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## United States Senate

COMMITTEE ON SMALL BUSINESS

WASHINGTON, DC 20510-6350

March 16, 1999

EMILIA OSANTO, STAFF DIRECTOR  
PATRICIA R. FORBES, DEMOCRATIC STAFF DIRECTOR

### Hand Delivered

The Honorable Aida Alvarez  
Administrator  
U.S. Small Business Administration  
409 Third Street, S.W.  
Washington, D.C. 20416

Dear Administrator Alvarez:

The Small Business Regulatory Enforcement Fairness Act of 1996 (Act) required federal agencies that regulate the activities of small business to implement programs to provide informal compliance assistance and penalty reductions/waivers to small entities, including small businesses, small governments and small not-for-profit organizations. All such federal agencies, including the Small Business Administration (SBA or Agency), were to report to Congress on implementation of these programs no later than March 29, 1998 — nearly one year ago. To date, SBA has not submitted to this Committee the reports to Congress required under Sections 213 and 223 of the Act.

As Chairman of the Senate Committee on Small Business and as the principal author of the Small Business Regulatory Enforcement Fairness Act, I request a detailed explanation why SBA failed to fulfil its statutory obligation to report to Congress on SBA's implementation of the requirements under Sections 213 and 223. Furthermore, I request that SBA provide these reports to this Committee, as well as the other committees named in the statute to receive the reports, by March 31, 1999. Moreover, should SBA fail to meet a statutory deadline in the future, I expect the Agency to advise this Committee of its failure in writing, describing why the deadline was missed and when the required activities will be completed. In closing, and perhaps most importantly, SBA's failure to comply with these reporting requirements raises questions regarding the Agency's commitment to fulfilling its responsibilities under the Act, which was enacted by Congress to ensure that federal agencies treat small businesses fairly in rulemaking and enforcement activities.

Should you need additional information, please contact me or Suey Howe, the Committee's Regulatory Counsel, at 224-5175.

Sincerely,



Christopher S. Bond  
Chairman