommendation and requiring the SBA to establish clear and detailed guidance. The legislation will also require the SBA to establish a process on how it will deposit unused funds in the Treasury Department's general fund.

I want to thank Ms. Salazar and Mr. McGarvey for introducing this important piece of legislation. I also want to thank Chair Williams and his team for incorporating many of our suggestions and working with our side in a bipartisan manner. I think this has resulted in a better outcome.

I urge my colleagues to support the bill. I yield back.

Chairman WILLIAMS. Thank you, Ranking Member.

And I now recognize myself to speak in support of this legislation.

H.R. 4667, a bill to require the SBA administrator to issue guidance on the return of PPP funds is a measure to begin restoring integrity in government lending. As we learned from the inspector general over the last few weeks, of the $1.2 trillion in taxpayer money that was designed to be disbursed into small businesses during the pandemic, at least $200 billion, or 17 percent, is suspected to have been fraudulently disbursed and this is unacceptable. As we continue to dig our way through the mountains of data to fully understand the scope of this fraud, there are actions that can be taken now to claw back some of the potentially fraudulent money, actions which have been recommended to the SBA more than once by the inspector general.

In May of this year, the inspector general reported that two financial institutions have frozen about $95 million in PPP loan deposits that they suspected of fraudulent activity. However, these institutions have not returned these taxpayer funds to the government because they did not have sufficient guidance on how to do so. This problem is long overdue for a solution, and I agree with

the gentlelady from Florida that her bill addresses this problem head-on by requiring the SBA to heed the inspector general's recommendations and establish proper guidance to accept, process, and account for potentially fraudulent and unused PPP loan funds.

I want to thank my colleague from Florida, Ms. Salazar, and my colleague from Kentucky, Mr. McGarvey, for introducing this bill. I urge my colleagues to support H.R. 4667.

If there is no further discussion, the Committee now moves to consideration of H.R. 4667. The clerk will report.

The CLERK. H.R. 4667, to require the Administrator——

Chairman WILLIAMS. Without objection, H.R. 4667 is considered as read and open for amendment.

Does anyone wish to offer an amendment?

All right. Seeing none, the question is now on adoption of H.R. 4667 and ordering it favorably reported to the House.

All those in favor say aye.

All opposed say no.

In the opinion of the Chair, the ayes have it. And H.R. 4667 is agreed to and ordered favorably to the House.

Ms. SALAZAR. Yeah. I would like to ask for a recorded vote.

Chairman WILLIAMS. A Member asked for a recorded vote. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on the bill are postponed.

H.R. 4480

The next bill we will mark up is H.R. 4480, the SERV Act introduced by Ms. Davids and Mr. Alford.

I now recognize the bill's sponsor, Ms. Davids, for an opening statement.

Ms. DAVIDS. Thank you, Mr. Chairman.

Our nation's veterans are uniquely prepared to become entrepreneurs and to lead small businesses. Military experience helps to develop highly transferable training and skills that have prepared them for leadership roles in the private sector. But veterans also face specific challenges in developing and starting a business. One significant obstacle being lack of access to capital, forcing many small businesses to turn to alternative or online lenders which can be more expensive than traditional sources.

And while this challenge exists certainly for all potential entrepreneurs and small business owners, it can be especially difficult for veterans who often have trouble accruing the credit necessary to attract and attain capital.

The U.S. Small Business Administration works closely with the VA and the Department of Defense on several excellent programs specifically designed to help our veterans transition to civilian life and to entrepreneurship. But as veterans who recently testified in this Committee could attest, those programs are not always as easy to find as they should be.

These are problems the SERV Act is working to address. This bill would commission a Government Accountability Office report on the ability of veterans and reservists to access capital and credit which are crucial building blocks to opening a business. This report would include analysis on common sources of credit and how deployment of our service members affects their individual credit.

This bill also requires an interagency taskforce to develop an action plan for greater outreach of the programs that already exist for veterans transitioning into the business world. That taskforce would report its findings annually to Congress on how the SBA can better support our veterans, service-disabled veterans, and our reservists.

Our service members and their families already sacrifice a lot for our country, and it is definitely our duty to support them however we can, both during and after their service. And while programs through the SBA are just one part of that overall support, our veterans should absolutely be able to utilize them and grow their businesses to take care of their families and contribute to our economy.

I want to also thank Representative Alford for his partnership in introducing this bill and I would encourage my colleagues to vote in favor of the SERV Act and support successful entrepreneurship for our veterans.

With that I yield my time. Thank you.

Chairman WILLIAMS. The Member yields back. And thank you.

I now recognize the bill's cosponsor, Mr. Alford, for an opening statement.

Mr. ALFORD. Thank you, Mr. Chairman.

I rise today to speak in favor of the Successful Entrepreneurship for Reservists and Veterans Act, also known as the SERV Act. Representative Davids of Kansas and I are cosponsoring this important legislation because our nation's veterans have a tremendous impact within our small business community. The skills veterans gain in the military make them leaders uniquely positioned to start and grow successful businesses. Unfortunately, veterans often face barriers when starting or growing their business which can feel insurmountable at times.

You know, back in May we were in this very room, and we heard from Missouri's own Lieutenant Commander Taylor Burks. We heard how the lack of awareness of resources available to veterans and access to capital are major barriers and we need to change that.

The SERV Act seeks to identify these barriers and directs the interagency task force on veteran small business development to create an action plan to improve outreach to veterans informing them of available resources. Our veterans deserve the SERV Act, and I ask that you vote yes on the SERV Act.

And I yield back.

Chairman WILLIAMS. The Member yields back.

Are there any other Members who wish to be recognized for a statement on H.R. 4480?

All right. Seeing none, I would like to recognize the Ranking Member to speak on the bill.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

I just want to thank both Ms. Davids and Mr. Alford for calling on GAO, one of the most highly regarded organizations in our federal government to produce a fact-based, independent report and also requiring the SBA to develop an outreach plan to increase awareness of their vital programs. I want to thank them and the Chairman and the staff for working on this legislation and I urge a yes vote.

And I yield back my time.

Chairman WILLIAMS. The Member yields back.

And let me say H.R. 4480, the Successful Entrepreneurship for Reserves and Veterans Act of 2023 ensures our nation's veterans and reservists receive the assistance they need when they look to start a small business of their own. This legislation orders the Government Accountability Office to study and report on credit access to veteran and reservist small businesses. It also orders the interagency task force on veteran small business development to develop and report a plan to promote programs to veterans. Our nation's veterans and reservists have dedicated their lives to fighting for this country and it is vital that we provide them with the resources they need to become successful entrepreneurs. I, like many of my colleagues, represent military bases in my district and I understand just how important it is that these resources are accessible.

I want to thank my distinguished Committee colleagues, Representatives Davids and Alford, for introducing and cosponsoring this bill. I urge my colleagues to support H.R. 4480.

If there is no further discussion, the Committee now moves to consideration of H.R. 4480. The clerk will report.

The CLERK. H.R. 4480, to require the Administrator——

Chairman WILLIAMS. Without objection, H.R. 4480 is considered as read and open for amendment. Does anyone wish to offer an amendment?

Okay. Seeing none, the question is now on adoption of H.R. 4480 and ordering it favorably reported to the House.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the ayes have it. And H.R. 4480 is agreed to and ordered favorably to the House.

Ms. DAVIDS. Mr. Chairman?

Chairman WILLIAMS. The Member is recognized.

Ms. DAVIDS. I would like to request a recorded vote, please.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on the bill are now postponed.

H.R. 4670

The next bill we will mark up is H.R. 4670, The Small Business Contracting Transparency Act of 2023. It is introduced by Ms. Houlihan and Mr. Stauber.

I now recognize the bill's cosponsor, Mr. Stauber, for an opening statement.

Mr. STAUBER. Mr. Chairman, I rise today to speak in favor of The Small Business Contracting Transparency Act. The Small Business Administration is charged with ensuring that only eligible firms are participating in the women-owned small business contracting program, HUB-Z program, and recently added service-disabled, veteran-owned small business program. These programs are essential for fostering economic growth and providing opportunities for small businesses to thrive. Government agencies set aside contract opportunities for small businesses in these programs. Delays in certifying or recertifying procedures can have devastating consequences for these entrepreneurs.

This is a critical issue that affects small businesses in Minnesota and across our nation. Unfortunately, there is limited information from the SBA about certification and subsequent recertification processes. Additionally, the SBA recognizes women-owned small business certifications from third-party certifiers which further lessens transparency. The Small Business Contracting Transparency Act would bring much needed insight into the activities of certifying these firms, what fees are being charged, and whether SBA is meeting its requirements. By supporting the Small Business Contracting Transparency Act, you will not only provide valuable assistance to small businesses but also ensure accountability and effectiveness in the administration of these programs.

I ask that we all vote yes on The Small Business Contracting Transparency Act, and I yield back.

Chairman WILLIAMS. The Member yields back.

And I now recognize Ms. Scholten for a statement.

Ms. SCHOLTEN. Thank you, Mr. Chair.

I am proud to speak as an original cosponsor of The Small Business Contracting Transparency Act sponsored by Congresswoman Houlihan and Congressman Stauber.

The federal government spends almost half a trillion annually on the purchase of goods and services needed for its daily operation. Yet, the federal marketplace is a hard space to break into, especially for small business owners. The Small Business Administration plays an important role in ensuring that small businesses owned by women, veterans, and economically disadvantaged individuals are able to compete in the federal procurement process. In doing so, SBA tracks where federal procurement dollars go in the small business procurement scorecard. However, the scorecard includes small businesses that self-certify, as well as small businesses that are formally certified by the SBA. The Office of the Inspector General has raised concerns on false self-certification, which is why the SBA has made steps towards addressing this issue. As of October 2022, SBA's dynamic small business search database included almost 150,000 firms that self-certified as small and disadvantaged businesses.

This bill would ensure that the SBA is acquiring up-to-date data on where federal procurement dollars are going. It would require SBA to provide information to Congress on the implementation of contracting certification changes to the women-owned small business contracting program, the HUBZone program, and the service-disabled, veteran-owned small business program. As Ranking Member on the Subcommittee on Contracting and Infrastructure, this additional data will inform my Subcommittee's work to ensure that all small businesses are able to compete in the federal procurement space.

I urge Members to vote yes on this important legislation.

Thank you, Chair. I yield back the remainder of my time.

Chairman WILLIAMS. The Member yields back.

And are there any other Members who wish to be recognized for a statement on H.R. 4670?

Okay. Seeing none I would like to recognize the Ranking Member to speak on the bill.

Ms. VELÁZQUEZ. Thank you, Chairman Williams. And thank you to Ms. Houlihan, Mr. Stauber, and Ms. Scholten for their collaboration on H.R. 4670.

Empowering female entrepreneurs, and specifically boosting small women-owned companies in the federal marketplace continues to be a top Committee and personal priority. One way we do this is by conducting proper oversight of the tools available to SBA that are designed to level the playing field for women-owned government contracting firms. The WOSB program is one such tool and a critically important program. Given the delays in setting up the certification program at issue in this bill, additional oversight is granted. This legislation will help maintain the integrity of the program and ensure it works for women business owners as intended. That is why I am pleased to support it, and I appreciate the bipartisan work to build in the HUBZone and SD/VOSB programs. They face similar issues and will benefit from additional oversight as well.

Thank you. I urge a yes vote and I yield back my time.

Chairman WILLIAMS. The Member yields back.

And now I want to recognize myself to speak in support of this legislation.

This bill requires the SBA to provide a report on certification activities and contract awards within the women-owned small business, HUBZones, and service-disabled, veteran-owned small business programs. It holds the SBA accountable by promoting greater transparency and ensures the SBA is doing everything it can to make sure that small businesses participating in contracting programs are truly eligible and that those eligible are being recertified in an adequate amount of time and not stuck in the slow, inefficient bureaucratic process.

I want to thank my colleagues from Pennsylvania, Ms. Houlihan and my colleague from Minnesota, Mr. Stauber, for introducing this bill. I urge my colleagues to support this bill.

If there is no further discussion, the Committee now moves to consideration of H.R. 4670. The clerk will report.

The CLERK. H.R. 4670, to amend the Small Business Act to require——

Chairman WILLIAMS. Without objection, H.R. 4670 is considered as read and open for amendment.

Does anyone wish to offer an amendment?

Seeing none, the question is now on adoption of H.R. 4670 and ordering it favorably reported to the House.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the ayes have it. And H.R. 4670 is agreed to and ordered favorably to the House.

Mr. STAUBER. Mr. Chair, I would ask for a recorded vote.

Chairman WILLIAMS. A recorded vote has been asked and requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on this bill are postponed.

H.R. 4668

This next bill we will mark up is H.R. 4668, the POST IT Act introduced by Mr. Molinaro and Ms. Scholten.

I now recognize the bill's sponsor. Mr. Molinaro is not here so I will speak for him. He is unable to join us right now, but I would ask unanimous consent for his remarks as prepared for delivery be entered into the record.

Without objection, so ordered.

Now, are there any other Members who wish to be recognized for a statement on H.R. 4668?

All right. Seeing none, I would like to recognize the Ranking Member to speak on the bill.

Ms. VELAZQUEZ. Thank you. And thank you to Mr. Molinaro and Ms. Scholten for working together on the introduction of the POST IT Act.

In the last Congress, our Committee approved the One Stop Shop Act which required the Office of the National Ombudsman to create and maintain a centralized website with hyperlinks to small business compliance guidance. The legislation was enacted into law and SBA recently launched the website which will make it easier for small businesses to comply with federal rules and regulations. The bill we are considering today will build upon that work by requiring the Ombudsman to publish links to guidance documents for rules that have been certified to have a significant economic impact on a substantial number of entities. As we know, guidance documents helped inform small businesses of regulations, but they can oftentimes be difficult to find. Having a centralized site with hyperlinks to guidance documents affecting small businesses will save entrepreneurs a significant amount of time.

I want to thank the sponsors of the legislation for working together in a bipartisan way to craft a bill that we can all support.

Thank you and I yield back my time.

Chairman WILLIAMS. The Ranking Member yields back.

I now recognize myself to speak in support of this legislation.

The POST IT Act is an important step in simplifying the process for small businesses to comply with agency guidance. While allowing great entrepreneurs to spend more time building their businesses and less on complying with needless regulations main street can succeed.

I want to thank my colleague from New York, Mr. Molinaro, and my colleague from Michigan, Ms. Scholten for introducing this bill. I urge my colleagues to support H.R. 4668.

If there is no further discussion, the Committee now moves to consideration of H.R. 4668. The clerk will report.

The CLERK. H.R. 4668, to amend the Small Business Act——

Chairman WILLIAMS. Without objection, H.R. 4668 is considered as read and open for amendment.

Does anyone wish to offer an amendment?

Seeing none, the question is now on adoption of H.R. 4668 and ordering it favorably reported to the House.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the ayes have it. And H.R. 4668 is agreed to and ordered favorably to the House.

Mr. CRANE. Mr. Chairman?

Chairman WILLIAMS. For what purpose does the gentleman seek recognition?

Mr. CRANE. I request a recorded vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on this bill are postponed.

H.R. 4669

The next bill we will mark up today is H.R. 4669, the DOE and SBA Research Act introduced by Mr. LaLota and Mr. Thanedar.

I now recognize the bill's sponsor, Mr. LaLota, for an opening statement.

Mr. LALOTA. Thank you, Mr. Chairman.

Mr. Chairman, as you know, the federal contracting process is incredibly complex. So complex in some cases the process frustrates and drowns small business from applying for and being granted federal contracts. My bill, the Department of Energy and Small Business Administration Research Act, aims to make the process a bit more simple. The Department of Energy is one of the largest procurers of small businesses goods and services in the entire government. Through national laboratories, small businesses can play a critical role in executing DOE's mission.

My district is home to one of these labs, the Brookhaven National Lab, and our lab prioritizes working with small businesses. Suffolk County small businesses and Brookhaven have created a mutually beneficial relationship based on cooperative research and technical assistance. Despite this, far too often we hear about the difficulties which small businesses have when trying to work with the federal government. In many cases the issue begins with agencies not reaching enough small businesses. The problems continue with an application process that is bureaucratic and frustrating. My DOE and SBA Research Act seeks to remedy this problem by requiring the SBA and national labs to collaborate to ensure that small businesses are better utilized. Working with the government can be a maze, and this bill will help bring existing resources and opportunities to innovative small businesses.

I ask that my colleagues vote yes on my bill, the DOE and SBA Research Act.

Mr. Chairman, I yield back my time.

Chairman WILLIAMS. The Member yields back.

Are there any other Members who wish to be recognized for a statement on H.R. 4669?

All right. Seeing none, I would like to recognize the Ranking Member to speak on the bill.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

I am pleased to lend my support to the DOE and SBA Research Act led by Representative Nick LaLota and Mr. Thanedar. The legislation will allow SBA and DOE to carry out crosscutting and collaborative research and development activities. Investments in research and development is absolutely critical to providing high paying jobs for Americans and ensuring our country remains competitive. By increasing coordination between the two federal agencies, we will be able to maximize the effectiveness of our nation's premier federal research and development programs. I applaud Mr. LaLota and Mr. Thanedar for their bipartisan work, and I ask my colleagues to support the legislation.

I yield back.

Chairman WILLIAMS. The Ranking Member yields back.

And I now recognize myself to speak in support of this legislation.

This Committee continues to hear from small business owners how complex, difficult, and burdensome working with the government can be. With greater collaboration, SBA and DOE can improve the inclusion of small businesses through the mission of the national labs. This bill will improve coordination, outreach, and utilization of resources to better reach small businesses in need of support. Small businesses bring unique and invaluable experience to research and development.

I want to thank my colleagues from New York, Mr. LaLota, and my colleague from Michigan, Mr. Thanedar, for introducing this bill. I urge my colleagues to support this bill.

And if there is no further discussion, the Committee enow moves to consideration of H.R. 4669. The clerk will report.

Mr. Thanedar, you are recognized for a statement.

Mr. THANEDAR. Thank you, Mr. Chairman.

Today I am voicing my strong support of the DOE and SBA Research Act, recognizing the indispensable role it will play in enhancing collaboration among the Small Business Administration and the Department of Energy, all in the name of improving research and developmental efforts. Let's not forget small businesses form the backbone of this country. The innovation we stimulate within this sector is not just important; it is vital for America's future.

This legislation does not simply propose research collaborations. It carves a path for our small businesses to spearhead progress. This act goes one step further. It mandates a collaborative report within 2 years of its enactment. This is not just a bureaucratic requirement; it is an essential stride towards maintaining the transparency and accountability we owe to the people. This report will empower us to monitor, and comprehend the effectiveness of our research collaborations, providing us with the opportunity to revise and refine strategies as necessary.

I am excited. I am a researcher myself having authored an SBIR grant that I won when I was an entrepreneur running my research-based business. So, I am excited. I hope you share my enthusiasm at the prospect of the growth and broadening of technical capabilities that the DOE and SBA Research Act promises to bring to our agencies. But let's always keep sight of the ultimate goal of this legislation, creating high paying jobs for our fellow Americans and safeguarding our nation's competitive edge on the global stage. Remember, this is not just about legislation. It is about our future. It is about empowering our workforce and about asserting and maintaining our role as a beacon of technology and innovation in a world that looks to us for leadership.

Mr. Chairman, I yield back.

Chairman WILLIAMS. The Member yields back.

Now, if there is no further discussion, the Committee now moves to consideration of H.R. 4669. The clerk will report.

The CLERK. H.R. 4669, to provide for department——

Chairman WILLIAMS. Without objection, H.R. 4669 is considered as read and open for amendment.

Does anyone wish to offer an amendment?

Okay. Seeing none, the question is now on adoption of H.R. 4669 and ordering it favorably reported to the House.

All those in favor say aye.

All opposed say no.

In the opinion of the Chair, the ayes have it and H.R. 4669 is agreed to and ordered favorably to the House.

Mr. LALOTA. Mr. Chairman?

Chairman WILLIAMS. Seek recognition?

Mr. LALOTA. Mr. Chairman, I request a recorded vote, please.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on the bill are postponed.

H.R. 4671

The next bill we will mark up is H.R. 4671, a bill to reform corrective action reports introduced by Ms. Gluesenkamp Perez and Mr. Meuser.

I now recognize the bill's sponsor, Ms. Gluesenkamp Perez for an opening statement.

Ms. GLUESENKAMP PEREZ. Thank you, Chairman Williams, for the opportunity. And thank you, Representative Meuser, for leading this effort with me.

The SBA is tasked with ensuring that small businesses are given a fair shot at competing for federal contracting dollars. These federal contracts can be an incredible financial opportunity for our nation's entrepreneurs, and Congress has established goals to award a percentage of all prime and subcontracts to women-owned small businesses, small, disadvantaged businesses, service-disabled, veteran-owned small businesses, and HUBZone certified small businesses.

When federal agencies do not meet these established small business goals, they are required to provide SBA with a corrective action plan that details the steps that the agency will take the next year to meet the unmet goals down the line. Many of these reports contain valuable information about the actions federal agencies are taking and intend to take to meet their small business contracting goals. But these reports are not standardized across agencies. In fact, many of them do not contain any oversight or accountability mechanisms at all for agencies that fail to meet their small business goals.

My bill will correct these discrepancies across federal agencies by requiring all agencies to include information in these reports that will provide clarity about small businesses' participation as federal contractors and will hold the agencies accountable for hitting their small business benchmarks. I am grateful for Mr. Meuser's partnership on this bill, and I am looking forward to the Committee's support.

Thank you, Mr. Chair. I yield back.

Chairman WILLIAMS. The Member yields back.

Mr. Meuser is unable to join us right now, but I ask unanimous consent for his remarks as prepared for delivery being entered into the record.

Without objection, so moved.

Are there any other Members who wish to be recognized for a statement on H.R. 4671?

Okay. Seeing none I would like to recognize the Ranking Member to speak on this bill.

Ms. VELAZQUEZ. Thank you, Chairman Williams.

I am proud to support this bipartisan work by Ms. Marie Gluesenkamp Perez and Mr. Meuser on H.R. 4671 to give us the reporting necessary to hold federal agencies accountable for their efforts to grow small business success within the federal procurement marketplace.

Many federal agencies meet or exceed their annual small business goal in certain categories. Many others do not. And most are unable year after year to ensure that women-owned businesses, HUBZone designated businesses, and businesses run by service-disabled veterans receive sufficient contracting opportunities. When they fail to meet their goals, agencies are required to tell SBA how they will improve. But then they move on and the next year they do it again without any oversight of the previous proposal. The changes in this bill hold agencies accountable by requiring them to tell SBA first if they did what they said they would do; and second, what happened as a result. And if it works, SBA will make that information available to us, to the administration and to other agencies so the proven methods can be shared and replicated. That is why I am pleased to support the bill and I appreciate the bipartisan work of the Committee to move it forward today.

Thank you and I yield back.

Chairman WILLIAMS. The Ranking Member yields back.

And I now recognize myself to speak in support of this legislation.

Declining participation of small businesses in the government contracting space is a major concern for this Committee. While more dollars than ever before have gone to small businesses, the number of small businesses winning contracts has continued to decline. This bill in part seeks to include additional reporting data to get a better picture of why this is occurring.

I want to thank my colleague from Washington, Ms. Gluesenkamp Perez, and my colleague from Pennsylvania, Mr. Meuser, for introducing this bill. I urge my colleagues to support this bill.

And if there is no further discussion, the Committee now moves to consideration of H.R. 4671. The clerk will report.

The CLERK. H.R. 4671, to amend the Small Business——

Chairman WILLIAMS. Without objection, H.R. 4671 is considered as read and open for amendment.

Does anyone wish to offer an amendment?

Seeing none, the question is now on the adoption of H.R. 4671 and ordering it favorably reported to the House.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the ayes have it. And H.R. 4671 is agreed to.

Ms. GLUESENKAMP PEREZ. Mr. Chair? Mr. Chair, I ask for a recorded vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on this bill are postponed.

H.R. 3995

The final bill we will mark up today is H.R. 3995, The Small Business Regulatory Reduction Act introduced by Ms. Van Duyne.

I now recognize this bill's sponsor, Ms. Van Duyne, for an opening statement.

Ms. VAN DUYNE. Thank you very much, Mr. Chairman.

I have heard from countless small business owners back at home in North Texas, but also in this Committee as well as in field hearings that we have had across the country in Ways and Means. We have had witnesses hold up binders full of regulations that they must comply with from this administration and the message they tell us is clear—the businesses are drowning in regulatory red tape. I hope that my colleagues from both sides of the aisle can agree with me when I say that the House Committee on Small Business is committed to prioritizing the needs of our nation's job creators and their employees. My bill builds off the success of a Trump era policy which required two federal regulations to be rescinded for each new one issued. It is unfortunate that one of President Biden's first actions was to repeal this effective regulatory reduction act.

According to a recent report, the Biden administration has added approximately $375 billion in regulatory costs per year. If you include his push to release and reduce student loan fees, that number goes up to $617 annually in costs.

Mr. Chairman, I seek unanimous consent to enter into the record the Committee to Unleash Prosperity's report titled Burden is Back, comparing regulatory costs between Biden, Trump and Obama.

Chairman WILLIAMS. Without objection.

Ms. VAN DUYNE. Thank you very much.

My bill will stop the unelected bureaucrats from continuing to inflict overreaching regulations on our small businesses. Specifically, my bill will require the SBA to ensure that for each fiscal year the cost of their own rulemaking is not greater than zero dollars. Further, it requires the SBA to publish a report on regulations issued by other federal agencies that impact small businesses. To be clear, this bill is not preventing agencies from adding additional regulations that are necessary and could improve small businesses. What it is doing is saying they can no longer continue to put layer upon layer of these regulatory burdens on our small businesses.

I urge support of this legislation, and I yield back.

Chairman WILLIAMS. The Member yields back.

Are there any other Members who wish to be recognized for a statement on H.R. 3995?

Mr. STAUBER. Mr. Chair?

Chairman WILLIAMS. Recognized.

Mr. STAUBER. Mr. Chairman, I rise to speak in favor of H.R. 3995, the Small Business Regulatory Reduction Act, a crucial piece of legislation that impacts small businesses including those in Minnesota. During the Trump administration, our government adopted the principle of one in, two out by repealing two regulations for

every new one introduced. It created an environment that promoted economic growth and empowered small businesses to thrive.

Under the current administration, this policy has been rescinded and replaced with an overregulation policy that has imposed nearly $360 billion in new regulatory costs on small businesses. Minnesota is known for its vibrant small business community, but the crushing regulatory policies implemented by this administration, paired with exorbitantly high inflation from their spending habits has left our small businesses across the nation struggling.

By reducing excessive regulations, we will counter the actions of this administration, provide a favorable environment for small businesses to flourish, and reverse the economic trajectory of this country. The Small Business Regulatory Reduction Act requires the Small Business Administration to ensure that any new regulations from their agency does not impose a cost on small businesses. Additionally, it mandates that the SBA report on regulations issued by other federal agencies that directly impact small businesses. We recognize the vital role small businesses play in our economy and acknowledge their potential for growth and success. This bill is a step forward in promoting fairness, accountability, and responsible governance. It is essential that we support this bill to ensure the success and vitality of small businesses not only in Minnesota but all across the nation.

I urge you all to join me in voting yes on H.R. 3995, the Small Business Regulatory Reduction Act. So let us stand together in empowering our small business community and fostering an environment that nurtures innovation, job creation, and economic prosperity. And I yield back.

Chairman WILLIAMS. The Member yields back.

Are there any other Members who wish to be recognized for a statement on H.R. 3995?

All right. Seeing none, I would like to recognize the Ranking Member to speak on this bill.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

Throughout my tenure on the Committee, I have tried very hard to work with my colleagues on both sides to put forth thoughtful bipartisan bills that will make life easier for small business owners. Today, we are considering a bill that will drive a wedge between the Members of this Committee who are all committed to helping small businesses. This bill mandating a zero or negative regulatory budget for SBA may sound good on the surface but it will have the practical effect of limiting the SBA from issuing any rules. As written, it will be incredibly difficult for SBA to adhere to it. Unfortunately, I will not be able to lend my support to the Small Business Regulatory Reduction Act. Everyone on this Committee wants to lessen the burden of regulations on small businesses but this bill falls short, and it will have the practical effect of preventing the agency from issuing regulations to benefit small businesses. Because of the unintended consequences of the bill, I am opposed to the bill as drafted.

Thank you, and I yield back.

Chairman WILLIAMS. The Ranking Member yields back.

And I now recognize myself to speak in support of this legislation.

H.R. 3995 is a win for Main Street America. As an advocate for small business, the last thing the SBA should be doing is requiring them to be spending their hard-earned dollars on complying with their burdensome regulations and rules. This legislation is common sense and should pass this Committee with broad bipartisan support.

I want to thank Ms. Van Duyne for her work on this legislation and I urge my colleagues to support this bill.

If there is no further discussion, the Committee now moves to consideration of H.R. 3995. The clerk will report.

The CLERK. H.R. 3995, to require the Administrator——

Chairman WILLIAMS. Without objection, 3995 is considered as read and open for amendment.

There is an amendment in the nature of a substitute at the desk. The amendment has been pre-distributed to all Members. The clerk will report the amendment.

The CLERK. Amendment in the nature of a substitute to H.R. 3995——

Chairman WILLIAMS. Without objection, the amendment is considered as read and the substitute will be considered as base text for the purpose of further amendment.

I now recognize Ms. Van Duyne for a statement on her amendment.

Ms. VAN DUYNE. My amendment makes conforming changes to ensure the bill complies with 1-18-4 protocols.

And I yield back.

Chairman WILLIAMS. The Member yields back.

Do any other Members wish to be recognized for a statement on the amendment?

Okay. If none, does anyone wish to offer an amendment?

Ms. VELAZQUEZ. Mr. Chairman?

Chairman WILLIAMS. Ms. Velázquez will seek recognition.

Ms. VELAZQUEZ. I have an amendment at the desk.

Chairman WILLIAMS. For what purpose does the Ranking Member seek recognition? Okay, there is an amendment at the desk. The amendment has been pre-distributed to all Members.

The clerk will designate the amendment.

The CLERK. Amendment to the amendment in the nature of a substitute to H.R. 3995 offered by Ms. Velázquez. Strike section——

Chairman WILLIAMS. Without objection, the amendment is considered as read. Ranking Member Velázquez is recognized to explain her amendment.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

The bill as written limits the ability of SBA to issue any sort of regulation even if the benefits outweigh the costs. SBA needs to issue regulations to update existing programs, issue disaster declarations, and even reduce recordkeeping requirements. This bill fails to define rules and explain which rules will be covered by a regulatory budget. Agencies may be able to estimate the cost of a regulation, but they do not have hard data on the costs that are imposed. It will require the agency to make assumptions that could turn out to be incorrect. There is nothing in the bill that clarifies how the agency is to implement a regulatory budget and is there-

fore impractical. Let's distill this issue into a real-world scenario. No small businesses will fail to upgrade a piece of their equipment if it only focuses on the cost. Small businesses are savvier than this bill implies, and they look at the whole picture, cost and benefit. I cannot support this bill because it could bring SBA's rulemaking to a halt and in turn limit its ability to improve its program and services. To that end, my amendment will strike the regulatory budget sections of the bill that are not workable and call for the most appropriate office, the Office of Advocacy, to report on the costs and benefits of rules to small businesses. After the report is issued, we will have a better understanding of the impact a regulatory budget will have on small businesses.

I urge my colleagues to support my amendment, and I yield. Yeah, that will be it, Mr. Chairman.

Chairman WILLIAMS. The Ranking Member yields back.

And does anyone else wish to be recognized for a statement on Ms. Velázquez's amendment?

Mr. PHILLIPS. Mr. Chairman, I have an amendment at the desk as well.

Chairman WILLIAMS. Recognized.

Mr. PHILLIPS. Oh, I am sorry. Oh, it is on hers. I am sorry. Forgive me.

Chairman WILLIAMS. Okay. Does anybody wish to be recognized for a statement on the amendment by Ms. Velázquez?

Okay. Seeing none, I now recognize myself for a statement on Ms. Velázquez's amendment.

While I appreciate this amendment recognizing agencies should be doing cost benefit analyses on their proposed rules, I am going to have to oppose the amendment because it undermines the intention of the congresswoman's bill. The purpose of the underlying legislation is to ensure agencies think twice before they continue to burden small businesses with new regulations. If they want to have a new rule that is going to be costly for businesses to comply, they must cut other regulations in order to pay for it. Businesses should not have to continually build increased compliance costs into their budget. The American Action Form tracks how much regulations have cost the private sector, and since President Biden took office, the estimated cost is over $375 billion dollars. This is not sustainable. We need to provide regulatory relief for small businesses and the underlying bill would begin to do just that. Again, I urge my colleagues to oppose the amendment proposed by the Ranking Member.

The question is now the Amendment 1 to H.R. 3995 offered by Ranking Member Velázquez.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the noes have it. The amendment is not agreed to.

Ms. VELAZQUEZ. I would like to request a recorded vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on the amendment are postponed.

Does anyone else wish to offer an amendment?

Mr. PHILLIPS. Mr. Chairman, I now have an amendment at the desk.

Chairman WILLIAMS. For what purpose does the gentleman—okay, now there is an amendment at the desk by Mr. Phillips. This amendment has been pre-distributed to all Members.

The clerk will designate the amendment.

The CLERK. Amendment to the amendment in the nature of a substitute to H.R. 3995 offered by Mr. Phillips of Minnesota.

Chairman WILLIAMS. Without objection, the amendment is considered as read.

Mr. Phillips is recognized to explain his amendment.

Mr. PHILLIPS. Thank you, Mr. Chairman.

And let me associate myself with your remarks, "That agencies should think twice before burdening small businesses with additional regulation." I do agree. I have owned a number of small businesses and understand firsthand. Let me tell you how overly burdensome regulation is bad for business. I think we all agree with that. Small enterprises often lack the resources to comply with directives from the federal government, especially compared to their larger competitors. And as Members of this Committee, it is critical that we advocate for the many millions of small businesses across the country and that includes being mindful of the impact of federal regulation on small business.

So, I want to say I share common ground with you, Mr. Chairman, and my friend, Ms. Van Duyne, the author of the legislation. Where I disagree is that I believe it is far too blunt and rigid and would prove to be somewhat counterproductive to the intentions and the interests of small business. I think the narrower requirements of the proposed small business regulatory budget will hamstring the SBA in implementing even the most common-sense regulations, ultimately preventing the agency from carrying out its core mission. That is why I filed this amendment which proposes just a few practical changes that I think would provide a more measured approach to the matter at hand. It would require the SBA to simply ensure that the costs of its regulations do not exceed their benefits. Consistent with the stated goal of the legislation, the provision would prevent SBA rule makers from cutting into the bottom line of small businesses but calculate their impact on a more thoughtful and comprehensive way. Too many, I believe, characterize regulation as inherently negative but I believe that attitude is an oversimplification of the issue. To be sure, overregulation is bad but appropriate regulation I think we can all agree is essential. So, if we are going to measure the impact that regulations have on small business, we have to consider more than just half the equation. And I will just give you an example. Back to the early days of COVID-19 when we came together and passed the CARES Act and the all-important paycheck protection program. After the program was established, SBA issued an interim final rule to implement it. This rule technically imposed minor costs on small businesses through its recordkeeping and reporting requirements. But as I would like to think each of us on this Committee would agree, the benefits of the PPP program far, far outweighed those costs. But under the proposed rule before us, or legislation, the SBA's April 2020 rule for PPP would have been subject to the strict net

zero cost requirement, meaning that the SBA would have had to find other regulations to cut in order to offset the cost of this essential rule even though the impact was clearly going to be overwhelmingly beneficial for small businesses in the country. Imposing this sort of requirement on SBA during the pandemic would have wasted valuable time and energy when our country and economy needed it most. Simply put, considering costs without benefits to me is nonsensical. My great-grandfather used to tell me, Dean, price is but one component of value. And I think that applies in this case as well.

My amendment also offers an exemption for regulations issued during periods of national emergency and regulations that address fraud, waste, and abuse. Let me say it again. It would provide an exemption for regulations that address fraud, waste, and abuse. We need not look any further than just times of collective desperation when a future pandemic may come, armed conflict or other types of crises, we have to give the SBA the ability to act quickly and decisively when small businesses are facing great challenge.

And when it comes to protecting the integrity of the SBA programs, we need not look further than last week's hearing with the Inspector General. When it comes to protecting the integrity of the SBA programs, we need not look further than last week's hearing with the inspector general to recognize the bipartisan consensus towards rooting out fraud, waste, and abuse at the SBA. I think all of us on this Committee want to see the SBA be better stewards of our taxpayer dollars. So, if the agency wants to issue a rule that would strengthen its internal controls or enforcement capabilities, we cannot let proposals like this underlying legislation stand in the way.

Let me end by urging my colleagues on both sides of the aisle to support this amendment which would, I think, improve the legislation. The Committee has a long, proud history of bipartisanship and I think it would be more productive to put our heads together and find common ground rather than push this response to an issue that so many of us care deeply about.

And let me just close by reading the amendment if I can find it, which I cannot. Here it is. Just very quickly.

"The Administrator of the Small Business Administration shall ensure that the costs of the small business regulatory budget for a fiscal year do not exceed the benefits except with respect rules relating to eliminating fraud, waste, or abuse, or in a fiscal year during which a national emergency is declared by the president under the National Emergencies Act." Those are the simple modifications.

With that, Mr. Chairman, I ask for your support and yield back.

Chairman WILLIAMS. The Member yields back.

Does anyone else wish to be recognized for a statement on Mr. Phillips's amendment?

Mr. Bean, you are recognized.

Mr. BEAN. Mr. Chairman, thank you very much. I did not think I would talk but I do want to talk because I want to tell everybody the official title of this bill is the Small Business Regulatory Reduction Act. That is the official title.

Let me give you the unofficial title. It is The Enough Act. Enough. Small business owners are saying enough. Because if you are playing along at home and keeping score, I just happen to have the score of what our current administration has loaded up on small business just in the past, what, 2-1/2 years since he has been in office, 375 billion. Three hundred seventy-five billion of new regulations that has been just dumped on the backbone of small America. Small business America is struggling. And anybody that has run a small business know even in an ideal situation it is hard, but when government is constantly putting barriers and new costs and expenses in your way it is a miracle, they survive at all.

So today, let's pass the Enough Act, but let's not put a big loophole in there to give this administration just another excuse. That is what they want. They want another excuse, a loophole to continue to load up that big number that I have already given you. So, let's say enough. Let's say enough and pass this bill without any additional loopholes so our small businesses can get back to what they do best—invest, grow, and be Main Street America.

I yield back, Mr. Chairman.

Chairman WILLIAMS. The Member yields back.

Does anyone else wish to be recognized for a statement on Mr. Phillips's amendment?

Ms. VELAZQUEZ. Mr. Chairman?

Chairman WILLIAMS. I recognize Ranking Member.

Ms. VELAZQUEZ. I support the amendment being offered by Mr. Phillips. It is vitally important that we look at both the costs and the benefits of rulemaking, as well as provide an exemption in the event of natural disaster. Most importantly, many of the regulations issued by SBA are necessary to safeguard taxpayers' dollars against waste, fraud, and abuse, and to preserve public confidence. My colleagues, we cannot have it both ways. We cannot. Here we are. We passed a bill today, the RECLAIM Taxpayer Funds Act. Guess what? It will require for SBA to issue guidance and regulations. So, the SBA could say that they will not implement this bill that we passed today because it does not fit into their regulatory budget. So be aware and be careful what you are calling for here today. SBA prioritizes small businesses and seeks to limit the regulatory burden for small employers. We must not limit their ability to make improvements to its program and that is why I support the amendment offered by Mr. Phillips.

Mr. Chairman, yeah. That is it.

Chairman WILLIAMS. You yield back?

Ms. VELAZQUEZ. Yes, I yield back.

Chairman WILLIAMS. Does anyone wish to be recognized for a statement?

Mr. STAUBER. Mr. Chair?

Chairman WILLIAMS. Mr. Stauber?

Mr. STAUBER. Just real brief comments.

We are dealing with rulemaking by the SBA, not legislating from Congress to House, both the House and the Senate and the president. This is rulemaking from the SBA.

I yield back.

Chairman WILLIAMS. The Member yields back.

Anyone else recognized for a statement?

All right. Seeing none I want to say, again, I appreciate everybody's remarks.

I now recognize myself to speak against this amendment.

At any given time, there are several presidentially declared national emergencies in effect. For instance, Executive Order No. 12978 was signed by President Clinton in October of 1995, and it invoked the National Emergencies Act cited in the Phillips Amendment to create a list of specifically designated narcotics traffickers that banks and credit units could not do business with. This is a national emergency that will probably live in perpetuity which would have the effect of rendering this entire bill moot. As such, we should reject the amendment. I urge all my colleagues to oppose this amendment.

Now, the question is now on the Amendment 2 to H.R. 3995 offered by Mr. Phillips.

All those in favor say aye.

All those opposed say no.

Ms. VELAZQUEZ. Mr. Chairman, I would like to request a recorded vote.

Chairman WILLIAMS. Okay. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on the amendment are postponed.

Does anyone else wish to offer an amendment?

Ms. DAVIDS. Mr. Chairman?

Chairman WILLIAMS. Ms. Davids is recognized.

Ms. DAVIDS. Mr. Chairman, I have an amendment at the desk.

Chairman WILLIAMS. Okay. The amendment has been pre-distributed to all Members.

The clerk will designate the amendment.

The CLERK. Amendment to the amendment in the nature of a substitute to H.R. 3995 offered by Ms. Davids in Section 2, an insert——

Chairman WILLIAMS. The amendment is considered as read.

Ms. Davids is recognized to explain her amendment.

Ms. DAVIDS. Thank you, Mr. Chairman.

As Members of Congress, we have an obligation to ensure that small businesses across the country are supported and not hurt by regulatory guardrails. While some rules may be onerous for small firms and small companies, many provide immense benefits to these main street companies. And I do fear that the underlying piece of legislation that we are discussing may inadvertently fail to adequately consider how the Small Business Administration can support these companies, particularly our veteran-owned businesses and those promoting general workforce development.

As of 2018, veterans owned nearly 2 million businesses in this country, employing over 5 million folks nationally. Those businesses recorded $1.3 trillion of sales that year boosting local economies across the entire country from coast to coast and certainly in the Midwest. Small businesses invest locally, create innovative jobs, teach folks new skills, and revitalize communities. And we need to make sure that regulations worked to unleash the true power of small businesses instead of handcuffing them with cumbersome rules passed by Congress.

My main concern with this legislation is that it would only consider the costs of regulations and not the benefits for small businesses. My amendment is simple, but the cost and benefits should be considered. It would exclude SBA rules that promote workforce development or that benefit veteran-owned businesses from the effects of the underlying legislation. This will help former servicemembers start, operate, and grow their businesses. And it will ensure that we properly tackle workforce development challenges that our small businesses and employers are facing nationally.

I hope that everyone here will vote in favor of my amendment to help improve this piece of legislation.

Thank you, and I yield back.

Chairman WILLIAMS. The Member yields back.

Does anyone else wish to be recognized for a statement on Ms. Davids's amendment?

Okay. Seeing none——

Ms. VELÁZQUEZ. Mr. Chairman?

Chairman WILLIAMS. I would like to recognize the Ranking Member to speak on this amendment.

Ms. VELÁZQUEZ. Thank you.

I applaud Ms. Davids for offering an amendment to carve out veterans, service-disabled veterans and rules that promote workforce development from a regulatory budget. Over the course of the past 2 years, we have heard from numerous business owners about the benefits of workforce programs. They help businesses find skilled workers and prepare Americans for a better future without requiring individuals to make substantial financial investment in their future. We have also heard from countless veterans about the importance of SBA programs to their small businesses. We continually ask SBA to do more with less and programmatic regulatory enhancements are a part of addressing the very needs of veterans or providing workforce development resources all across the country. A regulatory budget will have the practical effect of grinding SBA rulemaking to a halt. I support this exemption for our nation's veterans and for rules that promote workforce development and thank Ms. Davids. Put simply, we owe a lot to our nation's veterans and cannot take any chances with the unintended consequences a regulatory budget will have at SBA. Thank you.

Chairman WILLIAMS. The Ranking Member yields back.

And I now recognize myself to speak against this amendment.

I oppose this amendment because there seems to be a misunderstanding on how to help Main Street America. If we want to help our job creators, we need to create a business-friendly environment, so they grow and expand their operations. The gentlewoman's amendment seems to say to pass a new regulation that imposes a cost, you must first find a different regulation to repeal so we are not compounding these expenses on small business. So, I urge my colleagues to oppose this amendment.

Now the question is the Amendment 3 to H.R. 3995 offered by Ms. Davids.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the noes have it.

Ms. VELÁZQUEZ. Mr. Chairman, I would like to request a recorded vote.

Chairman WILLIAMS. Okay. A recorded vote is requested, and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on the amendments are postponed.

Does anyone else wish to offer an amendment?

Ms. CHU. Mr. Chair, I have an amendment at the desk.

Chairman WILLIAMS. Okay. There is an amendment at the desk from Ms. Chu. This amendment has been pre-distributed to all Members.

The clerk will designate the amendment.

The CLERK. Amendment to the amendment in the nature of a substitute to H.R. 3995 offered by Ms. Chu.

Chairman WILLIAMS. The amendment is considered as read.

Ms. Chu is recognized to explain her amendment.

Ms. CHU. Thank you, Mr. Chair.

I urge my colleagues to support my amendment to H.R. 3995, The Small Business Regulatory Reduction Act. The underlying bill would prohibit the Small Business Administration from implementing any new regulations that might incur a cost on small businesses even if those regulations might have important benefits for small businesses; benefits which many times more than offset those costs. We all know that our most underserved small businesses, like those located in rural areas and those owned by women and minorities all too often struggle accessing the resources critical to starting and growing a business like capital and contracting opportunities. It is a core purpose of this Committee to close this gap in opportunity and resources for those underserved small businesses. And I have been proud to work towards this goal with many colleagues on both sides of the aisle.

But we also rely on the SBA to be a partner in closing this gap and rulemaking can be a critical tool that they use to do this. But unfortunately, if left unchanged, this bill would effectively prevent the SBA from engaging in new rulemaking even if the proposed rule would have significant benefits for the disadvantaged small businesses most in need of assistance. My amendment would fix this by providing an exception to ensure that SBA is able to create new rules that will specifically help rural small businesses, women-owned firms, and those owned by socially and economically disadvantaged individuals which includes Black, Hispanic, Native, and Asian Pacific Americans and other minorities and any other disadvantaged individuals.

I urge strong support for my amendment, and I yield back.

Chairman WILLIAMS. The Member yields back.

Does anyone else wish to be recognized for a statement on Ms. Chu's amendment?

Ms. VELÁZQUEZ. Mr. Chairman?

Ms. VAN DUYNE. Mr. Chairman?

The CLERK. Ms. Van Duyne.

Chairman WILLIAMS. Ms. Van Duyne?

Ms. VAN DUYNE. Thank you very much, Mr. Chairman.

You know, thoughtful regulations can be very beneficial but too often than not what we have seen is excessive regulations. They

stifle businesses, they burden them with additional costs, and in some cases, they force them to lay off people or even shut their businesses.

Now, does anybody remember the hearing where we had the witness who was a small business owner and he held up a 4-inch, 3-ring binder. And he said if you pass this regulation this is going to cost me over $100,000 a year. I am going to be forced to shut down. I, unlike larger businesses, do not have full-time staff that handles regulations. This will make me go to a halt. We will have to lay people off and possibly shut our doors.

I had not seen businesses come before this Committee and say, you know what? We need more regulations. This is awesome. What we have seen is small businesses over and over again beg for our help to shrink regulations because they are killing them. Again, H.R. 3995 does not prevent the SBA from enacting additional regulations. It does not prevent it from updating regulations or introducing beneficial regulations. But what it does do is it forces it to be disciplined. It forces it to review old, outdated regulations or restrictions or duplicative regulations that do nothing but add costs, layer more burdens on small businesses, and increase the size of bureaucracy.

We have heard from the Ranking Member that everyone here wants to lessen the burden on small businesses. When are we going to start?

The Small Business Regulatory Reduction Act is a great first step and I urge support for this legislation, and I yield back.

Chairman WILLIAMS. The Member yields back.

Does anyone else wish to be recognized for a statement on Ms. Chu's amendment?

Mr. STAUBER. Mr. Chair?

Chairman WILLIAMS. Mr. Stauber?

Mr. STAUBER. Thank you very much.

I do believe in my colleague's good intentions on this amendment but I am going to oppose it. One of the things that we talked about was $375 billion in the last 2-1/2 years. And the Chairman is right; I have not had one small business in my district that said, please, Washington, put more regulations on me. Put more regulations on the business that I run. I have not heard one.

And to my colleagues on the other side of the aisle, if you think we cannot reduce regulations I cannot find any company, small business in the district that I represent that can help the small business wipe out a regulation that has been harmful to them. I believe that there will be no problem if we brought in our small businesses across this great nation and said we can get rid of this one, this one, and this one. Listen, it is $375 billion coming out of COVID. And we talk about small businesses being the engine of our economy? If they are truly the engine of our economy, they are begging. We have had witnesses sit at the table. No more regulations. We have to listen to them. And I appreciate Representative Van Duyne for bringing this up and Mr. Chair, I appreciate your comments as well on that fourth administrative state. Unelected, unaccounted bureaucrats putting regulations on small businesses that have no idea the ramifications. They think it might be a good idea in the back rooms here in Washington, D.C., but when you get

out to the small businessmen and women in this country they are saying enough is enough. Stop the regulations.

This is a very common-sense piece of legislation, and I yield back.

Chairman WILLIAMS. The Member yields back.

Does anyone wish to be recognized for a statement on Ms. Chu's amendment?

Ms. VELAZQUEZ. Mr. Chairman?

Chairman WILLIAMS. Okay. I recognize the Ranking Member.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

I have been asked when are we going to start reducing regulations. We will start when we have a thoughtful approach that looks at both sides of the ledger—benefits and costs. It is just that simple. And, you know, this is clearly a messaging bill, but the bottom line is it is unworkable as drafted.

Let's take, for example, the transitioning of VA to SBA, the veteran certification from VA to SBA. There are rules and regulations to make it effective. We should not be hindering SBA's efforts to provide more oversight to the contracting programs or make them stronger. I support the amendment being offered by my colleague, Ms. Chu, and I urge my colleagues to do the same. I yield back.

Chairman WILLIAMS. The Ranking Member yields back.

I now recognize myself to speak against this amendment.

I oppose this amendment on the same grounds as the previous amendment relating to veteran-owned small businesses. You cannot regulate economic growth. You can only hamper it. The Biden administration's disastrous regulatory agenda has left plenty of regulations on the table to be repealed if there is one new costly regulation that you truly believe is necessary. I oppose this amendment, and once again, I urge all my colleagues to do something that will actually help our nation's job creators and reduce the number of regulations that they must comply with.

So, the question is now on the Amendment 4 to H.R. 3995 offered by Ms. Chu.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the noes have it and the amendment is not agreed to.

Ms. VELAZQUEZ. Mr. Chairman, I would like to request a roll call vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on the bill are postponed.

Does anyone else wish to offer an amendment?

Okay. Seeing none the question is now on the amendment in the nature of a substitute to H.R. 3995 offered by Ms. Van Duyne.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the ayes have it.

The amendment and the nature of the substitute to H.R. 3995 offered by Ms. Van Duyne is agreed to.

Ms. VELAZQUEZ. I would like to request a roll call vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and

House Rule 11, further proceedings on the amendment are postponed.

The question is now on favorably reporting H.R. 3995 as amended to the House.

All those in favor say aye.

All those opposed say no.

In the opinion of the Chair, the ayes have it.

H.R. 3995 as amended——

Ms. VELAZQUEZ. Mr. Chairman, I would like to request a roll call vote.

Chairman WILLIAMS. A recorded vote has been requested and a roll call vote is ordered. Pursuant to Committee Rule 13 and House Rule 11, further proceedings on the bill are postponed.

The Committee now stands in recess subject to the call of the Chair. We will resume later today at 11:45.

[Recess]

Chairman WILLIAMS. The Committee will now resume consideration of the bills on which roll call votes were requested and postponed.

We will start with H.R. 4666, a bill to require the SBA OIG to submit quarterly reports on PPP and EIDL fraud.

The question now is adopting H.R. 4666 and ordering it favorably to the House.

The clerk will call the roll.

The CLERK. Mr. Luetkemeyer?

Mr. LUETKEMEYER. Yes.

The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?

Mr. STAUBER. Aye.

The CLERK. Mr. Stauber votes aye. Mr. Meuser?

Mr. MEUSER. Aye.

The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?

Ms. VAN DUYNE. Aye.

The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?

Ms. SALAZAR. Aye.

The CLERK. Ms. Salazar votes aye. Mr. Mann?

Mr. MANN. Aye.

The CLERK. Mr. Mann votes aye. Mr. Ellzey?

[No response.]

Molinaro?

Mr. MOLINARO. Aye.

The CLERK. Mr. Molinaro votes aye. Mr. Alford?

Mr. ALFORD. Aye.

The CLERK. Mr. Alford votes aye. Mr. Crane?

Mr. CRANE. Aye.

The CLERK. Mr. Crane votes aye. Mr. Bean?

Mr. BEAN. Aye.

The CLERK. Mr. Bean votes aye. Mr. Hunt?

Mr. HUNT. Aye.

The CLERK. Mr. Hunt votes aye. Mr. LaLota?

Mr. LALOTA. Aye.

The CLERK. Mr. LaLota votes aye. Mr. Golden?

Mr. GOLDEN. Yes.

The CLERK. Mr. Golden votes aye. Mr. Mfume?

Mr. MFUME. Aye.

The CLERK. Mr. Mfume votes aye. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Aye.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELAZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. Aye.
The CLERK. Chairman Williams votes aye.
Chairman WILLIAMS. Mr. Ellzey?
Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye.
Chairman WILLIAMS. All right. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 26 ayes, 0 nays, and 0 present.
Chairman WILLIAMS. H.R. 4666 is adopted and will be reported favorably to the House.
The question is now on adopting H.R. 4667, the RECLAIM Taxpayer Funds Act and ordering it favorably reported to the House.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. Yes.
The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?
Mr. STAUBER. Aye.
The CLERK. Mr. Stauber votes aye. Mr. Meuser?
Mr. MEUSER. Aye.
The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?
Ms. VAN DUYNE. Aye.
The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?
Ms. SALAZAR. Aye.
The CLERK. Ms. Salazar votes aye. Mr. Mann?
Mr. MANN. Aye.
The CLERK. Mr. Mann votes aye. Mr. Ellzey?
Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye. Mr. Molinaro?
Mr. MOLINARO. Aye.
The CLERK. Mr. Molinaro votes aye. Mr. Alford?

Mr. ALFORD. Aye.
The CLERK. Mr. Alford votes aye. Mr. Crane?
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye. Mr. Bean?
Mr. BEAN. Aye.
The CLERK. Mr. Bean votes aye. Mr. Hunt?
Mr. HUNT. Aye.
The CLERK. Mr. Hunt votes aye. Mr. LaLota?
Mr. LALOTA. Aye.
The CLERK. Mr. LaLota votes aye. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?
Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Landsman?
Mr. LANDSMAN. Aye.
Mr. PHILLIPS. And aye.
The CLERK. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye and Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELÁZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Mr. Chairman Williams?
Chairman WILLIAMS. Aye.
The CLERK. Chairman Williams votes aye.
Chairman WILLIAMS. All right. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 26 ayes, 0 nays, and 0 present.
Chairman WILLIAMS. H.R. 4667 is adopted and will be reported favorably to the House.
The question now is adopting H.R. 4480, the SERV Act and ordering it favorably reported to the House.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. Aye.
The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?
Mr. STAUBER. Aye.
The CLERK. Mr. Stauber votes aye. Mr. Meuser?

Mr. MEUSER. Aye.
The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?
Ms. VAN DUYNE. Aye.
The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?
Ms. SALAZAR. Aye.
The CLERK. Ms. Salazar votes aye. Mr. Mann?
Mr. MANN. Aye.
The CLERK. Mr. Mann votes aye. Mr. Ellzey?
Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye. Mr. Molinaro?
Mr. MOLINARO. Aye.
The CLERK. Mr. Molinaro votes aye. Mr. Alford?
Mr. ALFORD. Aye.
The CLERK. Mr. Alford votes aye. Mr. Crane?
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye. Mr. Bean?
Mr. BEAN. Aye.
The CLERK. Mr. Bean votes aye. Mr. Hunt?
Mr. HUNT. Aye.
The CLERK. Mr. Hunt votes aye. Mr. LaLota?
Mr. LALOTA. Aye.
The CLERK. Mr. LaLota votes aye. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?
Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Yes.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELÁZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. Aye.
The CLERK. Chairman Williams votes aye.
Chairman WILLIAMS. Okay. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 26 ayes, 0 nays, and 0 present.

Chairman WILLIAMS. H.R. 4480 is adopted and will be reported favorably to the House.

The question now is adopting H.R. 4670, The Small Business Contracting Transparency Act of 2023 and ordering it favorably reported to the House.

The clerk will call the roll.

The CLERK. Mr. Luetkemeyer?

Mr. LUETKEMEYER. Aye.

The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?

Mr. STAUBER. Aye.

The CLERK. Mr. Stauber votes aye. Mr. Meuser?

Mr. MEUSER. Aye.

The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?

Ms. VAN DUYNE. Aye.

The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?

Ms. SALAZAR. Aye.

The CLERK. Ms. Salazar votes aye. Mr. Mann?

Mr. MANN. Aye.

The CLERK. Mr. Mann votes aye. Mr. Ellzey?

Mr. ELLZEY. Aye.

The CLERK. Mr. Ellzey votes aye. Mr. Molinaro?

Mr. MOLINARO. Aye.

The CLERK. Mr. Molinaro votes aye. Mr. Alford?

Mr. ALFORD. Aye.

The CLERK. Mr. Alford votes aye. Mr. Crane?

Mr. CRANE. Aye.

The CLERK. Mr. Crane votes aye. Mr. Bean?

Mr. BEAN. Aye.

The CLERK. Mr. Bean votes aye. Mr. Hunt?

Mr. HUNT. Aye.

The CLERK. Mr. Hunt votes aye. Mr. LaLota?

Mr. LALOTA. Aye.

The CLERK. Mr. LaLota votes aye. Mr. Golden?

Mr. GOLDEN. Yes.

The CLERK. Mr. Golden votes aye. Mr. Mfume?

Mr. MFUME. Aye.

The CLERK. Mr. Mfume votes aye. Mr. Phillips?

Mr. PHILLIPS. Aye.

The CLERK. Mr. Phillips votes aye. Mr. Landsman?

Mr. LANDSMAN. Yes.

The CLERK. Mr. Landsman votes aye. Mr. McGarvey?

Mr. MCGARVEY. Yes.

The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?

Ms. GLUESENKAMP PEREZ. Aye.

The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?

Ms. SCHOLTEN. Yes.

The CLERK. Ms. Scholten votes aye. Mr. Thanedar?

Mr. THANEDAR. Aye.

The CLERK. Mr. Thanedar votes aye. Ms. Chu?

Ms. CHU. Aye.

The CLERK. Ms. Chu votes aye. Ms. Davids?

Ms. DAVIDS. Aye.

The CLERK. Ms. Davids votes aye. Mr. Pappas?

Mr. PAPPAS. Aye.

The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELÁZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. Aye.
The CLERK. Chairman Williams votes aye.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Okay. Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 26 ayes, 0 nays, and 0 present.
Chairman WILLIAMS. H.R. 4670 is adopted and will be reported favorably to the House.
The question now is on adopting H.R. 4668, the POST IT Act and ordering it favorably reported to the House.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. Aye.
The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?
Mr. STAUBER. Aye.
The CLERK. Mr. Stauber votes aye. Mr. Meuser?
Mr. MEUSER. Aye.
The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?
Ms. VAN DUYNE. Aye.
The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?
Ms. SALAZAR. Aye.
The CLERK. Ms. Salazar votes aye. Mr. Mann?
Mr. MANN. Aye.
The CLERK. Mr. Mann votes aye. Mr. Ellzey?
Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye. Mr. Molinaro?
Mr. MOLINARO. Aye.
The CLERK. Mr. Molinaro votes aye. Mr. Alford?
Mr. ALFORD. Aye.
The CLERK. Mr. Alford votes aye. Mr. Crane?
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye. Mr. Bean?
Mr. BEAN. Aye.
The CLERK. Mr. Bean votes aye. Mr. Hunt?
Mr. HUNT. Aye.
The CLERK. Mr. Hunt votes aye. Mr. LaLota?
Mr. LALOTA. Aye.
The CLERK. Mr. LaLota votes aye. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?
Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Yes.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?

Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELÁZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. Aye.
The CLERK. Chairman Williams votes aye.
Chairman WILLIAMS. All right. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 26 ayes, 0 nays, and 0 present.
Chairman WILLIAMS. H.R. 4668 is adopted and will be reported favorably to the House.
The question now is on adopting H.R. 4669, the DOE and SBA Research Act and ordering it favorably reported to the House.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. Yes.
The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?
Mr. STAUBER. Aye.
The CLERK. Mr. Stauber votes aye. Mr. Meuser?
Mr. MEUSER. Aye.
The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?
Ms. VAN DUYNE. Aye.
The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?
Ms. SALAZAR. Aye.
The CLERK. Ms. Salazar votes aye. Mr. Mann?
Mr. MANN. Aye.
The CLERK. Mr. Mann votes aye. Mr. Ellzey?
Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye. Mr. Molinaro?
Mr. MOLINARO. Aye.
The CLERK. Mr. Molinaro votes aye. Mr. Alford?
Mr. ALFORD. Aye.
The CLERK. Mr. Alford votes aye. Mr. Crane?
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye. Mr. Bean?
Mr. BEAN. Aye.
The CLERK. Mr. Bean votes aye. Mr. Hunt?
Mr. HUNT. Aye.
The CLERK. Mr. Hunt votes aye. Mr. LaLota?
Mr. LALOTA. Aye.
The CLERK. Mr. LaLota votes aye. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?

Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Landsman. Or, sorry. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Aye.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELÁZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. Aye.
The CLERK. Chairman Williams votes aye.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 26 ayes, 0 nays, and 0 present.
Chairman WILLIAMS. H.R. 4669 is adopted and will be reported favorably to the House.
The question now is on adopting H.R. 4671, The Corrective Action Report Oversight and Accountability Act and ordering it favorably reported to the House.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. Aye.
The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?
Mr. STAUBER. Aye.
The CLERK. Mr. Stauber votes aye. Mr. Meuser?
Mr. MEUSER. Aye.
The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?
Ms. VAN DUYNE. Aye.
The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?
Ms. SALAZAR. Aye.
The CLERK. Ms. Salazar votes aye. Mr. Mann?
Mr. MANN. Aye.
The CLERK. Mr. Mann votes aye. Mr. Ellzey?
Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye. Mr. Molinaro?
Mr. MOLINARO. Aye.
The CLERK. Mr. Molinaro votes aye. Mr. Alford?

Mr. ALFORD. Aye.
The CLERK. Mr. Alford votes aye. Mr. Crane?
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye. Mr. Bean?
Mr. BEAN. Aye.
The CLERK. Mr. Bean votes aye. Mr. Hunt?
Mr. HUNT. Aye.
The CLERK. Mr. Hunt votes aye. Mr. LaLota?
Mr. LALOTA. Aye.
The CLERK. Mr. LaLota votes aye. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?
Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Aye.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELÁZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. Aye.
The CLERK. Chairman Williams votes aye.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 26 ayes, 0 nays, and 0 present.
Chairman WILLIAMS. H.R. 4671 is adopted and will be reported favorably to the House.
The question now is on Velázquez Amendment 1, Version 2 to H.R. 3995.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. No.
The CLERK. Mr. Luetkemeyer votes nay. Mr. Stauber?
Mr. STAUBER. No.
The CLERK. Mr. Stauber votes nay. Mr. Meuser?
Mr. MEUSER. No.
The CLERK. Mr. Meuser votes nay. Ms. Van Duyne?

Ms. VAN DUYNE. No.
The CLERK. Ms. Van Duyne votes nay. Ms. Salazar?
Ms. SALAZAR. No.
The CLERK. Ms. Salazar votes nay. Mr. Mann?
Mr. MANN. No.
The CLERK. Mr. Mann votes nay. Mr. Ellzey?
Mr. ELLZEY. No.
The CLERK. Mr. Ellzey votes nay. Mr. Molinaro?
Mr. MOLINARO. No.
The CLERK. Mr. Molinaro votes no. Mr. Alford?
Mr. ALFORD. Nay.
The CLERK. Mr. Alford votes nay. Mr. Crane?
Mr. CRANE. No.
The CLERK. Mr. Crane votes nay. Mr. Bean?
Mr. BEAN. No.
The CLERK. Mr. Bean votes nay. Mr. Hunt?
Mr. HUNT. No.
The CLERK. Mr. Hunt votes nay. Mr. LaLota?
Mr. LALOTA. Nay.
The CLERK. Mr. LaLota votes nay. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?
Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Aye.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELAZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. Nay.
The CLERK. Chairman Williams votes nay.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 12 ayes, 14 nays, and 0 present.
Chairman WILLIAMS. Okay. Velázquez Amendment 1, Version 2 to H.R. 3995 is not agreed to.

The question now is on Phillips Amendment 1, Version 1 to H.R. 3995.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. No.
The CLERK. Mr. Luetkemeyer votes no. Mr. Stauber?
Mr. STAUBER. No.
The CLERK. Mr. Stauber votes no. Mr. Meuser?
Mr. MEUSER. No.
The CLERK. Mr. Meuser votes no. Ms. Van Duyne?
Ms. VAN DUYNE. No.
The CLERK. Ms. Van Duyne votes no. Ms. Salazar?
Ms. SALAZAR. No.
The CLERK. Ms. Salazar votes no. Mr. Mann?
Mr. MANN. No.
The CLERK. Mr. Mann votes no. Mr. Ellzey?
Mr. ELLZEY. No.
The CLERK. Mr. Ellzey votes no. Mr. Molinaro?
Mr. MOLINARO. No.
The CLERK. Mr. Molinaro votes no. Mr. Alford?
Mr. ALFORD. No.
The CLERK. Mr. Alford votes no. Mr. Crane?
Mr. CRANE. No.
The CLERK. Mr. Crane votes no. Mr. Bean?
Mr. BEAN. No.
The CLERK. Mr. Bean votes no. Mr. Hunt?
Mr. HUNT. No.
The CLERK. Mr. Hunt votes no. Mr. LaLota?
Mr. LALOTA. Nay.
The CLERK. Mr. LaLota votes no. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?
Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Aye.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELÁZQUEZ. Aye.

The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. No.
The CLERK. Chairman Williams votes no.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 12 ayes, 14 nays, and 0 present.
Chairman WILLIAMS. Okay. Phillips Amendment 1, Version 2 to H.R. 3995 is not agreed to.
The question now is on Davids Amendment 1, Version 1 to H.R. 3995.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. No.
The CLERK. Mr. Luetkemeyer votes no. Mr. Stauber?
Mr. STAUBER. No.
The CLERK. Mr. Stauber votes no. Mr. Meuser?
Mr. MEUSER. No.
The CLERK. Mr. Meuser votes no. Ms. Van Duyne?
Ms. VAN DUYNE. No.
The CLERK. Ms. Van Duyne votes no. Ms. Salazar?
Ms. SALAZAR. No.
The CLERK. Ms. Salazar votes no. Mr. Mann?
Mr. MANN. No.
The CLERK. Mr. Mann votes no. Mr. Ellzey?
Mr. ELLZEY. No.
The CLERK. Mr. Molinaro?
Mr. MOLINARO. No.
The CLERK. Mr. Molinaro votes no. Mr. Alford?
Mr. ALFORD. Nay.
The CLERK. Mr. Alford votes no. Mr. Crane?
Mr. CRANE. No.
The CLERK. Mr. Crane votes no. Mr. Bean?
Mr. BEAN. No.
The CLERK. Mr. Bean votes no. Mr. Hunt?
Mr. HUNT. No.
The CLERK. Mr. Hunt votes no. Mr. LaLota?
Mr. LALOTA. Nay.
The CLERK. Mr. LaLota votes no. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?
Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Aye.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.

The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELAZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. No.
The CLERK. Chairman Williams votes no.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 12 ayes, 14 nays, and 0 present.
Chairman WILLIAMS. Okay. Davids Amendment 1, Version 1 is not agreed to.
The question now is on the Chu Amendment 1, Version 1 to H.R. 3995.
The clerk will call the roll.
The CLERK. Mr. Chairman, on that vote 12 ayes, 14 nays, and 0 present.
Chairman WILLIAMS. Okay. Phillips Amendment 1, Version 2 to H.R. 3995 is not agreed to.
The question now is on Davids Amendment 1, Version 1 to H.R. 3995.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. No.
The CLERK. Mr. Luetkemeyer votes no. Mr. Stauber?
Mr. STAUBER. No.
The CLERK. Mr. Stauber votes no. Mr. Meuser?
Mr. MEUSER. No.
The CLERK. Mr. Meuser votes no. Ms. Van Duyne?
Ms. VAN DUYNE. No.
The CLERK. Ms. Van Duyne votes no. Ms. Salazar?
Ms. SALAZAR. No.
The CLERK. Ms. Salazar votes no. Mr. Mann?
Mr. MANN. No.
The CLERK. Mr. Mann votes no. Mr. Ellzey?
Mr. ELLZEY. No.
The CLERK. Mr. Ellzey votes no. Mr. Molinaro?
Mr. MOLINARO. No.
The CLERK. Mr. Molinaro votes no. Mr. Alford?
Mr. ALFORD. No.
The CLERK. Mr. Alford votes no. Mr. Crane?
Mr. CRANE. No.
The CLERK. Mr. Crane votes no. Mr. Bean?
Mr. BEAN. No.
The CLERK. Mr. Bean votes no. Mr. Hunt?

Mr. HUNT. No.
The CLERK. Mr. Hunt votes no. Mr. LaLota?
Mr. LALOTA. No.
The CLERK. Mr. LaLota votes no. Mr. Golden?
Mr. GOLDEN. Yes.
The CLERK. Mr. Golden votes aye. Mr. Mfume?
Mr. MFUME. Aye.
The CLERK. Mr. Mfume votes aye. Mr. Phillips?
Mr. PHILLIPS. Aye.
The CLERK. Mr. Phillips votes aye. Mr. Landsman?
Mr. LANDSMAN. Aye.
The CLERK. Mr. Landsman votes aye. Mr. McGarvey?
Mr. MCGARVEY. Aye.
The CLERK. Mr. McGarvey votes aye. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. Aye.
The CLERK. Ms. Gluesenkamp Perez votes aye. Ms. Scholten?
Ms. SCHOLTEN. Yes.
The CLERK. Ms. Scholten votes aye. Mr. Thanedar?
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye. Ms. Chu?
Ms. CHU. Aye.
The CLERK. Ms. Chu votes aye. Ms. Davids?
Ms. DAVIDS. Aye.
The CLERK. Ms. Davids votes aye. Mr. Pappas?
Mr. PAPPAS. Aye.
The CLERK. Mr. Pappas votes aye. Ranking Member Velázquez?
Ms. VELÁZQUEZ. Aye.
The CLERK. Ranking Member Velázquez votes aye. Chairman Williams?
Chairman WILLIAMS. No.
The CLERK. Chairman Williams votes no.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 12 ayes, 14 nays, and 0 present.
Okay. Davids Amendment 1, Version 1 to H.R. 3995 is not agreed to.
Chairman WILLIAMS. The question now is on the amendment in the nature of a substitute to H.R. 3995.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. Aye.
The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?
Mr. STAUBER. Aye.
The CLERK. Mr. Stauber votes aye. Mr. Meuser?
Mr. MEUSER. Aye.
The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?
Ms. VAN DUYNE. Aye.
The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?
Ms. SALAZAR. Aye.
The CLERK. Ms. Salazar votes aye. Mr. Mann?
Mr. MANN. Aye.
The CLERK. Mr. Mann votes aye. Mr. Ellzey?

Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye. Mr. Molinaro?
Mr. MOLINARO. Aye.
The CLERK. Mr. Molinaro votes aye. Mr. Alford?
Mr. ALFORD. Aye.
The CLERK. Mr. Alford votes aye. Mr. Crane?
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye. Mr. Bean?
Mr. BEAN. Aye.
The CLERK. Mr. Bean votes aye. Mr. Hunt?
Mr. HUNT. Aye.
The CLERK. Mr. Hunt votes aye. Mr. LaLota?
Mr. LALOTA. Aye.
The CLERK. Mr. LaLota votes aye. Mr. Golden?
Mr. GOLDEN. No.
The CLERK. Mr. Golden votes no. Mr. Mfume?
Mr. MFUME. No.
The CLERK. Mr. Mfume votes no. Mr. Phillips?
Mr. PHILLIPS. No.
The CLERK. Mr. Phillips votes no. Mr. Landsman?
Mr. LANDSMAN. Nay.
The CLERK. Mr. Landsman votes no. Mr. McGarvey?
Mr. MCGARVEY. No.
The CLERK. Mr. McGarvey votes no. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. No.
The CLERK. Ms. Gluesenkamp Perez votes no. Ms. Scholten?
Ms. SCHOLTEN. No.
The CLERK. Ms. Scholten votes no. Mr. Thanedar?
Mr. THANEDAR. No.
The CLERK. Mr. Thanedar votes no. Ms. Chu?
Ms. CHU. No.
The CLERK. Ms. Chu votes no. Ms. Davids?
Ms. DAVIDS. Nay.
The CLERK. Ms. Davids votes no. Mr. Pappas?
Mr. PAPPAS. No.
The CLERK. Mr. Pappas votes no. Ranking Member Velázquez?
Ms. VELAZQUEZ. No.
The CLERK. Ranking Member Velázquez votes no. Chairman Williams?
Chairman WILLIAMS. Yes.
The CLERK. Chairman Williams votes aye.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?
Seeing none, the clerk will report.
The CLERK. Mr. Chairman, on that vote 14 ayes, 12 nays, and 0 present.
The amendment in the nature of a substitute to H.R. 3995 is agreed to.
Chairman WILLIAMS. The question now is on adopting H.R. 3995, the Small Business Regulatory Reduction Act as amended and ordering it favorably to the House.
The clerk will call the roll.
The CLERK. Mr. Luetkemeyer?
Mr. LUETKEMEYER. Aye.

The CLERK. Mr. Luetkemeyer votes aye. Mr. Stauber?
Mr. STAUBER. Aye.
The CLERK. Mr. Stauber votes aye. Mr. Meuser?
Mr. MEUSER. Aye.
The CLERK. Mr. Meuser votes aye. Ms. Van Duyne?
Ms. VAN DUYNE. Aye.
The CLERK. Ms. Van Duyne votes aye. Ms. Salazar?
Ms. SALAZAR. Aye.
The CLERK. Ms. Salazar votes aye. Mr. Mann?
Mr. MANN. Aye.
The CLERK. Mr. Mann votes aye. Mr. Ellzey?
Mr. ELLZEY. Aye.
The CLERK. Mr. Ellzey votes aye. Mr. Molinaro?
Mr. MOLINARO. Aye.
The CLERK. Mr. Molinaro votes aye. Mr. Alford?
Mr. ALFORD. Aye.
The CLERK. Mr. Alford votes aye. Mr. Crane?
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye. Mr. Bean?
Mr. BEAN. Aye.
The CLERK. Mr. Bean votes aye. Mr. Hunt?
Mr. HUNT. Aye.
The CLERK. Mr. Hunt votes aye. Mr. LaLota?
Mr. LALOTA. Aye.
The CLERK. Mr. LaLota votes aye. Mr. Golden?
Mr. GOLDEN. No.
The CLERK. Mr. Golden votes no. Mr. Mfume?
Mr. MFUME. No.
The CLERK. Mr. Mfume votes no. Mr. Phillips?
Mr. PHILLIPS. No.
The CLERK. Mr. Phillips votes no. Mr. Landsman?
Mr. LANDSMAN. No.
The CLERK. Mr. Landsman votes no. Mr. McGarvey?
Mr. MCGARVEY. No.
The CLERK. Mr. McGarvey votes no. Ms. Gluesenkamp Perez?
Ms. GLUESENKAMP PEREZ. No.
The CLERK. Ms. Gluesenkamp Perez votes no. Ms. Scholten?
Ms. SCHOLTEN. No.
The CLERK. Ms. Scholten votes no. Mr. Thanedar?
Mr. THANEDAR. No.
The CLERK. Mr. Thanedar votes no. Ms. Chu?
Ms. CHU. No.
The CLERK. Ms. Chu votes no. Ms. Davids?
Ms. DAVIDS. Nay.
The CLERK. Ms. Davids votes no. Mr. Pappas?
Mr. PAPPAS. No.
The CLERK. Mr. Pappas votes no. Ranking Member Velázquez?
Ms. VELAZQUEZ. No.
The CLERK. Ranking Member Velázquez votes no. Chairman Williams?
Chairman WILLIAMS. Yes.
The CLERK. Chairman Williams votes yes.
Chairman WILLIAMS. Are there any other Members who have not voted or wish to change their vote?

Seeing none, the clerk will report.

The CLERK. Mr. Chairman, on that vote 14 ayes, 12 nays, and 0 present.

Chairman WILLIAMS. H.R. 3995 as amended is adopted and will be reported favorably to the House.

Without objection, Committee staff is authorized to make technical and conforming changes and Members have 2 business days to file additional supplemental dissenting minority views.

I want to thank all of you for being here today. I think it has been a good hearing, and we often show that we agree on more than we do not.

If there is no further business, this concludes today's markup.

Without objection, the Committee stands adjourned.

[Whereupon, at 3:47 p.m., the committee was adjourned.]

APPENDIX

.....

(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To require the Inspector General of the Small Business Administration to submit a quarterly report on fraud relating to certain COVID–19 loans.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Inspector General of the Small Business Administration to submit a quarterly report on fraud relating to certain COVID–19 loans.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPORT ON FRAUD RELATING TO CERTAIN COVID–19 LOANS.

(a) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, and every 3 months thereafter, the Inspector General of the Small Business Administration shall submit to the Committee on Small

Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on the number of borrowers engaged in fraud with respect to a covered loan.

(b) ELEMENTS.—The report required under subsection (a) shall include, with respect to the period covered by such report—

(1) the number and total dollar amount of all covered loans made;

(2) the number of new cases of fraud and suspected fraud;

(3) the number of fraud cases resolved; and

(4) the types of fraud cases described in paragraphs (2) and (3).

(c) COVERED LOAN DEFINED.—In this section, the term "covered loan" means—

(1) a loan made under paragraphs (36) or (37) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)); or

(2) a loan made under section 7(b) of such Act (15 U.S.C. 636(b)) in response to COVID–19 during the covered period (as defined in section 1110(a) of the CARES Act (15 U.S.C. 9009)).

(d) TERMINATION.—This Act and the requirements of this Act shall terminate on the date that is two years after the date of the enactment of this Act.

SEC. 2. 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 or the Inspector General of the Small Business Administration.

.....

(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To require the Administrator of the Small Business Administration to issue guidance and rules for lenders and the Small Business Administration on handling amounts of Paycheck Protection Loans returned by borrowers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Administrator of the Small Business Administration to issue guidance and rules for lenders and the Small Business Administration on handling amounts of Paycheck Protection Loans returned by borrowers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PAYCHECK PROTECTION LOAN RETURN GUIDANCE.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Administrator of

the Small Business Administration shall issue guidance for borrowers and lenders on returning any unused amounts of PPP loans made to the borrower.

(b) GUIDANCE REQUIREMENTS.—The guidance required by subsection (a) shall include—

(1) detailed guidance for borrowers on how to return to the lender that made a PPP loan to the borrower the unused amounts of such PPP loan;

(2) detailed guidance for lenders regarding the responsibilities of lenders, including that a lender must—

(A) accept the return of any unused amounts of any PPP loan from a borrower or any other source (including law enforcement) if the lender made such PPP loan;

(B) document the reason for the return of such unused amounts, the identification number of the PPP loan, the name of the borrower of the PPP loan, and the name of the person returning such unused amounts if different than the borrower;

(C) remit such unused amounts to the Administration;

(D) make the guidance described in paragraph (1) available to borrowers described in such paragraph; and

(E) if the lender made a PPP loan, periodically certify that the lender has reported and returned to the Administration all unused amounts of PPP loans returned to the lender;

(3) detailed guidance for financial institutions holding funds from a PPP loan on the procedure for returning such funds to the Administration if the financial institution suspects the borrower may be committing fraud with respect to the PPP loan or any other issue for which the financial institution should return the funds the Administration; and

(4) detailed guidance for borrowers and lenders of PPP loans, financial institutions described in paragraph (3), and other relevant individuals and entities on complying with the requirement to report to the Office of the Inspector General for the Small Business Administration any information indicating the occurrence of fraud with respect to a PPP loan.

SEC. 2. RETURNS HANDLING PROCESS.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall issue guidance es-

tablishing a process for the Small Business Administration to track amounts of PPP loans returned to mitigate the risk of financial loss to the Federal Government.

(b) RETURNS HANDLING PROCESS REQUIREMENTS.—The process established under subsection (a) shall require—

(1) the Administration to accept returns of unused amounts of PPP loans; and

(2) the Administrator to deposit in the general fund of the Treasury the unused amounts of PPP loans returned to the Administration.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATION.—The term "Administration" means the Small Business Administration.

(2) ADMINISTRATOR.—The term "Administrator" means the Administration of the Small Business Administration.

(3) PPP LOAN.—The term "PPP loan" means a loan made under paragraph (36) or (37) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)).

SEC. 4. 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.

.....

(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To require the Administrator of the Small Business Administration to report on the veterans interagency task force, to require the Comptroller General of the United States to report on access to credit for small business concerns owned and controlled by covered individuals, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. DAVIDS of Kansas introduced the following bill; which was referred to the Committee on _____

A BILL

To require the Administrator of the Small Business Administration to report on the veterans interagency task force, to require the Comptroller General of the United States to report on access to credit for small business concerns owned and controlled by covered individuals, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Successful Entrepreneurship for Reservists and Veterans Act" or the "SERV Act".

SEC. 2. REPORTING REQUIREMENT FOR VETERANS INTERAGENCY TASK FORCE.

Section 32(c) of the Small Business Act (15 U.S.C. 657b(c)) is amended by adding at the end the following:

"(4) REPORT.—Along with the budget justification documents for the Small Business Administration submitted to Congress in connection with the budget for a fiscal year submitted under 1105 of title 31, United States Code, the Administrator shall submit a report—

"(A) discussing the appointments made to and activities of the task force; and

"(B) identifying and outlining a plan for outreach and promotion of the programs and services for veterans, including Veteran Business Outreach Centers, Boots to Business, Boots to Business Reboot, Service-Disabled Entrepreneurship Development Training Program, Veteran Institute for Procurement, Women Veteran Entrepreneurship Training Program, and Veteran Women Igniting the Spirit of Entrepreneurship.".

SEC. 3. GAO REPORT ON ACCESS TO CREDIT.

(a) REPORT ON ACCESS TO CREDIT.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report on the ability of small business concerns owned and controlled by covered individuals to access credit to—

(A) the Committee on Veterans' Affairs and the Committee on Small Business and Entrepreneurship of the Senate; and

(B) the Committee on Veterans' Affairs and the Committee on Small Business of the House of Representatives.

(2) CONTENTS.—The report submitted under paragraph (1) shall include, to the extent practicable, an analysis of—

(A) the sources of credit used by small business concerns owned and controlled by covered individuals and the average percentage of the credit obtained from each source by such concerns;

(B) the default rate for small business concerns owned and controlled by covered individuals, disaggregated by each source of credit described in subparagraph (A), as compared to

the default rate for the source of credit for small business concerns generally;

(C) the Federal lending programs available to provide credit to small business concerns owned and controlled by covered individuals;

(D) gaps, if any, in the availability of credit for small business concerns owned and controlled by covered individuals that are not being filled by the Federal Government or private sources;

(E) obstacles faced by covered individuals in trying to access credit;

(F) the extent to which deployment and other military responsibilities affect the credit history of veterans and Reservists; and

(G) the extent to which covered individuals are aware of Federal programs targeted towards helping covered individuals access credit.

(b) DEFINITIONS.—In this Act:

(1) COVERED INDIVIDUAL.—The term ''covered individual'' means—

(A) a veteran;

(B) a service-disabled veteran;

(C) a Reservist;

(D) the spouse of an individual described in subparagraph (A), (B), or (C); or

(E) the spouse of a member of the Armed Forces.

(2) RESERVIST.—The term "Reservist" means a member of a reserve component of the Armed Forces, as described in section 10101 of title 10, United States Code.

(3) SMALL BUSINESS ACT DEFINITIONS.—The terms "service-disabled veteran", "small business concern", and "veteran" have the meanings given those terms, respectively, under section 3 of the Small Business Act (15 U.S.C. 632).

SEC. 4. COMPLIANCE WITH CUTGO.

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

.....

(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Small Business Act to require reporting on additional information with respect to small business concerns owned and controlled by women, qualified HUBZone small business concerns, and small business concerns owned and controlled by veterans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Small Business Act to require reporting on additional information with respect to small business concerns owned and controlled by women, qualified HUBZone small business concerns, and small business concerns owned and controlled by veterans, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

[**SECTION 1. SHORT TITLE.**

This Act may be cited as the "_____ Act of 2023".]

SEC. 2. REPORT ON SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY WOMEN.

(a) IN GENERAL.—Section 8(m) of the Small Business Act (15 U.S.C. 637(m)) is amended by adding at the end the following new paragraph:

"(9) REPORT.—Not later than May 1, 2024, and annually thereafter, the Administrator shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on small business concerns owned and controlled by women. Such report shall include, for the fiscal year preceding the date of the report, the following:

"(A) The number of applications for certification as a small business concern owned and controlled by women that have sufficient information for the Administrator to make a certification determination, disaggregated by—

"(i) the number of applications certified;

"(ii) the number of applications denied; and

"(iii) the number of applications for which a determination has not been made.

"(B) The number of concerns certified as small business concerns owned and controlled by women by a national certifying entity approved by the Administrator.

"(C) The amount of fees, if any, charged by each national certifying entity for such certification.

"(D) The total dollar amount and total percentage of prime contracts awarded to small business concerns owned and controlled by women pursuant to paragraph (2) or pursuant to a waiver granted under paragraph (3).

"(E) The total dollar amount and total percentage of prime contracts awarded to small business concerns owned and controlled by women pursuant to paragraphs (7) and (8).

"(F) With respect to a contract incorrectly awarded pursuant to this subsection because it was awarded based on an industry in which small business concerns owned and controlled by women are not underrepresented—

"(i) the number of such contracts;

"(ii) the Federal agencies that issued such contracts; and

"(iii) any steps taken by Administrator to train the personnel of such Federal agency on the use of the authority provided under this subsection.

"(G) With respect to an examination described in paragraph (5)(B)—

"(i) the number of examinations due because of recertification requirements and the actual number of such examinations conducted; and

"(ii) the number of examinations conducted for any other reason.

"(H) The number of small business concerns owned and controlled by women that were found to be ineligible to be awarded a contract under this subsection as a result of an examination conducted pursuant to paragraph (5)(B) or failure to request an examination pursuant to section 127.400 of title 13, Code of Federal Regulations (or a successor rule).

"(I) The number of small business concerns owned and controlled by women that were decertified.

"(J) The total number of small business concerns owned and controlled by women.

"(K) Any other information the Administrator determines necessary.".

(b) TECHNICAL AMENDMENT.—Section 8(m)(2)(C) of the Small Business Act is amended by striking "paragraph (3)" and inserting "paragraph (4)".

SEC. 3. REPORT ON SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY QUALIFIED HUBZONE SMALL BUSINESS CONCERNS.

Section 31 of the Small Business Act (15 U.S.C. 657a) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by adding at the end the following new subsection:

"(e) REPORT.—Not later than May 1, 2024, and annually thereafter, the Administrator shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on HUBZone small business concerns. Such report shall include, for the fiscal year preceding the date of the report, the following:

"(1) The number of applications for certification as a qualified HUBZone small business concern that have sufficient information for the Admin-

istrator to make a certification determination, disaggregated by—

"(A) the number of applications certified;

"(B) the number of applications denied; and

"(C) the number of applications for which a determination has not been made.

"(2) The total dollar amount and total percentage of prime contracts awarded to qualified HUBZone small business concerns pursuant to this section.

"(3) The total dollar amount and percent of sole source contracts awarded to qualified HUBZone small business concerns under subsection (c)(2)(A).

"(4) With respect to an examination described in subsection (d)(5)—

"(A) the number of examinations due because of recertification requirements and the actual number of such examinations conducted; and

"(B) the number of examinations conducted for any other reason.

"(5) The number of HUBZone small business concerns that were found to be ineligible to be awarded a contract under this subsection as a result

of an examination conducted pursuant to subsection (d)(5) or a verification conducted pursuant to subsection (d)(2).

"(6) The number of small business concerns that were decertified as qualified HUBZone small business concerns.

"(7) The number of qualified HUBZone small business concerns.

"(8) Any other information the Administrator determines necessary.".

SEC. 4. REPORT ON SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.

Section 36 of the Small Business Act (15 U.S.C. 657f) is amended by adding at the end the following new subsection:

"(j) REPORT.—Not later than May 1, 2024, and annually thereafter, the Administrator shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on small business concerns owned and controlled by service-disabled veterans. Such report shall include, for the fiscal year preceding the date of the report, the following:

"(1) The total number of small business concerns certified as small business concerns owned and controlled by service-disabled veterans.

"(2) The total dollar amount and total percentage of prime contracts awarded to small business concerns owned and controlled by service-disabled veterans pursuant to this section.

"(3) The total dollar amount and percent of sole source contracts awarded to owned and controlled by service-disabled veterans pursuant to subsection (c).

"(4) With respect to an examination described in subsection (h)(2)—

"(A) the number of examinations due because of recertification requirements and the actual number of such examinations conducted; and

"(B) the number of examinations conducted for any other reason.

"(5) The number of small business concerns owned and controlled by service-disabled veterans that were found to be ineligible to be awarded a contract under this subsection as a result of an examination conducted pursuant to subsection (h)(2).

"(6) The number of small business concerns decertified as small business concerns owned and controlled by service-disabled veterans.

"(7) The total number of small business concerns owned and controlled by service-disabled veterans.

"(8) Any other information the Administrator determines necessary.".

SEC. 5. COMPLIANCE WITH CUTGO.

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

.....

(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Small Business Act to require the Small Business and Agriculture Regulatory Enforcement Ombudsman to publish guidance documents for certain rules, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Small Business Act to require the Small Business and Agriculture Regulatory Enforcement Ombudsman to publish guidance documents for certain rules, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Providing Opportunities to Show Transparency via Information Technology Act of 2023" or the "POST IT Act of 2023".

SEC. 2. INCLUSION OF GUIDANCE ON OMBUDSMAN WEBSITE.

(a) WEBSITE REQUIREMENT.—Section 30 of the Small Business Act (15 U.S.C. 657) is amended—

(1) in subsection (e)—

(A) in paragraph (1), by striking "and" at the end;

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(3) to the extent practicable, hyperlinks for such guidance that is designed to set forth policy on a statutory, regulatory, or technical issue, or an interpretation of such issue, for any rule for which an agency produces a small entity compliance guide."; and

(2) by adding at the end the following new subsection:

"(g) PROTECTION OF CONFIDENTIAL INFORMATION.—Subsection (e) does not require the public availability of information that is exempt from public disclosure under section 552(b) of title 5, United States Code (commonly known as the 'Freedom of Information Act').".

(b) APPLICABILITY.—Paragraph (3) of section 30(e) of the Small Business Act (15 U.S.C. 657), as added by

this section, shall apply with respect to guidance on, or interpretation of, a rule for which an agency produces a small entity compliance guide described under section 212(a)(1) of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) on or after the date of the enactment of this Act.

SEC. 3. COMPLIANCE WITH CUTGO.

No additional amounts are authorized to be appropriated to carry out this Act or the amendments made by this Act. Such Act and amendments shall be carried out using amounts otherwise appropriated.

.....

(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To provide for Department of Energy, National Laboratories, and Small Business Administration joint research and development activities, and for other purposes

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IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To provide for Department of Energy, National Laboratories, and Small Business Administration joint research and development activities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "DOE and SBA Research Act".

SEC. 2. DEPARTMENT OF ENERGY AND SMALL BUSINESS ADMINISTRATION JOINT RESEARCH AND DEVELOPMENT ACTIVITIES.

(a) IN GENERAL.—The Secretary of Energy, the appropriate head of a National Laboratory (as defined in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801)), and the Administrator of the Small Business Administration (in this section referred to as the "covered officials") shall enter into a memorandum of understanding or other appropriate agreement to carry out cross-cutting and collaborative research and development activities focused on the joint advancement of Department of Energy and Small Business Administration mission requirements and priorities.

(b) MEMORANDUM OF UNDERSTANDING OR AGREEMENT.—The covered officials shall carry out and coordinate the activities described in subsection (a) by entering into one or more memoranda of understanding or other appropriate agreements, as jointly determined by the covered officials.

(c) INCLUSION OF SMALL BUSINESS CONCERNS.—In carrying out the activities described in subsection (a), the covered officials shall ensure the inclusion of small business concerns (as defined under section 3 of the Small Business Act (15 U.S.C. 632)) in such activities, as appropriate.

(d) OTHER REQUIREMENTS.—In carrying out the activities described in subsection (a), the covered officials may—

(1) carry out reimbursable agreements between the Department of Energy, the Small Business Administration, and appropriate entities in order to maximize the effectiveness of research and development activities carried out pursuant to a memorandum or agreement described in subsection (b); and

(2) collaborate with other Federal agencies as appropriate to carry out such activities.

(e) REPORT.—Not later than two years after the date of the enactment of this Act, the covered officials shall submit to Congress a report on activities carried out pursuant to a memorandum or agreement described in subsection (b) that includes the following:

(1) Coordination between the covered officials involved in such activities.

(2) Potential opportunities to expand the technical capabilities of the Department of Energy and the Small Business Administration.

(3) Collaborative research achievements.

(4) Areas of future mutually beneficial success.

(5) Continuation of coordination activities between the Department of Energy and the Small Business Administration.

(f) RESEARCH SECURITY.—The activities carried out pursuant to a memorandum or agreement described in subsection (b) shall be applied in a manner consistent with subtitle D of title VI of the Research and Development, Competition, and Innovation Act (Public Law 117–167; 42 U.S.C. 19231 et seq.).

SEC. 3. COMPLIANCE WITH CUTGO.

No additional amounts are authorized to be appropriated to carry out this Act or the amendments made by this Act. Such Act and amendments shall be carried out using amounts otherwise appropriated to the Administrator of the Small Business Administration, the Secretary of Energy, or the head of a National Laboratory (as defined in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801)).

.....

(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Small Business Act to standardize reporting on procurement goals for small business concerns, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M__. _____ introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Small Business Act to standardize reporting on procurement goals for small business concerns, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STANDARDIZATION OF REPORTING ON PROCUREMENT GOALS FOR SMALL BUSINESS CONCERNS.

Section 15(h) of the Small Business Act (15 U.S.C. 644(h))—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "fiscal year;" and inserting the following: "fiscal year, including—

"(i) the percentage of the total value of procurement contracts awarded to each such type of small business concern described in this subparagraph;

"(ii) the total value of procurement contracts awarded to each such concern;

"(iii) the number of small business concerns in each such type of small business concern described in this subparagraph that was awarded a procurement contract by the Federal agency; and

"(iv) the number of each such concern awarded a procurement contract by the Federal agency for the first time;"; and

(B) in subparagraph (C), by inserting ", including a discussion of the actions taken to implement previously proposed practices to meet such goals and an analysis of the efficacy of such practices" after "goals"; and

(2) in paragraph (2)—

(A) in subparagraph (D), by striking "and" at the end;

(B) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(C) by inserting after subparagraph (D) the following new subparagraph:

"(E) a list of the practices described in paragraph (1)(C);".

SEC. 2. COMPLIANCE WITH CUTGO.

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

I

118TH CONGRESS
1ST SESSION

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.

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 2023

Ms. VAN DUYNE (for herself, Ms. SALAZAR, Mr. BEAN of Florida, Mr. ALFORD, and Mr. BARR) introduced the following bill; which was referred to the Committee on Small Business

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A BILL

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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

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.

○

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3995 OFFERED BY MS. VAN DUYNE OF TEXAS

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 regu-

latory 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.

☒

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3995

OFFERED BY M s . Velázquez

Strike section 2 and insert the following:

SEC. 2. REPORT ON EFFECT OF REGULATIONS ON SMALL BUSINESS CONCERNS.

Not later than 60 days after the last day of a fiscal year, the Chief Counsel of Advocacy of the Small Business Administration shall submit to Congress a report on any regulations issued by other Federal agencies that have an impact on, including a benefit to, small business concerns (as defined under section 3 of the Small Business Act (15 U.S.C. 632)). 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.

Strike section 3.

Amend the title so as to read: "A bill to require the Chief Counsel of Advocacy of the Small Business Administration to submit a report on regulations that impact small business concerns, and for other purposes.".

☒

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3995 OFFERED BY MR. PHILLIPS OF MINNESOTA

In section 2, strike subsection (a) and insert the following:

(a) IN GENERAL.—The Administrator of the Small Business Administration shall ensure that the costs of the small business regulatory budget for a fiscal year do not exceed the benefits, except—

(1) with respect to rules relating to eliminating fraud, waste, or abuse; or

(2) in fiscal year during which a national emergency is declared by the President under the National Emergencies Act (50 U.S.C. 1601 et seq.).

In section 2(b)—

(1) strike "Administrator" and insert "Chief Counsel of Advocacy"; and

(2) insert ", including benefits to," after "impact on".

In section 2(c), strike "cost" and insert "costs and benefits".

☒

AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3995

OFFERED BY M s . Chu

In section 2(a), insert ", except with respect to rules that benefit small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined under section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C))), small business concerns owned and controlled by women (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), or small business concerns owned and controlled by rural entrepreneurs" after "zero".

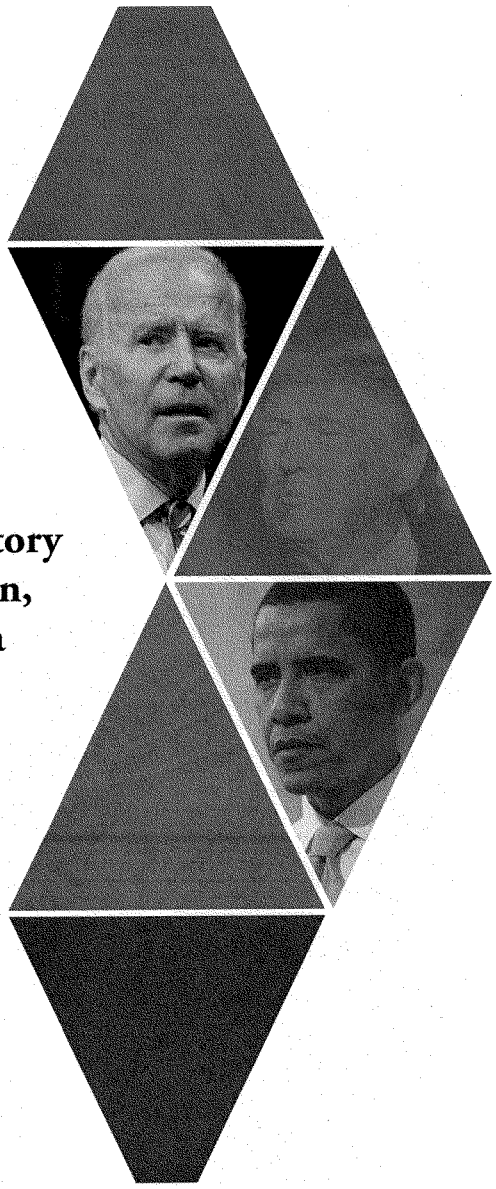
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AMENDMENT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 3995

OFFERED BY M s . Davids

In section 2(a), insert ", except with respect to rules that promote workforce development or that benefit small business concerns owned and controlled by service-disabled veterans or small business concerns owned and controlled by veterans (as defined in section 3 of the Small Business Act (15 U.S.C. 632))" after "zero".

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Burden is Back: Comparing Regulatory Costs between Biden, Trump, and Obama

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COMMITTEE TO UNLEASH PROSPERITY

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Government regulation may be the single greatest barrier to prosperity. The federal executive branch alone issues hundreds of new regulations each year that add to the 200,000 pages of federal rules already in place.

With so many components, regulation can be difficult to distill into important trends or even to comprehend its cumulative costs. The purpose of this report is to compare and contrast the regulatory records of Presidents Biden, Trump, and Obama.

The main findings are:

- As of the end of 2022, the Biden administration imposed new regulatory costs on American households and businesses at a pace surpassing that of the Obama administration during a comparable period.
- The added costs from these Biden-era final rules, which include both their current and expected future costs, amount to almost $10,000 per household. If regulatory costs continue to rise at the same rate as they did during the Obama administration, the total costs of Biden's rulemaking over an eight-year period would almost reach $60,000 per household.
- While the automobile fuel economy and emissions standards contribute the greatest single cost, they still account for only a third of the total regulatory costs. Collectively, health, labor, telecommunications, and consumer finance regulations impose costs that exceed those of automobile regulations.
- President Trump reduced regulatory costs almost as fast as President Obama and Biden were adding them. Without even counting Operation Warp Speed, the Trump administration's agencies through four years reduced regulatory costs by almost $11,000 per household in present value.
- Unlike President Obama, who had virtually no deregulation in his first two years, President Biden has already implemented several meaningful deregulations that are treated as negative costs in my estimates.
- This report is the first to comprehensively quantify the costs missing from agency cost assessments. Four agencies impose especially large opportunity and resource costs without acknowledging them.

This report does not assess regulatory benefits, although its bibliography includes references on that subject.

This report makes special use of databases related to agency rulemaking, which are introduced in the first section. The next two sections compare findings across administrations. The fourth section analyzes and audits agency assessments of regulatory costs. Agency cost assessments typically do not adhere to federal standards for cost-benefit analysis, resulting in a systematic and proven propensity to understate costs. A fifth section discusses other sources of regulatory costs while the final section concludes.

Databases Used in This Study

One of five sources is a database of 4,884 final rules promulgated in the Federal Register between 2009 and 2022 as compiled weekly by the American Action Forum (AAF).[1] It indicates rule title, issuing agency, and the cost of the regulation as reported in the Federal Register by the issuing agency. Because two administrations issued final rules in each of 2009, 2017, and 2021, I merged the AAF data with the results of Federal Register searches to assign each rule to a presidential administration.[2] I added three important rules that were missing from the database for 2016: a privacy rule from the Federal Communication Commission (81 FR 87274); the rule jointly promulgated by the Department of Treasury, Department of Labor, and Department of Health and Human Services that prohibited the sale of health insurance plans with duration between three months and 364 days (81 FR 75316); and a Department of Labor rule creating an exception in federal law so that states could mandate employers provide retirement-savings plans.[3] Although technically a Department of Labor "administrator interpretation" (U.S. Department of Labor, Wages and Hour Division 2016) rather than a rule, I add a fourth record regarding the definition of "joint employer" because of its importance for understanding the scope of regulatory costs that are quantified by federal agencies.

The Department of Education's 2022 student loan action (87 FR 61512) was, according to the Government Accountability Office, misclassified as "Waivers and modifications of statutory and regulatory provisions" rather than a rule as defined by the Administrative Procedure Act (U.S. Government Accountability Office 2023). I therefore added it as a fifth record. The Department of Education did not indicate any cost for the action in its Federal Register publication. If had undertaken quantitative analysis would likely have treated it as a transfer with essentially no aggregate cost.

A third database consists of the list of 362 Public Laws passed in the 117th Congress. Their titles and word counts were used to select those potentially containing economically significant regulations and deregulations during the first two years of the Biden Administration. A fourth database consists of nine federal laws enacted pursuant to the Congressional Review Act (CRA) that disapprove of (in effect, rescind) specific rules promulgated by federal agencies. Each of the nine is added to the AAF data as a "final rule" from the same agency with the same title, but (i) with cost equal to the negative of the cost that the agency assessed for the rule disapproved by Congress and (ii) date equal to the date enacted. That brings the amended database to 4,898 rules.

The final source is the Council of Economic Adviser's (CEA) database of economically important federal rules, statutes, and guidance documents during the Obama and Trump administrations. This database includes reassessments of regulatory costs made by a team at CEA.[4] Although not a database, another tool used in this study is CEA's model of the cost of automobile ("light-duty vehicle") regulations concerning fuel economy and greenhouse case emissions (Council of Economic Advisers 2020b).

Categories of Federal Rules

The federal agencies vary widely in the type and scope of rules they promulgate and the quality with which they assess the costs of their rules. I partition them in categories so that the rules are more similar within category. One important category are the rules from the Environmental Protection Agency (EPA) and the Department of Transportation (DOT) regarding the emissions and fuel economy of cars ("light-duty vehicles"). I refer to these as the **CAFE/GHG rules**, in reference to DOT's Corporate Average Fuel Economy and EPA's attention to GreenHouse Gases. I count only six rules in this category between 2009 and 2022 – about 0.1 percent of all rules during that period, but they are of outsized importance in terms of any estimate of their costs. In addition to the EPA and DOT cost estimates, I use CEA's cost model that is based on the inter-manufacturer market for compliance credits (Council of Economic Advisers 2020b). As the amount of real money that market participants pay to relax their compliance, and what other participants receive to voluntary exceed the standards, the price of these credits is a market indicator of compliance costs that is useful to contrast with the engineering analysis used by the agencies.

Another important category are the rules from the Department of Health and Human Services (HHS), the Federal Communications Commission (FCC), the Department of Labor (DOL), and the Consumer Financial Protection Bureau, which I call the **Big 4**. Many of their regulations have an unusually broad reach. Additionally, they have a particularly weak track record when it comes to quantifying their costs, as explained further below.

With much public attention to environmental rules and energy rules, I track EPA (apart from its CAFEGHG rules) and the Department of Energy (DOE) separately. EPA is also worth tracking separately because of their cost assessments are much more comprehensive than the Big 4.

A fifth category consists of the "Airworthiness Directives" promulgated by DOT. These are typically more than 100 rules per year with a combined cost of less than $1 billion. They are the Federal Aviation Administration's notifications that inform owners of various aircraft of a safety deficiency. The final category is the residual of the first five.

Comparing Three Administrations

Biden adds regulatory costs faster than Obama did

Table 1a shows regulatory costs by rule category and administration. I present the results of the Obama administration through the end of 2010 for comparison with those of the Biden administration through the end of 2022.[5] Table 1b follows a similar structure for showing the numbers of rules.

Each category and administration has two cost estimates in Table 1a. One was prepared by the agency issuing the rule. The other is an estimate I prepared either from CEA's cost analysis or imputed on the basis of the empirical relationship between the agency cost and CEA's cost.

All table entries are expressed as a rate per year of rulemaking. An administration promulgating, say, 300 rules per year would have 1200 rules after four years and 2400 after eight. The costs of each rule are net present values because rules typically impose costs in the year the rule takes effect and in each subsequent year.

The Biden administration's regulatory costs through the end of 2022 exceed the Obama administration's over the same time frame. The Biden administration stands out in the "all other" category, which includes its action on forgiving student loans at taxpayer expense. The Congressional Budget Office (2023) estimates the budgetary cost to be $316 billion, with almost all of this cost incurred in the first year of the action. According to OMB (1992, 2019), I estimate the regulatory cost to be the product of the $316 billion and the marginal excess tax burden.[6]

In terms of both costs and number of finalized rules, the Obama administration was more active on EPA and Energy. The EPA rule with the greatest agency cost during that era was a set of "Effluent Limitations Guidelines and Standards" formulated for the first time in 2009 specifically for the construction industry. Also costly were a series of 2010 rules regarding "National Emission Standards for Hazardous Air Pollutants" that were more specific than predecessors. By comparison with the Biden administration, the Obama administration's DOE was quicker to finalize its rules regarding energy conservation standards for residential water heaters, fluorescent lamps, small electric motors, ice-cream freezers, and other appliances.

Table 1a. Regulatory costs by administration and category

Includes CRA disapprovals but not other statutes, guidance documents, antitrust cases, or Operation Warp Speed

Regulatory Costs, billions of 2022 $ per year of rulemaking

	Biden 2021-22 Estimated by:		Trump Estimated by:		Obama 2009-10 Estimated by:	
Category	**agency**	**this report**	**agency**	**this report**	**agency**	**this report**
Big 4 agencies: HHS, FCC, Labor, CFPB	13.7	257.7	6.9	-272.6	11.9	200.4
Auto fuel economy/GHG standards	108.6	186.5	-55.8	-150.9	36.8	187.3
Other EPA	-2.8	1.2	-1.7	-2.8	8.4	13.9
Dept. of Energy	3.8	6.2	0.5	0.8	38.6	63.5
Airworthiness Directives (part of DOT)	0.3	0.3	0.5	0.5	0.8	0.8
All other	49.8	164.8	58.2	101.0	51.5	69.0
All regulations	173.4	616.7	8.6	-323.9	147.9	534.8

Table 1b. Regulatory counts by administration and category

Includes CRA disapprovals but not other statutes, guidance documents, antitrust cases, or Operation Warp Speed

	Numbers of regulations per year of rulemaking								
	Biden 2021-22			Trump			Obama 2009-10		
	Large rules			Large rules			Large rules		
Category	reg's	dereg's	Other	reg's	dereg's	Other	reg's	dereg's	Other
Big 4 agencies: HHS, FCC, Labor, CFPB	3.7	0.5	35.5	2.3	2.3	60.3	2.1	0	44.3
Auto fuel economy/GHG standards	1.0	0.0	0.0	0.0	0.3	0.3	1.0	0	1.0
Other EPA	0.0	0.5	11.5	0.5	0.8	20.8	2.6	0	25.0
Dept. of Energy	1.6	0.0	1.0	0.3	0.0	4.0	2.1	0	9.4
Airworthiness Directives (part of DOT)	0.0	0.0	113.7	0.0	0.0	110.3	0.0	0	159.1
All other	2.1	1.0	93.9	4.3	2.0	142.8	6.3	0	142.4
All regulations	8.3	2.1	255.7	7.3	5.3	338.3	14.1	0	381.4

Notes for Tables 1a and 1b: All table entries are expressed as a rate per year of rulemaking (e.g., President Trump had four years of rulemaking). Rule counts and agency costs are based on the American Action Forum's regulation database, which exclude rules that quantify neither regulatory costs nor paperwork burdens. A "large" rule involves a net present value cost or cost savings of at least $1 billion, as estimated by the agency.

The Biden administration has fewer regulations per year than Obama and Trump in almost every category other than the airworthiness directives. The Biden administration stands out for a few relatively costly regulations, especially the student loan action from the Department of Education or the vaccine mandates.

Trump reduced costs almost as fast as the others add them

The Trump administration's results are entirely different. On an annual basis, President Trump was on net reducing regulatory costs (more than $300 billion per year of rulemaking) almost as fast as Presidents Obama and Biden were creating them ($600 billion per year of rulemaking). The first three categories show a lot of deregulation, especially regarding CAFEGHG and the Big 4. These include removing the net neutrality price controls (FCC), the prohibition on short-term health insurance plans, and various DOL rules discouraging competition in labor markets.

From the perspective of the totals, all three administrations are similar in terms of the residual "all other" category, at least if we take out the Biden student loan action that contributes about $80 billion per year of rulemaking to Table 1a. President Trump's highest-cost regulations in this area were 2020 Defense Department rules requiring cybersecurity processes and practices by its suppliers. After the student-loan action, President Biden's most costly rule in this area was a Treasury rule imposing ownership reporting requirements on both domestic and foreign companies. President Obama's most costly regulation in this category for 2009-10 was a DOT regulation.[7]

Table 1b shows 5.3 large deregulations (rules reducing regulatory costs by at least $1 billion in present value) per year for President Trump compared to 7.3 large regulations. This finding appears to contradict Executive Order 13771, which established a regulatory budget requiring (among other things) "that for every one new regulation issued, at least two prior regulations be identified for elimination" (82 FR 9339). The discrepancy reflects the fact that the AAF sample of rules differs from the rules included in the Trump administration's regulatory budget, with both samples excluding a large number of minor rules. Especially, the regulatory budget included any deregulatory rule, even if it did not quantify regulatory costs or paperwork burden.

An example is the 2018 HHS rule "Removing outmoded regulations regarding the Ricky Ray Hemophilia Relief Fund Program" (83 FR 30081), which officially terminated a program that "is no longer in effect or funded." HHS designated the rule as neither a "significant regulatory action" under EO 12866 nor a "major rule" under the Congressional Review Act, adding that it "is not a substantive rule; rather it is administrative in nature and provides no cost savings … [and] does not affect any information collections." As such, it is not part of the AAF database, but was included in the regulatory budget because HHS "identifies this final rule as a deregulatory action (removing an obsolete rule from the Code of Federal Regulations)." While nonsubstantive deregulations are part of the regulatory budget, nonsubstantive regulations are not. With that said, the combined cost savings from the Trump administration's large deregulatory actions was substantial. By my estimates (Table 1a), the combined savings far exceeds the combined cost of its regulatory actions despite my imputation of large amounts of missing regulatory costs for the Big 4 category.[8]

Does President Biden ever deregulate?

While the Biden administration deregulates far less than the Trump administration did, it has some deregulatory actions. By comparison, the Obama administration had zero rules finalized in 2009 or 2010 that it expected to save at least $1 billion in regulatory costs.

The Biden administration's deregulations largely fit into four categories: following through on deregulations proposed in the Trump administration, reversing price-control regulations imposed by the Trump administration, updating regulations to reflect technological progress, and accounting gimmicks.

Selecting from all Biden rules 2021-22 with cost savings (as estimated by the agency) of at least $100 million, Table 2 shows three agency rules, as well as a statute, that follow through deregulatory projects initiated during the Trump administration. Hearing aids have traditionally required a prescription, making them expensive and more difficult for patients to access. The 2017 Over-the-Counter Hearing Aid Act required the FDA to, with 3 years, propose (via rulemaking) a category of hearing aids that could be sold over the counter. The proposed rule was open for comment and was then supposed to be followed by a final rule 180 days later. As Table 2 shows, the FDA missed the first deadline, but the Biden administration did finalize the rule.

Table 2. Deregulating by following Trump through

Type of deregulation	Trump initiative	Biden finishing	Savings (agency est.)
Allow hearing aids to be sold over the counter	Over-the-Counter Hearing Aid Act (Aug 2017)	FDA proposed rule Oct 2021. Final rule Aug 2022	$0.6B
Undo Michelle Obama's school nutrition program, reducing expense and waste by allowing a wider range of foods.	Proposed rule Nov 2020.	Final rule Feb 2022.	$4.6B
Federal Acquisition Regulation: Revision of Limitations on Subcontracting	Proposed rule Dec 2018.	Final rule Aug 2021.	$0.2B
Reduce restrictions on telehealth provided through Medicare	2020 CARES Act and CMS waivers	Consolidated Appr. Act Dec 2022	NA

The next two rows show rules that the Trump administration proposed in the second half of its term and the Biden administration finalized. During the pandemic, the Trump administration removed barriers to the use of telehealth in the Medicare program, which is the federal health insurance program for the elderly and disabled. The Biden administration made some of the changes permanent by statute at the end of 2022.

At the same time, the Biden administration promulgated costly rules pursuant to the No Surprises Act signed by President Trump.[9] Those rules contribute about the same to my estimate of the Biden cost total as the student loan actions and more than offset the cost savings of the rules shown in Table 2.

Table 3 shows two instances of Biden administration rules that reduce cost by adapting old rules to new technology. The first rule allows manufacturers of driverless cars to skip those mandatory parts and specifications, such as the placement of a steering wheel, that are intended for cars driven in the traditional manner. The second rule, which could also be in Table 2 because it was proposed in 2019, allows certain types of bridges to be inspected biannually rather than annually because better data and trained personnel became available.

Table 3. Deregulation by modernizing

Rule name	Rule description	Savings (agency est.)
Occupant Protection for Vehicles With Automated Driving Systems	"eliminate the need for [driverless car] manufacturers to equip vehicles with redundant manual driving controls in vehicles that do not have manual driving capabilities…"	$0.9B
National Bridge Inspection Standards	New technologies "allow[] for a potentially large number of bridges that currently use a 24-month inspection interval to use Method 1 48-month inspection interval instead."	$0.1B

The Office of Management and Budget has long viewed price control regulations with significant skepticism based on "economic theory and actual experience" with their unintended harms. The Biden administration implemented several price control schemes through the so-called Inflation Reduction Act alone. Table 4 shows two cases – aptly understood as deregulations – where the Biden administration removed price controls. One of the price controls is a prohibition of health insurance plans serving Medicare patients and their agents to receive discounts from pharmaceutical manufacturers known as rebates. The Office of the Actuary and the Congressional Budget Office estimated that the rule would transfer billions of dollars annually from taxpayers to pharmaceutical manufacturers by reducing competition among manufacturers. A significant part of funding the 2022 Inflation Reduction Act was achieved by delaying the implementation of that price control until at least 2032. A second Trump price control would set drug prices in another part of Medicare (Part B) equal to the price control determined by another OECD country. President Biden's Health and Human Services Department (HHS) rescinded the rule, which was already at risk of being vacated by the courts.

Table 4. Deregulating by removing price controls

Type of deregulation	Trump regulation	Biden deregulation	Savings (agency est.)
Business-to-business price controls in pharmaceuticals ("Rebate rule")	Final rule Nov 2020	2022 Inflation Recovery Act	$1.1B
Mirroring European prescription price controls ("Most Favored Nation")	Final rule Nov 2020	Final rule Dec 2021	$0.2B

Table 5 lists five Biden administration rules that might be called deregulation because their agency authors estimate that they reduce costs, but the purported reductions are gimmicks. A common pattern in these rules is to focus on the costs saved by bureaucrats and ignore costs created elsewhere in the market. In one instance, President Trump required HHS to periodically review its old rules or let them expire. This SUNSET rule might have been a kind of automatic deregulation machine, but would have required some effort from the bureaucracy at HHS. The Biden administration halted it, yet show cost savings due to the reduced bureaucratic effort.

Table 5. Biden administration gimmicks that give the appearance of deregulation

Rule description	Why it is a gimmick	Savings (agency est.)
Part of Obamacare annual parameters allows exchanges to do less auditing to confirm eligibility for subsidies	Only exchange effort is counted, with no estimate of the amount of fraud and its consequences	$0.6B
Repeal Trump's requirement that HHS periodically review its rules or let them expire.	Only counts the effort of HHS bureaucrats and not the costs associated with letting HHS rules go on too long.	$0.4B
Prohibit hydrocarbons commonly used for refrigeration	Markets have revealed a preference for the refrigerants and the associated services, so eliminating them has an opportunity cost that EPA ignored.	$6.4B
Inadmissibility on Public Charge Grounds	These costs were already saved when the rule was vacated by the courts.	$0.4B
Electronic filing with the Department of Justice changed from optional to mandatory	Some parties have revealed a preference for paper filing. Removing that option is an opportunity cost that is ignored.	$0.1B

Federal agencies significantly understate the costs of their regulations

According to Professor Cass Sunstein, a former Administrator of the Office of Information and Regulatory Affairs (OIRA), federal agencies have witnessed a "triumph of the technocrats" via a "cost-benefit revolution [that] requires regulators to demonstrate a genuine need for government

action ... weaken[ing] the hold of interest groups, popular opinion, anecdotes, and intuitions" (Sunstein 2018). Yet, despite executive orders and guidance from the Office of Management and Budget (OMB) mandating a cost-benefit analysis (CBA) for important new regulations, agencies neglect major categories of costs – or fail to quantify any costs – of their rules.

Debunking the Myth

Although previous studies have documented agencies' poor cost assessments, this report is the first to formulate and estimate a measurement error model. The model more reliably estimates regulatory costs created or saved by the agencies each year. This model, explained in what follows, is the basis for the alternative cost assessments presented in Tables 1a and 1b.

Aside from DOT and EPA, most prolific rulemaking agencies routinely overlook opportunity and resource costs. Perhaps motivated by the Paperwork Reduction Act, these agencies either leave costs unquantified (McLaughlin and Mulligan 2022) or only quantify clerical costs, often by estimating the number of hours required to perform the paperwork and multiplying by an estimate of the hourly wage of the personnel doing the paperwork.

The basic idea is to conduct an audit of the rules finalized in 2016. This helps quantify patterns of missing costs, which can then be used to impute missing costs in the other years 2009-15 and 2017-2022. Because the purpose is to assess total costs in each category, the strategy is to audit the most important rules.[10] The CEA (2019a) selected important rules based on public attention – as indicated by either Congressional action or a large number of public comments, eleven of which were finalized in 2016. Four of these rules had no cost assessed. All of those were from one of the "Big 4" agencies.[11] One of the important rules with no costs assessed is

> *"the 2016 prohibition of "junk" insurance plans. No cost was assessed for this rule (RIN 1210-AB75) because the rule was designated as not economically significant, but this designation is not supposed to be used unless there is no material adverse effect on any sector of the economy. It seems improbable that no material adverse effect would result from a regulation prohibiting a product that 2 million people would be purchasing (as estimated by the nonpartisan Congressional Budget Office). The CEA later estimated that the annual cost of this regulation was $13 billion, which is 130 times the monetary threshold for economic significance." McLaughlin and Mulligan (2022, p. 16).*

Six others assessed costs significantly lower than CEA did. Only one, from the Department of Agriculture, assessed (slightly) more cost than CEA did.

Table 6 shows the overall results of the 2016 audit.[12] For every dollar of costs that the Big 4 agency acknowledged in their final rules, the audit found another $15.9 in costs in just six rules. Conservatively assuming that there are no missing costs in the other 68 rules from the Big 4, I assume that the true costs of the Big 4's regulations in years other than 2016 are 16.9 times the

costs that the combined agencies report for the year. Whenever the Big 4 deregulates, I make no adjustment to the agency's cost savings except for the three deregulatory rules audited by CEA.[13]

The missing-cost ratio for the remaining rule categories is much less: only 0.7. For all rules that are not from DOT, not CAFECHG, and not Big 4, I assumed that the true costs and costs savings are 1.7 times the reported amount. I assume no missing costs for DOT rules. CAFEGHG rules are each audited.

The $16 missing costs per dollar reported for the Big 4 is measured in 2016, but imputed for other years. About one-third of the imputed (NPV) costs are in 2020 (about $1 trillion, contributing about $250 billion per year of rulemaking to the Trump-administration total). Most of these are from HHS, including the "rebate rule" (see below), the "Transparency rule," and various rules special for the pandemic. $450 billion of the imputed costs are for 2021, and are primarily rules from HHS and Labor regarding the pandemic such as vaccine mandates.

Indeed, a lot of missing costs are expected from the Big 4, although further auditing would be required to know whether they occur in the same 16-to-1 ratio as they did in 2016.[14] For one, more than half of the FCC rules fail to quantify costs. HHS and DOL rarely consider opportunity or resource costs. Several examples, both before and after 2016, have a significant amount of missing costs. Take the 2020 "rebate" rule imposing price controls on business-to-business transactions in the pharmaceutical supply chain. Although OMB circular A-4 instructs that "a particularly demanding burden of proof is required to demonstrate the need for ... price controls," the rule only quantified clerical costs. I estimate the costs to be about $10 billion per year, compared to the $56 million in annual clerical costs assessed by the agency (a ratio of at least 170).[15] McLaughlin and Mulligan cite a 2012 HHS rule that mandated Medicare cover benzodiazepines, known to be at risk of "misuse and abuse" and subsequently identified in tens of thousands of drug overdoses. No cost was reported by the rule for this coverage provision. A July 2021 rule essentially reinstated the definition of "joint employer" made by President Obama's DOL. Although the rule jeopardizes the franchise business model, which is common throughout retail and real estate industries, it cites only $4 million in annual costs.

Table 6. 2016 Audit Results

Rule costs are in billions of 2022 dollars. DOT rules are excluded

	Audited Rule costs			Unaudited Rule costs			Total Rule costs		Missing costs per $ disclosed
Category	Rules	Agency	Missing	Rules	Agency	Missing	Agency	Missing	
Big 4 agencies: HHS, FCC, Labor, CFPB	6	38	1,229	68	39	0	77	1,229	15.9
Auto fuel economy/GHG standards	0	0	0	0	0	0	0	0	NA
Other EPA	0	0	0	27	39	0	39	0	NA
Dept. of Energy	0	0	0	11	23	0	23	0	NA
Airworthiness Directives (part of DOT)	0	0	0	0	0	0	0	0	NA
All other	5	7	71	137	37	0	45	71	1.6
Other EPA + DOE + "all other"	5	7	71	175	99	0	107	71	0.7

President Trump required HHS to regularly review its older rules or let them expire (86 FR 5694). President Biden's HHS withdrew the SUNSET rule (87 FR 32246). In genuine doublespeak, HHS refers to the withdrawal as saving costs because of the administrative burden it anticipates for its staff in considering whether patients and providers are unduly burdened. The rescission rule makes no attempt to quantify the burdens on patients or providers of adhering to outdated rules.

"Paperwork" costs

OIRA keeps an information collection budget that quantifies the "paperwork burden imposed on the public by the Federal Government" (Office of Management and Budget 2021). The total, which includes the burden of longstanding rules, has been about 10 billion person-hours per year. The annual trend has been an increase of about 100 million additional hours per year (Goldbeck 2023). If each rule adds or subtracts paperwork in perpetuity and each paperwork hour has a $42 opportunity cost, then a year with a 100-million-hour increase is adding a $4.2 billion/year perpetuity of paperwork costs.[16] At the 7% discount rate that agencies often use and AAF uses in assembling its database, the net present value of such a year's paperwork cost would be $60 billion.

Recall from Table 1a that, excluding the CAFEGHG and EPA rules that are largely opportunity and resource costs, the agency costs total about $70 billion per year of rulemaking during the Biden and Trump administrations and about $100 billion during the Obama administration. If the paperwork part of this is $60 billion, then we have another indicator that agencies are not quantifying much regulatory cost beyond paperwork.

Auto manufacturing regulation (CAFEGHG rules)

I found six rules between 2009 and 2022 that change either fuel economy or emissions standards for light-duty vehicles. Because their costs are potentially orders of magnitude more than the costs of other "major" rules, I treated them individually as follows.

Between 2018 and 2020, the CEA constructed a model based on the inter-manufacturer market for compliance credits (Mulligan 2020). As the amount of real money that market participants pay to relax their compliance, and what other participants receive to voluntarily exceed the standards, the price of these credits is a market indicator of compliance costs. Furthermore, the credits are closely related to the effects of regulation on auto-industry real GDP as the national accounts traditionally assess them.

CEA used the model to assess the costs of the 2012 rule for 2017 and later model years, which it estimated to be almost $800 billion in net present value. The 2020 "SAFE" rule rolled back that rule halfway in terms of fuel economy and emissions, but more than halfway in terms of costs because of the exorbitant costs of the last bits of abatement (in economics terms, "rising marginal cost"). In a report published in 2020, CEA estimated the cost savings to be about $500 billion in net present value (Council of Economic Advisers 2020b). In preparing this report, I used the same model to estimate the cost of EPA's 2021 rule for light-duty vehicle emissions. I estimated a cost of $309 billion, which is about 70 percent more than the EPA reported.[17] My cost estimate for the smaller 2009 and 2010 rules takes the agencies' cost estimate and rescale it by a factor of 5.1, which is what CEA found for the 2012 rule.

Other Sources of Regulatory Costs

Other executive actions

The executive branch sometimes regulates or deregulates without rulemaking. Such administrative actions include guidance documents, "administrator interpretations," and "Secretary's Orders." The latter appear to be contributing to, among other things, low production of fossil fuels in the U.S. since 2020 (Moore and Mulligan 2022). These actions are not reflected in Tables 1a and 1b, which are limited to final rules and Congressional disapproval thereof.[18]

To some extent, executive orders are just precursors to rulemaking and other executive actions. As such, they help households and businesses anticipate future regulations, which may increase or decrease the costs of those regulations relative to what they would be if the regulations took affect more suddenly. Anticipation of future regulations may also play a role in low production of fossil fuels of late.

Two other significant examples of regulation without rulemaking occurred at the FDA during the Trump administration. In one, FDA commissioner Scott Gottlieb facilitated generic drug approvals beginning in 2017; it was followed by increases in the number of manufacturers and the first reduction in the consumer price index for prescription drugs in 46 calendar years (Mulligan 2022). Another instance was the improved regulatory procedures under Operation Warp Speed, which allowed vaccines for Covid-19 to become available to the public before the end of 2020 – many months, if not years, ahead of experts' predictions. Warp Speed reduced the opportunity costs of regulation – months without a vaccination opportunity – by a trillion dollars or more.

Anti-trust policy

While many federal agencies issue rulemaking to clarify their interpretation of the public laws under their jurisdiction, anti-trust enforcement is largely conducted on a case-by-case basis. The Department of Justice's Antitrust Division, the Federal Trade Commission, or private parties may bring a case against a specific company it believes has violated anti-trust law. The court decisions in those cases are public information that other companies can use to assess what actions might be permissible for them.

Therefore, Table 1a does not reflect regulatory costs created or saved by changes in anti-trust policy over time. Some indicators suggest significant opportunity costs from the Biden administration's stance against corporate mergers (Nylen and Davis 2023).

Statutes: The Inflation Reduction Act

Congress creates regulation too, ranging from the Merchant Marine Act of 1920 (Jones Act) to the so-called Inflation Reduction Act (IRA). The IRA is already famous for its spending, but it also creates several new regulations including at least four regulations that are, from an economic perspective, price controls. The IRA has the federal government setting three types of price ceilings on prescription drugs as well as price ceilings on drug-insurance premiums. The IRA also has a deregulation element, which is to delay the aforementioned rebate rule.

Among the regulatory costs of the IRA's price controls is a reduced pace of drug innovation (Philipson and Durie 2021). A rigorous analysis of the IRA's various regulatory provisions is beyond the scope of this report, but the costs could easily exceed $100 billion in present value.

Note that the costs and cost savings of new statutes like the IRA, Dodd-Frank, or the Affordable Care Act may be counted in whole or in part as the agencies make rules pursuant to the statute. A simple example is the FDA rule allowing hearing aids to be sold over the counter (87 FR 50698). The rule assessed cost savings relative to a baseline of having no rule, even though it would be illegal to have no rule: the 2017 Over-the-Counter Hearing Aid Act required it. The point is not that FDA erred, but rather that it would be double counting to assess the costs savings of the 2017 Over-the-Counter Hearing Aid Act and add it to the cost savings reported in the FDA rule.

Statutes: The Congressional Review Act

Pursuant to the Congressional Review Act, 19 rules have been overturned since 2009: 16 during the Trump administration and 3 so far during the Biden administration. I added the latter 3 as records in the rulemaking database, as I did for the six most economically important of the 16 during the Trump administration. Each is added as a rule from the same agency having the same title but with (i) cost equal to the negative of the cost that the agency assessed for the rule disapproved by Congress and (ii) date equal to the date enacted.

Statutes: PAYGO rule for Executive Branch Actions

The Administrative Pay-as-you-go Act of 2023 requires agencies engaging in discretionary rulemaking that affects federal spending to estimate the rule's budgetary effects. Those that increase spending must include a proposal for additional administrative actions to reduce spending by a commensurate amount.

Note that the budgetary effects of a regulation, while relevant to preparing the federal budget, are distinct from regulatory costs which can be the result of transfers from taxpayers to others but are not identical to those transfers. As OMB Circular A-4 directs rule makers, "Transfers occur when wealth or income is redistributed without any direct change in aggregate social welfare. To the extent that regulatory outputs reflect transfers rather than net welfare gains to society, you should identify them as transfers rather than benefits or costs. … If transfers have sufficient efficiency effects … you should report them [as costs]" (Office of Management and Budget 2003). An example is the aforementioned rebate rule, which was expected to transfer about $20 billion per year from taxpayers to pharmaceutical manufacturers, but the net efficiency cost of that transfer is some fraction of the $20 billion. Moreover, regulations can impose costs on households and businesses without any commensurate effect on the federal budget.

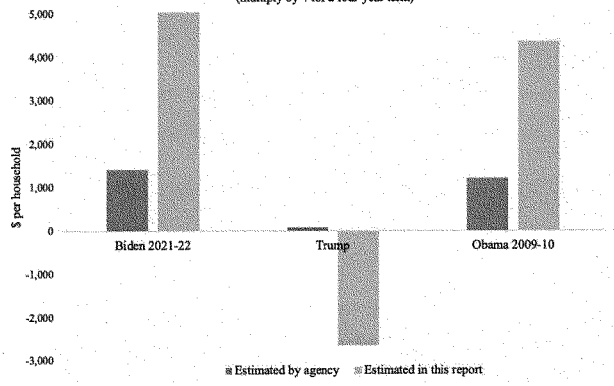
The relationship between transfers and regulatory costs also sheds light on the relationship between administrative PAYGO and the regulatory budget that President Trump initiated with his Executive Order 13771. The regulatory budget required each agency to initially have net regulatory costs of zero (negative in subsequent years) but put no official limit on budgetary costs. PAYGO limits the budgetary costs but not the regulatory costs.

Conclusions

Table 1a shows that the Biden administration has so far been adding regulatory costs at a rate of $617 billion per year of rulemaking, not counting regulatory costs created by statutes and other non-rule regulatory actions. Assuming that the U.S. has 123 million households, the amount shown in Table 1a is equivalent to about $9,600 per household for the rules finalized in 2021 and 2022. These costs are spread over time rather than concentrated in the first year that the rule takes effect.

Table 1a's results are shown graphically in Figure 1, expressed per year of rulemaking. That is, multiply by four for an estimate of regulatory costs during a full presidential term of rulemaking or by eight for two terms.

Figure 1. Additions to Regulatory Costs, by Administration, per year of rulemaking
(multiply by 4 for a four-year term)



Each time frame includes the administration's first round of rules setting fuel-economy standards for light-duty vehicles, but not subsequent rules.

More rulemaking is ahead for the Biden administration. If its rulemaking costs accelerate at the same pace that the Obama administration's did, the result after eight years would be a cumulative $7 trillion, which is almost $60,000 per household.

President Trump showed that regulatory costs can be subtracted rather than perpetually added. Four years of President Trump reduced regulatory costs by about $11,000 per household. Eight years would have saved a total of more than $21,000, which is a gap of $61,000 to $80,000 from the Biden trajectory.

Even if we ignore the large number of regulatory costs missing from the agency estimates, they show a meaningful gap too.[19] Eight years of President Trump would add only $561 to the average household's cost (agency estimate), whereas eight years of Biden staying 15 percent ahead of the Obama administration would cost households almost $11,000 each on average. The stagnation of economic growth, declining worker productivity, and wages that fail to keep up with inflation could well be linked to the resurgence of regulatory burdens.

Appendix I: Regulatory cost averages for all eight years of the Obama administration

Whereas Tables 1a and 1b compare the first two years (closer to 23 months) of the Biden and Obama administration, Table A-1 below shows all eight years the Obama administration. Because all three tables show the results per year of rulemaking, cumulative costs are estimated by multiplying by the number of years that the administration was engaged in rulemaking.

Table A-1. Regulatory costs and counts for eight years of the Obama administration

Includes CRA disapprovals but not other statutes, guidance documents, or antitrust cases

	Regulatory costs estimated by:		Numbers of rules		
			Large rules		
Category	agency	this report	reg's	dereg's	Other
Big 4 agencies: HHS, FCC, Labor, CFPB	20.5	489.7	3.8	0.3	60.6
Auto fuel economy/GHG standards	33.6	171.2	0.4	0.0	0.4
Other EPA	21.1	26.6	2.5	0.0	23.5
Dept. of Energy	31.0	46.3	3.0	0.0	7.8
Airworthiness Directives (part of DOT)	0.9	1.4	0.0	0.0	146.9
All other	33.7	55.0	7.1	0.3	138.0
All regulations	140.9	790.3	16.8	0.5	377.1

Note: all table entries are expressed per year of rulemaking, of which the Obama administration had eight.

Appendix II: Comparison with CEA estimates

This report's purpose is to consistently estimate regulatory costs across three administrations and 14 years. In doing so, the scope of the quantitative work is limited to exclude statutes and subregulatory actions such as guidance documents. The Council of Economic Advisers (2019a, 2020a, 2020b) focused on the cost savings between 2017 and 2019 but included statutes and subregulatory guidance. It concluded that annual regulatory costs were reduced about $220 billion against a baseline of a $238 billion increase.

If Tables 1a and A-1 are converted to annualized costs with a 7 percent rate, they show $91 billion savings against a baseline of a $220 billion increase (not to be confused with CEA's $220 billion). $70 billion of the difference between the two cost savings estimates is the cost savings that CEA estimated for the statutes and subregulatory actions. Moreover, the year 2020 proved to be different from 2017-19. Aside from the CAFEGHG rules, more than 90 percent of the Trump-agency costs shown in Table 1a ($66 billion per year of rulemaking) are due to regulations finalized in 2020. Some of the more notable of these regulations are cited in the main text of this report.

On the other hand, neither Table 1a nor the CEA estimates includes Operation Warp Speed, whose cost savings dwarf even those of President Trump's CAFEGHG rules.[20]

Endnotes

[1] The data is publicly available at http://regrodeo.com/. It includes rules that quantify either regulatory costs or paperwork hours. While the Paperwork Reduction Act encourages agencies to at least consider paperwork hours, 90 percent of rules fail to quantify either (American Action Forum 2023). See also Crews (2015) and Ellig (2016).

[2] Four rules finalized by the Consumer Financial Protection Bureau (CFPB) in 2017 are coded as the Obama administration because as of that time President Trump had been unable to have his appointee head the CFPB. While the Obama appointee was still heading the agency, one of the 2017 rules was nullified as President Trump and the Republican Congress utilized their authority under the Congressional Review Act. President Biden was able to appoint his own acting CFPB director already on January 20, 2021.

[3] The Department of Labor promulgated two similar but separate rules on the same day (81 FR 59464 and 81 FR 59581). I treat the two rules as one for the purposes of this report, as I do for the two public laws passed in 2017 rescinding these rules.

[4] For some of the larger rules, the CEA consulted with OIRA and the agency issuing the rule.

[5] The full eight years of the Obama administration is shown in Appendix I. As will become clearer in what follows, the cost comparisons are facilitated by showing administrations in similar stage of their auto regulation. Both the Biden and Obama administration finalized their first CAFEGHG rules during the first two years, with plans for more ambitious rules later. The Trump Administration finalized its first CAFEGHG rule in 2020.

[6] That is, the regulatory cost is a fraction of the transfer. Arguably student loan forgiveness also adds moral hazard costs on loan-seeking behavior, which I did not estimate.

[7] See Horney and Ellig (2016) for a critical analysis of the rule's cost assessment.

[8] As shown in what follows, 2020 was, by a wide margin, the top year for imputing missing regulatory costs.

[9] As part of the 2021 Consolidated Appropriations Act, the bill received bipartisan support in Congress. President Biden's HHS refers to the subsequent rules as "the Biden-Harris Administration's Actions to Prevent Surprise Billing" (Centers for Medicare and Medicaid Services 2021).

[10] By any assessment, the distribution of regulatory costs across a year's rules is highly skewed, with just a few rules accounting for most of the total. A random audit would therefore be unreliable because it would far understate the average in the likely case that the few large rules were not sampled. Conversely, if the sample happened to include one of the high-cost rules, the random sample method would significantly overestimate the costs of the unsampled rules.

[11] CFPB's final rules in 2016 reported essentially no costs. More important rules would be finalized

in 2017 by President Obama's director, one of which would assess no costs (82 FR 54472) and the other assess only $380 million (82 FR 33210).

[12] In preparing improved cost estimates, CEA (2020a) reviewed "more than 6,000 pages of federal statutes, the Federal Register, and separate agency impact analyses." As part of publishing several of the alternative estimates in Economic Reports of the President, the relevant agencies reviewed them with the opportunity to recommend changes or even veto their publication (Mulligan 2020).

[13] These are DOL's Fiduciary rule (82 FR 56545), DOL's rescission (83 FR 33826) of the Persuader rule, and the law enacted disapproving CFPB's prohibition of arbitration agreements in consumer finance transactions (Public Law 115-74).

[14] President Biden's Executive Order 14008 (86 FR 7619) directs his administration to take "a government-wide approach to the climate crisis." The order specifically cites at least 20 agencies, including several (HHS, Treasury, Labor, HUD) with traditional missions unrelated to carbon emissions or climate. Because these agencies are particularly ill-suited for assessing the costs of "tackling the climate crisis," the magnitude of unmeasured regulatory costs may be greater after 2020 than it was before.

[15] Table 1a reflects an imputation of $17 billion in missing rebate-rule costs based on Table 6's factor of 16, which is also applied to other Big 4 regulations that are neither from 2016 nor in the CEA sample. The purpose of noting that the rebate rule was in fact missing costs by a factor of well more than 100 is to confirm that Big 4 missing costs are in the hundreds of billions while the agencies rarely acknowledge costs beyond $10 billion.

[16] The U.S. Bureau of Labor Statistics (2023) estimates that employee compensation per hour in 2022 was $42. A more detailed accounting would recognize that a year with a net increase in 100 million hours has new paperwork of more than that amount, offset by expiring paperwork requirements.

[17] In 2022, DOT finalized a companion rule with comparatively little incremental cost. I rescaled that cost in the same 1.7 proportion that I found for the more costly 2021 EPA rule.

[18] One DOL administrator interpretation was included for the reasons cited at the beginning of this report.

[19] Appendix II shows how these estimates compare to previous estimates of the regulatory-cost gap between the Trump and Obama administrations.

[20] In 2019, CEA (2019b) did consider a hypothetical pandemic, concluding that removing regulatory barriers would be worth a trillion dollars or more.

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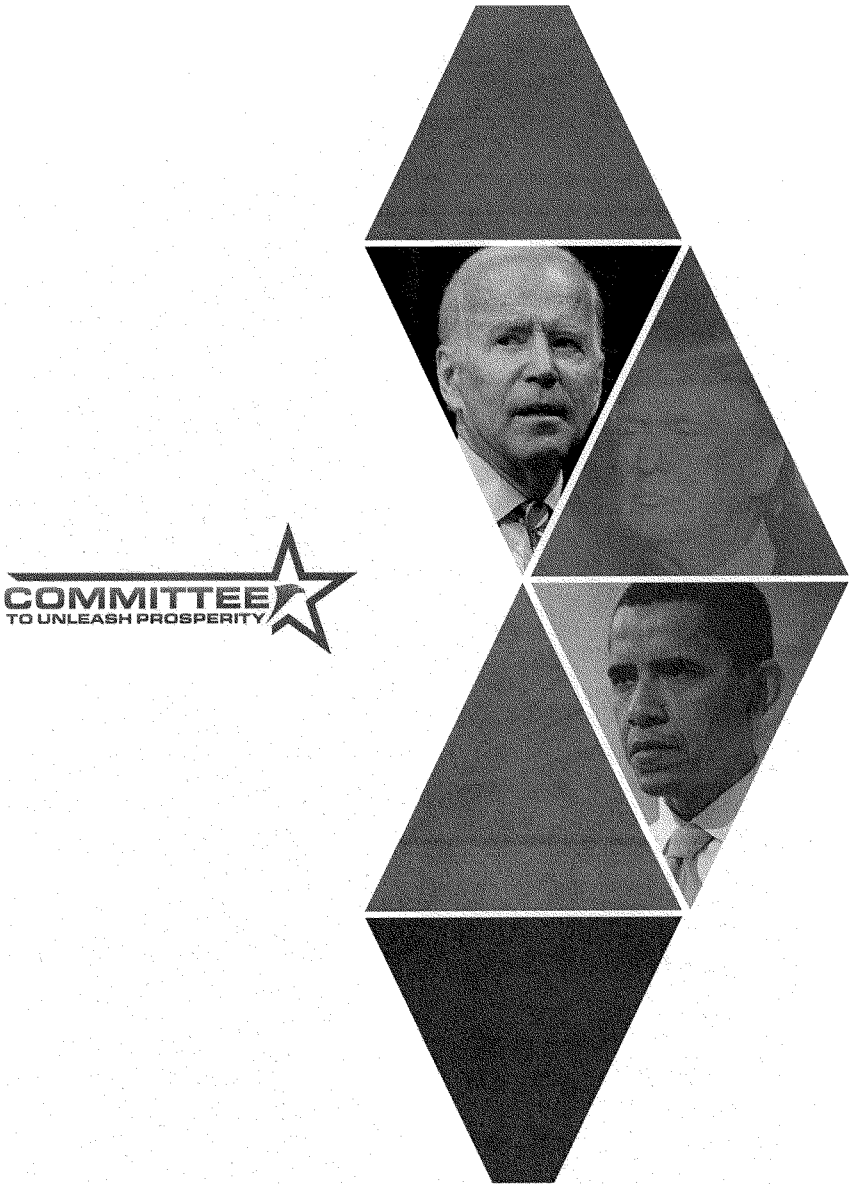
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COMPETITIVE ENTERPRISE INSTITUTE
Advancing Liberty from the Economy to Ecology

July 17, 2023

Dear Members of the House Committee on Small Business,

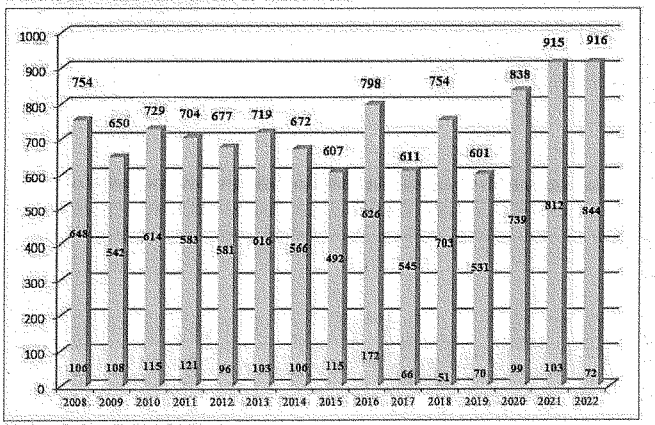
We write to you today ahead of the committee's markup on 07/18/23 to express our support for H.R. 3995, the Small Business Regulatory Reduction Act and the Providing Opportunities to Show Transparency via Information Technology (POST IT) Act. Both bills would shed light on federal regulatory intervention and help stop excessive small business regulation.

The Small Business Regulatory Reduction Act from Rep. Van Duyne (TX-24) would require the Small Business Administration (SBA) to ensure that the net yearly regulatory costs and burdens of new federal rulemaking on small businesses is at or below zero dollars. The bill also requires the SBA to report on all the regulations issued by federal agencies that are expected to have an impact on small businesses.

The slew of major federal spending brought on from COVID and post-COVID legislative packages is likely to spur an unforeseen number of mandates on small businesses. As evidenced in the *Federal Register*, we are already seeing an upward trend in both final and proposed rules expected to impact small businesses.

The following figure shows the yearly number of final rules listed in the *Federal Register* deemed to affect small businesses.

Figure 1 - Number of Final Rules in the *Federal Register* Affecting Small Business
(2008-2022; "Significant" subset depicted in yellow)

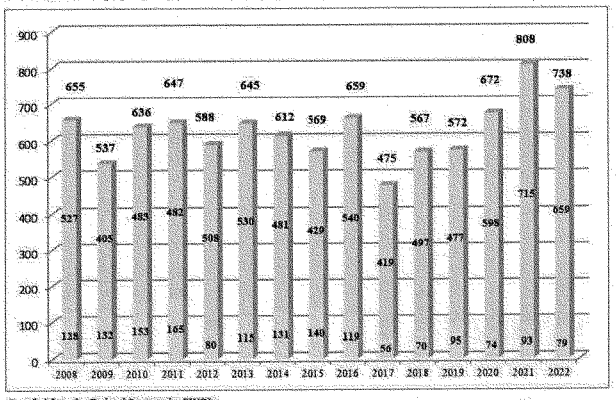


Compiled from the *Federal Register* by CWCR.

While the acknowledged "significant" subset has not quite attained heights that would cause alarm at this juncture, the Biden administration's overall counts for 2021 and 2022 clearly stand well above both the Trump and Obama administrations.

Figure 2 shows the yearly number of proposed rules listed in the *Federal Register* that affect small businesses.

Figure 2 – Number of Proposed Rules in the *Federal Register* Affecting Small Business
(2008-2022; "Significant" subset depicted in yellow)



Compiled from the *Federal Register* by CWCJr.

Proposed rules affecting small business hit a recent peak of 808 in 2021. Despite dropping to 738 under Biden in 2022, this still exceeds Obama-era levels and far exceeds those under President Trump.

It should be noted that while the number of rules acknowledged to affect small businesses in both figures generally show a substantial drop under President Trump, the true numbers are likely even lower given that getting rid of a rule tends to require writing a new one – thus inflating the final count. Similarly, a number of Trump-era rules were also deemed to be "deregulatory" in nature, yet are still included in the final count, too.

Actions have consequences, and the legislative enactments of the past three years have been some of the most substantial the country has ever undertaken. This uptick in final and proposed rules expected to impact small businesses is likely to increase in the coming months and years as recent federal spending and regulatory interventions make their full effects known.

Rep. Van Duyne's Small Business Regulatory Reduction Act would do much to halt this impending regulatory onslaught and ensure into the future that small businesses are protected from overzealous and overreaching bureaucrats.

In a similar vein, Rep. Molinaro's (NY-19) POST IT Act would require agencies to post a follow-up guidance after issuing a rule expected to have significant impact on small businesses.

Mom-and-pop shops across the nation do not have the same resources as large companies to hire legal experts and compliance officers to make sure they are following every minute dictate and decree in the Code of Federal Regulations. Well-meaning small business owners often make every attempt to follow the letter of the law, but regulations are often needlessly complex and obscure. And no one wants to get on the wrong side of the federal government and experience the wrath of regulatory enforcers. The simple requirement in the POST IT Act that agencies post follow-up guidance would help busy, hard-working small business owners comply with the law without costing them much time or money.

It is also significant that the bill requires agencies to post guidance documents to the SBA's National Ombudsman website. As it stands, there is no single place where the public can access guidance documents and other forms of regulatory dark matter. President Trump created a portal back in 2019 for all these documents, but President Biden revoked that via executive order his first day in office. The SBA website requirement is important as it establishes a centralized location on the web where all interested parties can easily access these guidelines and helps in part to restore a semblance of Trumps regulatory guidance portal.

Together, the Small Business Regulatory Reduction Act and Providing Opportunities to Show Transparency via Information Technology (POST IT) Act would do much to protect America's small businesses from undue red-tape and promote better disclosure and transparency. In the 1990s, members of both parties worked together to advance a wide slate of regulatory reform proposals. Chief among them was a small business regulatory relief bill, the Small Business Regulatory Enforcement Fairness Act. Given the economic struggles faced by many in the small business community and the recent increase in rules impacting small businesses, regulatory relief in this space is much needed. Now is the time to advance these bills as the economy is expected to stay sluggish and as we await the deluge in new regulatory intervention.

Clyde Wayne Crews Jr.
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Jeffrey D. Shoaf, Chief Operating Officer

July 17, 2023

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

The Honorable Nydia Velázquez
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, DC 20515

RE: VOTE "YES" ON SMALL BUSINESS REGULATORY REDUCTION ACT AND POST IT ACT DURING JULY 18 MARKUP

Dear Chairman Williams and Ranking Member Velázquez:

The Associated General Contractors of America (AGC)—representing both union and open-shop contractors—urges you and your committee colleagues to support the *Small Business Regulatory Reduction Act* (H.R.3995) and *POST IT Act* during the July 18 markup.

The Small Business Regulatory Reduction Act will require the U.S. Small Business Administration (SBA) to ensure that for each fiscal year the cost to small businesses of the administration's rulemaking, including the modification or repeal of a rule, is not greater than zero. The administration must also report on any regulations issued by other federal agencies that have an impact on small businesses. The POST IT Act will require federal agencies who issue a regulatory rule that has a significant impact on a substantial number of small entities to post follow-up guidance to the rule on the SBA's National Ombudsman's website. This update will help small businesses better understand and comply with guidance that might otherwise be difficult for them to find and understand.

The construction industry must be an integral part of the policymaking processes to help ensure that small business construction firms and the construction workforce can continue to grow and prosper. It is important that any rule that will have a significant impact on the construction industry—especially small businesses—be clearly defined and easily accessible. Likewise, it is critical for Congress to be made aware of any onerous rules that add regulatory and other roadblocks to improving the efficiency of our infrastructure and increased costs to small businesses.

Again, I urge you and your colleagues to vote "yes" *Small Business Regulatory Reduction Act* (H.R.3995) and *POST IT Act* during the July 18 markup to provide small businesses with the necessary information to succeed.

Sincerely,

Jimmy Christianson
Vice President, Government Relations

CC: Members of the House Committee on Small Business

[Chairman yields time to you for an opening statement]

I thank the Chairman for yielding.

My bill, H.R. 4668, the POST IT Act is an important piece of legislation that will make it easier for small businesses to comply with agency guidance.

The bill simply requires agencies who determine that their rules will have a significant impact on a substantial number of small entities to post their follow-up guidance on the S-B-A's National Ombudsman's website.

If federal agencies are going to give direction to small businesses, they must make it accessible and easy to find.

I'd like to thank my colleague Ms. Scholten for her partnership on this bill and I urge my colleagues to support the legislation.

I yield back my time.

Remarks of Rep. Dan Meuser on the Corrective Action Report Oversight and Accountability Act (Gluesenkamp-Perez/Meuser)

Thank you Mr. Chairman. I rise today to speak in support of my colleague, Ms. Gluesenkamp-Perez's bill, the Corrective Action Report Oversight and Accountability Act.

The Small Business Administration is responsible for reporting on the small business contracting activities for the government. This committee heard in May directly from small business contractors about declining small business participation in government contracting. Step one to identifying a solution is to fully understand just how bad the problem is.

This bill requires the SBA to include additional reporting metrics to make available more relevant and accurate contracting data. Federal government agencies have historically failed to meet their contracting goals across a broad range of categories of small businesses.

The additional reporting requirements in this legislation will assist Congress in conducting better oversight over small business contracting and procurement practices. This legislation will also provide Congress with insight into deficiencies in small business contracting and better inform future actions necessary to correct these deficiencies.

I thank my colleague Ms. Gluesenkamp-Perez for working with me on this legislation and urge a yes on it's passage.

I yield back my time.

SBE COUNCIL
Small Business & Entrepreneurship Council

July 18, 2023

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nydia Velazquez
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Williams and Ranking Member Velazquez:

Regulatory complexity and confusion remain a top challenge for our nation's small businesses. Despite protections and legislative efforts aimed at helping small businesses and their employees better comply and navigate federal rules, the volume of regulation and now the onslaught of new regulatory initiatives add costs and risks that intensify the pain points of entrepreneurs during an uncertain economic period. That is why SBE Council strongly supports the Providing Opportunities to Show Transparency via Information Technology Act (POST IT Act).

The mission of the Office of the National Ombudsman is to work "for small businesses to assist them with excessive federal regulatory issues." One way the Office currently offers compliance assistance is by linking to the point of contacts at each agency and their respective compliance guides, which in many cases require a small business to wade through volumes of documents that may not be relevant. These compliance guides are inconsistent across federal agencies in terms of content and "help." Small businesses need more relevant and consistent help.

The POST IT Act will provide valuable, specific guidance and support by requiring federal agencies to post follow-up guidance on major rules on the SBA's National Ombudsman's website. Providing this tool to both small business owners and the National Ombudsman's office will help both better do their daily work. It will help small business owners save time and money, and support the goal of compliance.

If Congress and federal agencies want small business owners to comply with federal rules and regulations, providing streamlined support and direct links to the guidance documents of specific major rules is a means to that end. Therefore, the POST IT Act should be supported by every member of Congress.

Sincerely,

Karen Kerrigan
President & CEO

cc: The Honorable Marc Molinaro

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Protecting Small Business, Promoting Entrepreneurship

SBE COUNCIL
Small Business & Entrepreneurship Council

July 18, 2023

The Honorable Roger Williams
Chairman
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nydia Velazquez
Ranking Member
Committee on Small Business
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Williams and Ranking Member Velazquez:

Especially during a period of heightened federal regulatory activity, as we are currently experiencing, it is important that the Administrator of the Small Business Administration (SBA) understand and quantify the cost of federal regulation so that she or he – and Congress - can better serve the interests of our nation's small business owners. The Small Business Regulatory Reduction Act directs the Administrator to quantify and monitor such costs on small businesses, which is greatly needed as the cumulative costs are overwhelming for many small businesses.

The Small Business & Entrepreneurship Council (SBE Council) strongly supports this legislation.

The SBA and its Administrator need to provide leadership on federal regulatory matters, and more assertively communicate the negative effects of excessive, unwarranted and outdated regulation on small businesses. The cumulative cost and burden of federal regulation disproportionately harm small firms, and by working to ensure that the annual costs of the Administration's rulemakings are not greater than zero, the SBA can have a profound impact on federal rulemaking design and activity.

The legislation requires the SBA to annually report to Congress on federal regulations that have on impact on small businesses. Again, quantifying these costs and whether rules cumulatively exceed a zero-based regulatory budget will provide important information to Congress and regulators about how federal rules are impacting small businesses. This important tool will help Congress with oversight and continually inform regulators, Administration policy leaders and staff, and the public that federal regulation is not free, it comes with costs, which can profoundly affect the competitiveness and viability of small businesses.

Every member of Congress needs to support this common-sense legislation that will help our nation's small businesses more effectively compete, grow and succeed.

Sincerely,



Karen Kerrigan
President & CEO

cc: The Honorable Beth Van Duyne

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