

ORGANIZATIONAL MEETING

HEARING BEFORE THE COMMITTEE ON SMALL BUSINESS UNITED STATES HOUSE OF REPRESENTATIVES ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

HEARING HELD
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ORGANIZATIONAL MEETING

WEDNESDAY, FEBRUARY 1, 2017

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,

Washington, DC.

The Committee met, pursuant to call, at 11:04 a.m., in Room 2360, Rayburn House Office Building, Hon. Steve Chabot [Chairman of the Committee] presiding.

Present: Representatives Chabot, King, Luetkemeyer, Brat, Radewagen, Knight, Kelly, Blum, Comer, González-Colón, Bacon, Marshall, Velázquez, Evans, Murphy, and Lawson.

Chairman CHABOT. The Committee will come to order.

Good morning. We want to welcome everybody here, both Members and those in the audience, and those tens of people at home that are watching this. I call the Committee on Small Business organizational meeting to order. We want to welcome all the returning and new members of the Committee.

Before introducing the new Republican members, I would like to take a moment to recognize the Ranking Democratic Member, Congresswoman Nydia Velázquez, with whom I have served for many years, with one of us in the chair and the other being Ranking Member over a number of years, and sometimes she is in the chair and sometimes I am the chair, and we go back and forth. But hopefully, it will be this way for a while. We don't agree on that I am sure. But we have an excellent working relationship, and I know that we will continue to build on this Committee's strong bipartisan record of accomplishment for entrepreneurs.

We are open to working with our Democratic colleagues on amendments to bills and anything that they think that we can improve the atmosphere and climate for small business in this country.

There are six new Republican Members of the Committee. Rod Blum, now in his second term in Congress, was the CEO of a small software company before his election. He is fired up to join this Committee and put that practical experience to work, and we are happy to have him.

The other five new Members are freshmen. James Comer served as a Kentucky State Legislator, where he had quite a reputation for tackling government waste. Having also run his family's farm in south central Kentucky, I know he has got a passion for rural economic development. We welcome him as well.

Don Bacon has just started his second tour of duty, you might say, in public service. He recently retired from the Air Force as a Brigadier General. And the people of Nebraska decided not to let

him enjoy his retirement. They sent him here, and we are glad they did.

Mr. BACON. Thank you, sir.

Chairman CHABOT. So we welcome you, Don.

Is Brian here?

Mr. MARSHALL. He is not.

Chairman CHABOT. Okay. I think he got held up in another Committee. Well, I will say some nice things about him. You can all tell him I said nice things. Brian Fitzpatrick is from Pennsylvania. He also served our country as an FBI agent and as a special assistant U.S. attorney. Brian and I—well, I will go into the rest a little later.

Jennifer González—is it Colón? Say it for me.

Miss GONZALEZ-COLON. González-Colón.

Chairman CHABOT. González-Colón. Okay. Thank you. —is from Puerto Rico, was one of the nation's youngest elected state-house members, but she didn't stop there. Her colleagues valued her leadership so much that they made her Speaker of the House at the ripe old age of 32. I believe she has an incredibly bright future here in Congress, and we are honored she is starting out here with us. We are going to count on her leadership, just as the people of Puerto Rico certainly did, as they obviously also do with our Ranking Member, Ms. Velázquez.

Dr. Roger Marshall joins us from the first district of Kansas. Dr. Marshall is well home back home, since he has delivered more than 5,000 babies in his career as an OB/GYN. As a physician, his practice is a small business. And that experience is going to be helpful to us as we take a closer look at healthcare solutions in the upcoming weeks and months. We welcome you here, Doctor.

Mr. MARSHALL. Thank you.

Chairman CHABOT. The very diverse backgrounds and constituencies of our freshmen Members will add to the experience and expertise of our returning Members in making sure we deliver a better way for America's small businesses.

I would like to welcome back the members who served on the Committee during the 114th Congress, and many in previous Congresses as well. My friend and fellow Judiciary member, Steve King from Iowa, we are on the Judiciary Committee together and have served many years together, and he is a really good friend. Blaine Luetkemeyer from Missouri, Dave Brat from Virginia, Amata Radewagen from American Samoa, Steve Knight from California, and Trent Kelly from Mississippi, all returning members.

And finally, I would like to announce the Vice Chair of the Committee and the Subcommittee chairs for the 115th Congress. We are pleased that Blaine Luetkemeyer is willing and able to continue serving as the Vice Chair of the Committee in the 115th Congress. He really did a great job in the last Congress. He has been a hard-working, very hard-working member of this Committee for a long time. Very insightful in the questions that he has asked witnesses over the years. I had an opportunity to observe that. He brings a great deal to this Committee.

We are also grateful to Amata Radewagen for continuing her work as Chair of our Subcommittee on Health and Technology. I am looking forward to seeing Dave Brat put his background as an

economist to work as Chair of the Subcommittee on Economic Growth, Tax, and Capital Access. Steve Knight will continue his hard work on contracting reform that he was involved in in the last Congress in his new role as Chairman of the Subcommittee on Contracting and Workforce. Trent Kelly is bringing his years of experience as a District Attorney and a leader in the Army National Guard to his work as Chairman of the Subcommittee on Investigations, Oversight, and Regulations. In addition, Rod Blum will bring his expertise as a tech entrepreneur and representative of a great many Iowa farmers as Chairman of the Subcommittee on Agriculture, Energy, and Trade.

And I would now like to yield to the Ranking Member, Ms. Velázquez, to make a statement or introduce her Members.

Ms. VELAZQUEZ. Sure. Thank you, Mr. Chairman.

I want to first welcome all returning and new Members on both sides of the aisle and take a moment to introduce the Democratic members of the committee. We have new Members, and are still waiting for some other appointments to the committee.

First, Dwight Evans of Pennsylvania. Mr. Evans is new to Congress this term. He previously served in the Pennsylvania House of Representatives for over 35 years, where he was the chair of the Appropriations Committee for two decades. He also serves on the House Committee on Agriculture.

Stephanie Murphy of Florida, is new to Congress. This is her first term. She previously worked at the U.S. Department of Defense, was a businesswoman and a college instructor. She also serves on the House Armed Services Committee.

Mr. Al Lawson of Florida is new to Congress. He previously served in the Florida House of Representatives and the Florida Senate. He also serves on the House Committee on Agriculture.

So I look forward to working with all of you.

Some of the other members are at other Committee hearings. They will be coming in late. As soon as they make it, I will introduce them.

Thank you, Mr. Chairman.

Chairman CHABOT. Thank you very much.

Ms. VELAZQUEZ. I yield back.

Chairman CHABOT. Thank you.

There are over 28 million small businesses in America. While the members of this Committee will inevitably have policy differences, all of us have a common goal: To make sure that our small businesses grow and create the critical jobs that America needs. There are numerous issues where we can find common ground to make government more efficient and ensure that the Small Business Administration carries out the will of Congress. I believe that the Rules Package and Authorization and Oversight Plan will lay the groundwork for finding those areas that we have in common, while maintaining the highest levels of bipartisan for which this Committee is known.

And I would now like to yield to the Ranking Member for the purpose of making an opening statement.

Ms. VELAZQUEZ. Thank you, Mr. Chairman.

Small businesses continue making vital contributions to our economy, and we will do whatever it takes to support them. By the

way, this may be the only committee in Congress that works in a bipartisan matter. And I hope that we will continue doing that. I always say that there is no Republican or Democratic approach when we deal with small businesses.

Generating nearly two-thirds of net new jobs over the last 15 years, small firms are the innovators and drivers of economic progress. Entrepreneurship also serves as the backbone of our nation's economy, enabling individuals to pursue their dreams and become financially self-sufficient.

As we move forward, we must make sure that small businesses are given the resources and protections they need to prosper. As has been said in the past, both Republicans and Democrats want and need small firms to succeed and create jobs in our communities. I look forward to continuing this tradition during the 115th Congress.

Mr. Chairman, I yield back.

Chairman CHABOT. Thank you. The gentlelady yields back.

I would like to thank both the Majority and Minority staffs for their work and cooperation in putting together the Rules Package that we are considering here this morning.

There are no substantive changes from the Rules adopted in the last Congress, the 114th Congress. The Rules have simply been re-ordered and labeled with subheadings to make it easier for Members and staff to consult and follow the appropriate rules. In consideration of time demands of Members, we will continue to apply the 5-minute rule on questioning of witnesses to the Chair and Ranking Member. This worked well during the 114th Congress, and I expect that we will continue to be able to accommodate the needs of all Members in questioning witnesses.

I would now like to recognize the Ranking Member, Ms. Velázquez, for any remarks that she may have relative to the Rules Package.

Ms. VELÁZQUEZ. Thank you.

Our committee's Rules are not only a vital institutional requirement, but they also set clear parameters for how we operate. More importantly, they contain protections ensuring that all points of view are considered. It is important for Members on both sides of the aisle to know that, in most regards, these rules are the rules I used when I was Chair of the committee, and I believe it is a testament to the Chairman's willingness to work in a bipartisan way.

In this day and age, when too many try to stack the rules in their favor, it is refreshing that this committee does not have to be concerned about such distractions. A committee that is run openly and fairly is a committee that works and can best achieve its objective. It is my hope that the Rules we consider today will make this happen. Through their adoption, we will start the 115th Congress in a way that permits us to work across the aisle, and equally important, to solve the problems facing our nation's small businesses.

With that, I yield back, Mr. Chairman.

Chairman CHABOT. Thank you. The gentlelady yields back.

Are there any other Members who would like to have time to speak relative to the rules package?

Okay. If not, the Committee now moves to consideration of the rules package. The clerk will read the title of the document.

The CLERK. Rules and procedures adopted by the Committee—

Chairman CHABOT. I ask unanimous consent that the rules package be considered as read and open for amendment in its entirety.

Does any Member seek recognition for the purpose of offering an amendment?

Seeing no amendments, the question is on adopting the rules. All those in favor, say aye.

Any opposed, say no.

In the opinion of the Chair, the ayes have it. The ayes have it. The Rules for the Small Business Committee in the 115th Congress are adopted. The staff is authorized to make technical and grammatical changes.

Today's second order of business is to consider the Committee's Authorization and Oversight Plan. This plan represents the agenda for the Committee during the 115th Congress. I want to thank the Ranking Member, Ms. Velázquez, for her input on the Authorization and Oversight plan, and her staff and our staff as well.

The plan is similar to the Oversight Plan adopted in the 114th Congress, with an emphasis on a close and thorough examination of all the SBA programs. In addition, this plan reflects the Committee's broad oversight authority under the Rules of the House to investigate, really, any problem affecting small business.

The House Rules for the 115th Congress require each House Committee to include in its Authorization and Oversight Plan any unauthorized programs or agencies within that Committee's jurisdiction that have received funding in the past fiscal year. In the case of permanent authorizations, each Committee must list the programs that have not received a comprehensive review in the prior three Congresses.

This Committee has been diligent about aggressive and bipartisan oversight of programs within its jurisdiction. In reviewing the SBA programs, we have found none that meet the tests set forward in the new House Rules. In the 115th Congress, we will continue the vigorous oversight that this Committee undertook in the 114th, including our ongoing examinations of the SBA 7(a) loan and the HUBZone programs. And we are obviously looking to our new Subcommittee Chairman, Mr. Kelly, for distinguishing himself in that oversight.

At this point, I would yield to the Ranking Member, Ms. Velázquez, for any comments that she may have on the Authorization and Oversight Plan.

Ms. VELÁZQUEZ. Thank you, Mr. Chairman.

The Oversight Plan sets forth a policy framework for our work this Congress. And the Chairman is to be commended on producing a thoughtful document. The plan calls for the robust oversight of the SBA and other federal small business initiatives, a long tradition that this committee takes seriously.

In the past, we have investigated the SBA's disaster and contracting programs, which has yielded positive changes. These are but two examples of the benefits that congressional oversight can provide. It also identifies several programs for review and possible termination. In this context, the committee has forged a bipartisan

consensus opposing the SBA continued creation of unauthorized pilot programs. Diverting scarce taxpayer dollars away from proven programs can open the door to fraud, waste, and abuse, something we are all working to minimize. On the flip side, there are statutorily authorized programs that need more support. One such program is the Women's Procurement Program, which sets aside contracts for women-owned small businesses. Unfortunately, it continues to languish and is underutilized.

But, while the Agency finds millions annually for its pet projects, it neglects important programs like this. In this regard, I look forward to working with my colleagues to examine how the agency is establishing its priorities.

The Majority also cites the need to evaluate trade policies. With President Trump's more protectionist view on trade, it is critical to understand how small businesses will be affected by such changes, as well as their views on the heightened tensions with major trading partners such as Mexico. U.S. businesses sold nearly \$240 billion worth of products to Mexico in 2015, making it the second largest export market for American companies. Many small retailers and restaurants also rely on imports from Mexico. In this regard, I look forward to the committee's examination of how closing or reducing U.S. access to the Mexico market will impact America's small businesses.

In addition, I am glad that the Majority has stated in their Oversight Plan that it will consider ways to enhance the utilization of the Manufacturing Extension Partnership at the Department of Commerce. This is especially important given that President Trump has stated he wants to abolish it.

Similarly, I am also heartened with the Majority's focus on renewable energy, which has been a bipartisan issue for this committee for as long as I can remember. I am hopeful our committee will continue advancing policies and programs important to small businesses.

Finally, regulatory burden is an important issue, and we must continue our work in this area. We need to understand how we can make the regulatory process friendlier to small businesses without undermining essential safeguards that many of these rules provide. We have heard it before, but small businesses need to be a priority when it comes to these issues, not an afterthought.

I look forward to examining these matters this year and continuing to work with Chairman Chabot and the rest of the committee's Members on both sides of the aisle. Whether it is the SBA or matters of importance to small businesses, Congress needs a clear agenda for assisting them. It is paramount that we start addressing these issues quickly. By doing so, we have the potential to truly help create new jobs and move the economy forward. With that, I urge my colleagues to approve this Oversight Plan.

I yield back, Mr. Chairman.

Chairman CHABOT. Thank you. The gentlelady yields back.

Are there any other Members who wish to be recognized for the purpose of making a statement on the Authorization and Oversight Plan?

Okay. If not, the Committee now moves to consideration of the Authorization and Oversight Plan. The clerk will read the title of the document.

The CLERK. Authorization and Oversight Plan——

Chairman CHABOT. I ask unanimous consent that the Authorization and Oversight Plan be considered as read and open for amendment in its entirety.

Does any Member seek recognition for the purpose of offering an amendment?

If not, seeing no amendments, the question is on adopting the Authorization and Oversight Package. All those in favor, say aye.

All opposed, say no.

The ayes have it. In the opinion of the Chair, the ayes it. The ayes have it. The Authorization and Oversight Plan for the Small Business Committee in the 115th Congress is adopted. And Committee staff is authorized to make technical and grammatical changes to the Authorization and Oversight Plan.

And Mr. Fitzpatrick is not here yet, is he? Either Fitzpatrick, because actually the Staff Director of this Committee had back surgery recently. So we appreciate your prayers, condolences, and hope he gets well and gets back here. But we have another Fitzpatrick that is in Committee. My crack staff had noted that he went to LaSalle University, and they were going to mention that I went to the real LaSalle, and that is LaSalle High School in Cincinnati, Ohio. Very humorous thing. I was going to say you are welcome to the Committee anyway, and that would have gone into the ether. He didn't hear it, but you just did. So anyway, great humor by my staff.

I think all our business is complete. So I want to thank everyone for participating today, and we look forward to working with all of you.

If there is no further business to come before the Committee, we are adjourned. Thank you very much.

[Whereupon, at 11:25 a.m., the Committee was adjourned.]

APPENDIX

AUTHORIZATION AND OVERSIGHT PLAN OF THE COMMITTEE ON SMALL BUSINESS FOR THE ONE HUNDRED FIFTEENTH CONGRESS

Mr. Chabot, from the Committee on Small Business, submitted to the Committee on Oversight and Government Reform, the Committee on House Administration and the Committee on Appropriations the following

REPORT

Rule X, cl. 2(d)(1) of the Rules of the House requires each standing Committee to adopt an authorization and oversight plan for the two-year period of the Congress and to submit the plan to the Committees on Government Reform and House Administration not later than February 15 of the first session of the Congress. Under Rule X, the Committee has oversight authority to investigate and examine any matter affecting small business. This Report reflects that broad oversight jurisdiction.

Pursuant to Rule X, cl. 2(d)(1)(F), this Plan also includes proposals to cut or eliminate programs that are inefficient, duplicative, outdated, or more appropriately administered by State or local governments.

House Rule X, cl. 2(d)(2) requires that committee oversight plans include a list of programs or agencies within each committee's jurisdiction with lapsed authorizations that received funding in the prior fiscal year, or a program or agency with a permanent authorization which has not been subject to review by the Committee in the prior three Congresses. The Committee has found no Small Business Administration (SBA) programs that fit these parameters. Rule X, cl. 2(d)(2) also requires a description of the programs or agencies to be authorized in the current Congress or the next Congress, and any oversight to support the authorization of those programs or agencies, and recommendations for moving such programs or agencies from mandatory funding to discretionary appropriations where appropriate. The Committee may consider reforms and improvements to various SBA programs as noted throughout this Authorization and Oversight Plan, including the need for SBA to create appropriate metrics to measure efficacy.

Oversight of Federal Capital Access Programs

The Committee will conduct hearings and investigations of SBA and other federal agencies that provide capital to America's entrepreneurs that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- Effectiveness of the capital access programs to generate jobs in the fastest growing small businesses.
- Whether lenders are meeting their goals to lend to small businesses and create jobs.
- Risk to the taxpayers of the capital access programs.
- Adequacy of SBA oversight of its lending partners to ensure that federal taxpayers are properly protected.

- Capabilities of the SBA information technology to manage the loan portfolio.
- Whether SBA rules, regulations and guidance result in transparent and reasoned decision making with respect to capital access programs.
- Assessment of credit-scoring algorithms as a replacement for individual credit assessment by SBA and its lending partners.
- The exercise of discretion by SBA to create pilot programs and the risk they pose to the taxpayer and whether such authority should be curtailed or eliminated.
- Whether SBA disaster loan program and its oversight ensures that small businesses are able to revive and rebuild communities without unduly placing the federal taxpayer at risk.
- Efficacy and duplication of federal capital access programs offered by the Department of Agriculture to small businesses in rural areas.
- Utilization by small businesses of export capital programs at the Export-Import Bank and the Overseas Private Investment Corporation.
- Continued examination of the Small Business Lending Fund and State Small Business Credit Initiative established by Pub. L. No. 111-240, the Small Business Jobs Act of 2010, in creating jobs and providing capital to small businesses.
- Impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, on small business access to capital.
- Implementation of crowdfunding and other provisions of the Jumpstart Our Business Startups Act, Pub. L. No. 112-106.

In performing oversight, the Committee will focus on risky aspects of financial assistance programs including, but not limited to, commercial real estate refinancing, premier certified lenders, participating security small business investment companies, small business lending companies, express lenders, and loan programs utilizing simplified lending applications.

Oversight of SBA and Other Federal Entrepreneurial Development Programs

The Committee will conduct hearings and investigations into the SBA programs that provide training and advice to small businesses that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- Examining effectiveness of SBA entrepreneurial development programs, including programs for veterans, in creating jobs at startups and traditional firms.
- Determining whether certain programs should be eliminated as a result of their ineffectiveness or duplication of programs provided by other agencies or by the private sector.
- Suggesting methods for enhancing coordination among federal agencies in providing assistance to entrepreneurs, including, but not limited to, businesses located in rural areas and those seeking to provide goods and services in the federal procurement marketplace.
- Enhancing the efficacy and utilization of the Manufacturing Extension Partnership at the Department of Commerce, including developments in renewable energy.
- Recommending improvements in assistance to small businesses in rural areas, including those involved in agriculture, forestry, and energy production.

Oversight of Federal Government Contracting Matters

The Committee will conduct hearings and investigations into the federal procurement system that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- Whether fraud or other problems exist in the federal government contracting programs overseen by the SBA including the 8(a), HUBZone, service-disabled veteran, women-owned contracting, and Small Business Innovation Research programs.
- Effectiveness of SBA contracting programs to increase participation by small businesses in federal procurement.
- Effectiveness of federal agency protections against contract bundling and consolidation.
- The accuracy and utility of SBA size standards and federal procurement databases.
- Operation and effectiveness of federal agency assistance provided to small businesses interested in federal procurement, including that provided by the SBA, Offices of Small and Disadvantaged Business Utilization and Procurement Technical Assistance Centers.
- Development of federal acquisition policies and whether small businesses have sufficiently effective voice in development of such policies.
- Cost-effectiveness of outsourcing government work to private enterprise rather than expanding the government to provide the good or service internally (i.e., government insourcing).
- Implementation and efficacy of changes made in small business federal procurement programs arising from the enactment of the National Defense Authorization Acts for FYs 2012-2016.
- Examination of the Small Business Innovation Research Program as modified by the National Defense Authorization Act for FY 2012, Pub. L. No. 112-81, including, but not limited to, increased efforts at commercializing federally-funded technology.

In performing oversight, the Committee will focus its efforts on uncovering abuse and misuse of the small business designation to obtain federal government contracts.

Oversight of SBA Management

The Committee will conduct the hearings and investigations into the management of the SBA that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- The appropriate mission of the SBA.
- Whether agency employees in the field are empowered to assist small businesses.
- Duplication of offices and missions at SBA headquarters.
- Effectiveness of personnel management to ensure that employees are rewarded for assisting small businesses.
- Capabilities of SBA employees to provide proper assistance to small business owners.
- Agency personnel capabilities to properly manage loan defaults to maximize recovery of collateral.

- Whether SBA improperly utilizes statutory authority to create untested initiatives and the procedures by which the agency develops such programs.

In carrying out this oversight, the Committee will focus particularly on streamlining and reorganizing of the agency's operations to provide maximum assistance to small business owners. Offices that primarily provide assistance or advice to headquarters staff that do not promote the interests of small businesses or protect the federal government as a guarantor of loans will be recommended for cuts or elimination. For some potential offices that the Committee will examine, refer to the section titled "Reductions in Programs and Spending."

Oversight of Federal Regulatory and Paperwork Burdens

The Committee will conduct hearings and investigations into unnecessary, burdensome, and duplicative federal rules, reporting and recordkeeping requirements affecting small businesses that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- Consumer Financial Protection Bureau.
- Consumer Safety Products Commission.
- Department of Agriculture.
- Department of Commerce.
- Department of Energy, particularly the Office of Energy Efficiency and Renewable Energy.
- Department of Health and Human Services, particularly the Centers for Medicare and Medicaid Services and Food and Drug Administration.
- Department of Interior, particularly the Bureau of Land Management and Fish and Wildlife Service.
- Department of Homeland Security, particularly the Transportation Security Administration.
- Department of Labor, particularly the Occupational Safety and Health Administration and the Wage and Hour Division.
- Department of Transportation, particularly the Federal Aviation Administration and Federal Motor Carrier Safety Administration.
- Department of the Treasury, particularly the Internal Revenue Service.
- Environmental Protection Agency.
- Federal Communications Commission.
- Federal Financial Institutions Examination Council and its constituent agencies.
- Office of Management and Budget, particularly the Office of Federal Procurement Policy.
- Securities and Exchange Commission.

The Committee will identify specific rules and regulations already issued or at the proposed rule stage to assess the impact on small businesses. In addition, the Committee will examine agency compliance with the Regulatory Flexibility Act and Paperwork Reduction Act. The Committee

will pay close attention to the effect that regulations have on startups. Oversight of the regulatory process also will, to the extent relevant, examine the work of the Office of Information and Regulatory Affairs at the Office of Management and Budget. Special attention will be paid to the work performed by the Chief Counsel for Advocacy at the Small Business Administration to ensure that Office is fulfilling its mission to advocate vigorously on behalf of America's small business owners in regulatory matters at federal agencies. Finally, this oversight will entail an examination of compliance by federal agencies with amendments to Executive Order 12,866 and memoranda on regulatory flexibility and regulatory compliance issued by the President on January 18, 2011 and still in effect as of the approval of this Oversight Plan.

Oversight of Federal Tax Policy

The Committee will conduct hearings and investigations into the federal tax code, its impact on small business, and Internal Revenue Service's (IRS) collection of taxes that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- Identification of tax code provisions and proposed rules that hinder the ability of small businesses to create jobs and recommendations for modifying those provisions to boost small business job growth.
- Examination of the structure of the tax code in order to simplify compliance for small businesses.
- Assessment of the recordkeeping and reporting requirements associated with tax compliance and suggestions for reducing such burdens on small businesses.
- Evaluation of the estate tax provisions to determine whether they inhibit the ability of successive generations to maintain successful job creating enterprises.
- Efficiencies at the IRS that improve the interaction between the government and small business owners.
- Inefficiencies at the IRS that force small businesses to divert capital from job growth to tax compliance.

Oversight of Health Care Policy

The Committee will conduct hearings and investigations into federal health care policy (such as Medicare and Medicaid) and the continued implementation of the Patient Protection and Affordable Care Act that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- The cost of the Patient Protection and Affordable Care Act to small businesses, including the self-employed.
- The availability of health insurance in the federal marketplaces established by the Patient Protection and Affordable Care Act.
- The impact of the Patient Protection and Affordable Care Act, Medicare and Medicaid on the ability of physicians, pharmacists, and allied health care providers to offer the best care possible to patients.

- The impact of state tort and insurance laws on the cost of medical care.
- Examination of increases in efficiencies that will improve the provision of health care while reducing costs to small businesses that offer their workers health insurance.

Oversight of Energy Policy

The Committee will conduct hearings and investigations into energy policy to reduce the cost of energy and increase energy independence that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- Innovations developed by small businesses that create greater energy independence.
- Federal regulatory policies that increase dependence on foreign sources of energy.
- Policies needed to incentivize production of energy in the United States.
- Examination of commercialization of research in renewable energy.
- Federal regulations or policies that increase energy costs for small businesses.

The primary thrust of the Committee's efforts will focus on efforts to use the innovation of America's entrepreneurs to fuel the drive for greater energy independence, including the development of renewable energy products.

Oversight of Trade and Intellectual Property Policy

The Committee will conduct hearings and investigations into international trade and intellectual property policies of America and its trading partners that may include any or all of the following, as well as matters brought to the attention of the Committee subsequent to the filing of this Report:

- Impact of free trade agreements to increase exports by American small businesses.
- Oversight of SBA's Office of International Trade and the agency's efforts to promote small business exports.
- Examination of the impact of illicit actions by foreign entities on small businesses and whether the federal government is doing enough to protect their interests.
- Whether the federal government is doing enough to protect the intellectual property rights of small businesses by foreign competitors.
- The impact of federal intellectual property policies, particularly patents and copyrights, to protect the innovations of American entrepreneurs.
- Efforts to increase exports by small businesses.
- Whether the United States Trade Representative and Department of Commerce sufficiently protect the interests of small businesses in the negotiation of free trade agreements.
- Whether the United States Trade Representative takes positions at the World Trade Organization that sufficiently promote the interests of American small businesses.

The focus of oversight will emphasize the best mechanisms to promote and protect advanced technology innovations of small businesses.

Reductions in Programs and Spending

In addition to the programs and policies already cited, the Committee will examine any and all offices and programs that fall within the Committee's legislative jurisdiction to find areas that could lead to reduction in the federal deficit. Some programs and offices may include:

- State Small Business Credit Initiative operated by Department of Treasury.
- Express Loan Program overseen by SBA.
- Emerging Leaders Initiative started by SBA.
- Clusters Program initiated by the SBA.
- Innovation and Impact Fund Pilot Programs operated by the SBA.
- SBA Office of Policy.
- SBA Regional Administrators.
- Office of Advocacy Regional Advocates.
- SBA Deputy District Directors.
- SBA Office of International Trade.
- SBA Office of Native American Affairs.

In particular, the Committee will assess whether reorganization and reassignment of employees to more critical functions at the SBA, such as positions in the Office of Government Contracting and Business Development will provide a more effective agency at helping small businesses to generate growth.

1

Programmatic Duplication

The Committee notes that § 18 of the Small Business Act prohibits duplication of any effort by the Small Business Administration if a program is already offered by another federal agency unless the Small Business Administration expressly authorizes the duplication. The Committee will continue to monitor the Small Business Administration for programs that duplicate the efforts of other federal agencies.

Rules and Procedures

Adopted by the

Committee on Small Business

United States House of Representatives

115th Congress, 2017-18

1. GENERAL PROVISIONS

- (A) Rules of the Committee. The Rules of the House of Representatives, in total (but especially with respect to the operations of committee., Rule X, cl. 1(q), cl. 2, cl. 3(l) and Rule XI), are the rules of the Committee on Small Business (“Committee”) to the extent applicable and are incorporated by reference.
- (B) Appointments by the Chair. Pursuant to the Rules of the House, the Chair shall designate a Member of the Committee Majority to serve as Vice Chair of the Committee. The Vice Chair shall preside at any meeting or hearing during the temporary absence of the Chair. The Chair also reserves the right to designate a Member of the Committee Majority to serve as the Chair at a hearing or meeting.

2. REFERRAL OF BILLS BY THE CHAIR

The Chair will retain consideration of all legislation referred to the Committee by the Speaker. No action will be required of a Subcommittee before legislation is considered for report by the Committee. Subcommittee chairs, pursuant to the rules set out herein, may hold hearings on any bill referred to the Committee.

3. SUBCOMMITTEES

- (A) Generally. Each Subcommittee of the Committee is part of the Committee and is subject to the authority and direction of the Committee, and to the Rules of the House and the rules adopted herein, to the extent applicable. The Chairman and Ranking Member of the Committee are *ex officio* Members of all Subcommittees for the purpose of any meeting conducted by a Subcommittee.

(B) The Committee shall be organized into the following five subcommittees:

(1) Subcommittee on Agriculture, Energy, and Trade

This Subcommittee (which will consist of six (6) Republican Members and four (4) Democratic Members) will address policies that enhance rural economic growth, increasing America's energy independence and ensuring that America's small businesses can compete effectively in a global marketplace.

- Oversight of agricultural policies.
- Oversight of environmental issues and regulations (including agencies such as the Environmental Protection Agency and the Army Corps of Engineers).
- Oversight of energy issues, including expansion of domestic resources, whether they are renewable or non-renewable.
- Oversight of international trade policy with particular emphasis on agencies that provide direct assistance to small businesses, such as: the Small Business Administration's (SBA) Office of International Trade, the Department of Commerce's United States Export Assistance Centers, the Department of Agriculture's Foreign Agricultural Service, and the Export-Import Bank.
- Oversight of infringement of intellectual property rights by foreign competition.

(2) Subcommittee on Health and Technology

This Subcommittee (which will consist of six (6) Republican Members and four (4) Democratic Members) will address how health care policies may inhibit or promote economic growth and job creation by small businesses. In addition, the Subcommittee will examine small business job growth through the creation and adoption of advanced technologies.

- Oversight of the implementation of the Patient Protection and Affordable Care Act.
- Oversight of availability and affordability of health care coverage for small businesses.
- Oversight of general technology issues, including intellectual property policy in the United States.
- Oversight of United States telecommunications policies including, but not limited to, the National Broadband Plan and allocation of electromagnetic spectrum.
- Oversight of the Small Business Innovation Research Program.
- Oversight of the Small Business Technology Transfer Program.

(3) Subcommittee on Economic Growth, Tax, and Capital Access

This Subcommittee (which will consist of six (6) Republican Members and four (4) Democratic Members) will evaluate the operation of the financial markets in the

United States and their ability to provide needed capital to small businesses. In addition, the Subcommittee will review federal programs, especially those overseen by the SBA, aimed at assisting entrepreneurs in obtaining needed capital. Since the tax policy plays an integral role in access to capital, this Committee also will examine the impact of federal tax policies on small businesses.

- Oversight of capital access and financial markets.
- Implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- SBA financial assistance programs, including guaranteed loans, microloans, certified development company loans, and small business investment companies.
- Oversight of the Department of Agriculture business and industry guaranteed loan program.
- Oversight of general tax policy affecting small businesses.
- The management of the SBA disaster loan program.

(4) Subcommittee on Investigations, Oversight, and Regulations

This Subcommittee (which will consist of six (6) Republican Members and four (4) Democratic Members) will probe the efficient operation of government programs that affect small businesses, including the SBA, and develop proposals to make them operate in a more cost-effective manner. This Subcommittee also will review the regulatory burdens imposed on small businesses and how those burdens may be alleviated.

- Oversight of general issues affecting small businesses and federal agencies.
- Oversight of the management of the SBA.
- Oversight of the SBA Inspector General.
- Implementation of the Regulatory Flexibility Act.
- Oversight of the Office of Information and Regulatory Affairs at the Office of Management and Budget.
- Use of the Congressional Review Act.
- Transparency of the federal rulemaking process as required by the Administrative Procedure and Data Quality Acts.
- Implementation of the Paperwork Reduction Act.

(5) Subcommittee on Contracting and Workforce

This Subcommittee (which will consist of six (6) Republican Members and four (4) Democratic Members) will assess the federal procurement system, including those programs designed specifically to enhance participation by small businesses in providing goods and services to the federal government. The Subcommittee will examine various programs designed to provide technical assistance to small businesses, whether specifically aimed at federal contractors or small businesses in

general. Finally, the Subcommittee will review the broad scope of workforce issues that affect the ability of small businesses to obtain and maintain qualified employees.

- Oversight of government-wide procurement practices and programs affecting small businesses.
 - Oversight of federal procurement policies that inhibit or expand participation by small businesses in the federal contracting marketplace.
 - All contracting programs established by the Small Business Act, including HUBZone, 8(a), Women-, and Service Disabled Veteran-Owned Small Business Programs.
 - Technical assistance provided to federal contractors and perspective contractors through SBA personnel, Offices of Small and Disadvantaged Business Utilization, and Procurement Technical Assistance Centers.
 - The SBA Surety Bond guarantee program.
 - Oversight of all federal policies that affect the workforce including, but not limited to, the roles of the Department of Labor and the National Labor Relations Board.
 - SBA entrepreneurial development and technical assistance programs unrelated to participation in the federal government contracting.
- (C) Powers and Duties of Subcommittees. Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on any matters referred to it. Prior to the scheduling of any meeting or hearing of a Subcommittee, the Chair of the Subcommittee shall obtain the approval of the Chair of the Committee.
- (D) Hearing Time and Date. No hearing or meeting of a Subcommittee shall take place at the same time as the meeting or hearing of the full Committee or another Subcommittee, *provided however*, that the Subcommittee Chairs may hold field hearings that conflict with those held by other Subcommittees of the Committee.

4. COMMITTEE STAFF

- (A) Majority Staff. The employees of the Committee, except those assigned to the Minority as provided below, shall be appointed and assigned, and may be removed by the Chair of the Committee. The Chair shall fix their remuneration and they shall be under the general supervision and direction of the Chair.
- (B) Minority Staff. The employees of the Committee assigned to the Minority shall be appointed and assigned, and their remuneration determined, as the Ranking Minority Member of the Committee shall decide.
- (C) Subcommittee Staff. There shall be no separate staff assigned to Subcommittees. The Chair and Ranking Minority Member shall endeavor to ensure that sufficient Committee staff is made available in order that each Subcommittee may carry out the responsibilities set forth in Rule 3, *supra*.

5. MEETINGS

- (A) Regular Meeting Day. The regular meeting day of the Committee shall be the second Wednesday of every month when the House is in session. The Chair may dispense with the meeting of the Committee, if in the sole discretion of the Chair, there is no need for such meeting.
- (B) Additional Meetings. Additional meetings may be called as deemed necessary by the Chair or at the request of the majority Members of the Committee pursuant to Rule XI, cl. 2(c) of the rules of the House. At least 3 days' notice of such an additional meeting shall be given unless the Chair, with the concurrence of the Ranking Minority Member, determines that there is good cause to call the meeting on less notice or upon a vote by a majority of the Committee (a quorum being present). To the extent possible, the three days shall be counted from the 72 hours before the time of the meeting. Announcements of the meeting shall be published promptly in the Daily Digest and made publicly available in electronic form.
- (C) Business to be Considered. The determination of the business to be considered at each meeting shall be made by the Chair subject to limitations set forth in House Rule XI, cl. 2(c).
- (D) Meeting Materials. The Chair shall provide to each Member of the Committee, to the extent practicable, at least 48 hours in advance of a meeting, a copy of the bill, resolution, report or other item to be considered at the meeting, but no later than 24 hours before the meeting. Such material also shall be made available to the public at least 24 hours in advance in electronic form.
- (E) Special and Emergency Meetings. The rules for notice and meetings as set forth in Rule 5 of these Rules shall not apply to special and emergency meetings. Clause 2(c)(2) of Rule XI and clause 2(g)(3)(A) of Rule XI of the Rules of the House, as applicable, shall apply to such meetings.

6. NOTICE AND ANNOUNCEMENT OF HEARINGS

- (A) Announcement of Hearings. Public announcement of the date, place and subject matter of any hearing to be conducted by the Committee shall be made no later than 7 calendar days before the commencement of the hearing. To the extent possible, the seven days shall be counted from 168 hours before the time of the Committee's hearing.
- (B) Exception. The Chair, with the concurrence of the Ranking Minority Member, or upon a vote by the majority of the Committee (a quorum being present), may authorize a hearing to commence on less than 7 days' notice.
- (C) Witness Lists. Unless the Chair determines it is impracticable to do so, the Committee shall make a tentative witness list available at the time it makes the public announcement

of the hearing. If a tentative witness list is not made available at the time of the announcement of the hearing, such witness list shall be made available as soon as practicable after such announcement is made. A final witness list shall be issued by the Committee no later than 48 hours prior to the commencement of the hearing.

- (D)Hearing Material. The Chair shall provide to all Members of the Committee, as soon as practicable after the announcement of the hearing, a memorandum explaining the subject matter of the hearing and any official reports from departments and agencies on the subject matter of the hearing. Such material shall be made available to all Members of the Committee no later than 48 hours before the commencement of the hearing, unless the Chair, after consultation with the Ranking Minority Member, determines that certain reports from departments or agencies should not be made available prior to the commencement of the hearing. Material provided by the Chair to all Members, whether provided prior to or at the hearing, shall be placed on the Committee website no later than 48 hours after the commencement of the hearing, unless such material contains sensitive or classified information, in which case such material shall be handled pursuant to Rule 16 of the Committee's Rules.

7. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

- (A)Meetings. Each meeting of the Committee or its Subcommittees for the transaction of business, including the markup of legislation, shall be open to the public, including to radio, television, and still photography coverage, except as provided by House Rule XI, cl. 4. If the majority of Members of the Committee or Subcommittee present at the meeting determine by a recorded vote in open session that all or part of the remainder of the meeting on that day shall be closed to the public because the disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, or would tend to defame, degrade, or incriminate any person or otherwise would violate any law or rule of the House; *provided however*, that no person other than Members of the Committee, and such congressional staff and such executive branch representatives they may authorize, shall be present in any meeting which has been closed to the public.
- (B)Hearings. Each hearing conducted by the Committee or its Subcommittees shall be open to the public, including radio, television and still photography coverage. If the majority of Members of the Committee or Subcommittee present at the hearing determine by a recorded vote in open session that all or part of the remainder of the hearing on that day shall be closed to the public because the disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, or would tend to defame, degrade, or incriminate any person or otherwise would violate any law or rule of the House; *provided however*, that the Committee or Subcommittee may by the same procedure also vote to close one subsequent day of hearings. Notwithstanding the requirements of the preceding sentence, a majority of those present (if the requisite number of Members are present under Committee rules for the purpose of taking testimony) may vote: (i) to close the hearing for the sole purpose of discussing whether

the testimony or evidence to be received would endanger the national security, would compromise sensitive law enforcement information, or violate Rule XI, cl. 2(k)(5) of the House or (ii) to close the hearing, as provided clause 2(k)(5) of Rule XI of the House.

- (C) Participation in Subcommittee Hearings. The Chair and Ranking Minority Member are *ex officio* Members of all Subcommittees for any hearing conducted by a Subcommittee. Members of the Committee who wish to participate in a hearing of the Subcommittee to which they are not Members shall make such request to the Chair and the Ranking Minority Member of the Subcommittee at the commencement of the hearing. The Chair, after consultation with the Ranking Minority Member of the Subcommittee, shall grant such request.
- (D) Non-Participatory Attendance by Other Members of the House. No Member of the House may be excluded from non-participatory attendance at any hearing of the Committee or any Subcommittee, unless the House of Representatives shall by majority vote authorize the Committee or Subcommittees, for purposes of a particular subject of investigation, to close its hearing to Members by the same procedures designated to close hearings to the public.
- (E) Procedure to Participate. Members of Congress who are not Members of the Committee but would like to participate in a hearing shall notify the Chair and the Ranking Minority Member and submit a formal request no later than 24 hours before the commencement of the meeting or hearing.
- (F) Audio and Video Coverage. To the maximum extent practicable, the Committee shall provide audio and video coverage of each hearing or meeting for the transaction of business in a manner that allows the public to easily listen and view the proceedings and shall maintain the recordings of such coverage in a manner easily accessible to the public.

8. WITNESSES

- (A) Number of Witnesses. For any hearing conducted by the Committee or Subcommittee there shall be no more than four non-governmental witnesses of which the Ranking Minority Member of the Committee or Subcommittee (as appropriate) is entitled to select one witness for the hearing.
- (B) Witnesses Selected by the Minority. Witnesses selected by the Ranking Minority Member of the Committee or Subcommittee shall be invited to testify by the Chair of the Committee or Subcommittee (as appropriate). Rule 8(D) shall apply with equal force to witnesses selected by the Ranking Minority Member of the Committee or Subcommittee.
- (C) Small Business Week Exception. The limitations set forth in the preceding paragraph shall not apply if the Committee holds a hearing to honor the work of the small business community in conjunction with the annual celebration of Small Business Week. Witness

limitations for such a hearing shall be determined by the Chair in consultation with the Ranking Minority Member.

(D) Statement of Witnesses.

(1) Each witness who is to appear before the Committee or Subcommittee shall file an electronic copy of the testimony with the Committee and the Ranking Minority Member no later than 48 hours before the commencement of the hearing. In addition, the witness shall provide 25 copies of the testimony by the commencement of the hearing. The Chair may waive the requirement by the witness providing 25 copies in which case the Committee or Subcommittee shall provide the 25 copies.

(2) Each non-governmental witness shall provide to the Committee and the Ranking Minority Member, no later than 48 hours before the commencement of the hearing, a curriculum vitae or other statement describing their education, employment, professional affiliation or other background information pertinent to their testimony.

(E) Witness Disclosure. As required by Rule XI, cl. 2(g) of the Rules of the House, each non-governmental witness before the commencement of the hearing shall file with the Chair a disclosure form detailing any contracts or grants that the witness has with the federal government, as well as the amount and country of origin of any payment or contract related to the subject of the hearing originating with a foreign government. In addition, each non-governmental witness shall file with the Committee Chair a disclosure form detailing any payments or contracts received from a foreign government if such payments or contracts are related in any manner to the subject matter of a hearing. Such information shall be posted on the Committee website within 24 hours after the witness appeared at the hearing.

(F) Failure to Comply. The failure to provide the materials set forth by the deadlines set forth in these rules may be grounds for excluding both the oral and written testimony of the witness unless waived by the Chair of the Committee or Subcommittee.

(G) Public Access to Witness Materials. The Committee will provide public access to printed materials, including the testimony of witnesses in electronic form on the Committee's website no later than 24 hours after the hearing is adjourned. Supplemental material provided after the hearing adjourns shall be placed on the Committee website no later than 24 hours after receipt of such material.

(H) Questioning of Witnesses. Except when the Committee adopts a motion pursuant to subdivisions (B) and (C) of clause 2(i)(2) of Rule XI of the Rules of the House, Committee Members may question witnesses only when they have been recognized by the Chair for that purpose. Members shall have the opportunity, as set forth in Rule XI, cl. 2 (j) of the Rules of the House, to question each witness on the panel for a period not to exceed five minutes. For any hearing, the Chair of the Committee or Subcommittee may offer a motion to extend the questioning of a witness or witnesses by the Member identified in the motion for more than five minutes as set forth in Rule XI, cl. 2(j)(B).

- (I) Order of Questioning. The Chair of the Committee or Subcommittee shall commence questioning followed by the Ranking Minority Member. Thereafter, questioning shall alternate between the majority and minority Members. Before the gavel has been struck, or in the case of Members arriving simultaneously, the order of questioning shall be based on seniority among Members of his or her own party. After the gavel has been struck, Members first to arrive shall have priority over Members of his or her own party.
- (J) Consideration of Ratio. In recognizing Members to question witnesses, the Chair may take into consideration the ratio of majority and minority Members present in such a manner as to not disadvantage the Members of either party.

9. QUORUM

- (A) Determining a Quorum. A quorum, for purposes of reporting a measure or recommendation, shall be a majority of the Committee Members.
- (B) Quorum for a Hearing. For purposes of taking testimony or receiving evidence, a quorum shall be one Member from the Majority and one Member from the Minority. The Chair of the Committee or Subcommittee shall exercise reasonable comity by waiting for the Ranking Minority Member even if a quorum is present before striking the gavel to commence the hearing. For hearings held by the Committee or a Subcommittee in a location other than the Committee's hearing room in Washington, DC, a quorum shall be deemed to be present if the Chair of the Committee or Subcommittee is present.

10. RECORD VOTES

- (A) When Provided. A record vote of the Committee shall be provided on any question before the Committee upon the request of any Member of the Committee. A record of the vote of each Member of the Committee on a matter before the Committee shall be available in electronic form within 48 hours of such record vote, and, with respect to any roll call vote on any motion to amend or report, shall be included in the report of the Committee showing the total number of votes cast for and against and the names of those Members voting for and against.
- (B) Public Access to Record Votes. The Chair of the Committee shall, not later than 24 hours after consideration of a bill, resolution, report or other item, cause the text of the reported item and any amendment adopted thereto to be made publicly available in electronic form.

11. SUBPOENAS

- (A) Authorization and Issuance. A subpoena may be authorized and issued by the Committee in the conduct of any investigation or series of investigations or activities to require the attendance and testimony of such witness and the production of such books, records, correspondence, memoranda, papers and documents, as deemed necessary. Such subpoena shall be authorized by a majority of the full Committee. The requirement that the authorization of a subpoena requires a majority vote may be waived by the Ranking Minority Member of the Committee.
- (B) Issuance During Congressional Recess. The Chair may issue a subpoena, in consultation with the Ranking Minority Member, when the House is out for session for more than three legislative days.

12. AMENDMENTS DURING MARKUP

- (A) Availability of Amendments. Any amendment offered to any pending legislation before the Committee must be made available in written form by any Member of the Committee. If such amendment is not available in written form when requested, the Chair shall allow an appropriate period for the provision thereof and may adjourn the markup to provide sufficient time for the provision of such written amendment. Such period or adjournment shall not prejudice the offering of such amendment.
- (B) Drafting and Filing of Amendments. For amendments to be accepted during markup, there is no requirement that the amendments be filed prior to commencement of the markup or prepared with the assistance of the Office of Legislative Counsel. Even though it is not necessary, Members seeking to amend legislation during markup should draft amendments with the assistance of the Office of Legislative Counsel and consult with the Chair or Ranking Minority Member's staff (as appropriate) in the preparation of such amendments.

13. POSTPONEMENT OF PROCEEDINGS

- (A) When Postponement is Permissible. The Chair, in consultation with the Ranking Minority Member, may postpone further proceedings when a record vote is ordered on the question of approving any measure or matter or adopting an amendment. The Chair may resume postponed proceedings, but no later than 24 hours after such postponement, unless the House is not in session or there are conflicts with Member schedules that make it unlikely a quorum will be present to conduct business on the postponed proceeding. In such cases, the Chair will consult with Members to set a time as early as possible to resume proceedings but in no event later than the next meeting date as set forth in Rule 5 of these Rules.

- (B) Resumption of Proceedings. When proceedings resume on a postponed question, notwithstanding any intervening order for the previous question, an underlying proposition shall remain subject to further debate or amendment to the same extent as when the question was postponed.

14. COMMITTEE RECORDS

- (A) The Committee shall keep a complete record of all actions, which shall include a record of the votes on any question on which a recorded vote is demanded. The result of any vote by the Committee, or if applicable by a Subcommittee, including a voice vote shall be posted on the Committee's website within 24 hours after the vote has been taken. Such record shall include a description of the amendment, motion, order, or other proposition, the name of the Member voting for and against such amendment, motion, order, or other proposition, and the names of Members present but not voting. For any amendment, motion, order, or other proposition decided by voice vote, the record shall include a description and whether the voice vote was in favor or against.
- (B) Transcripts. The Committee shall keep a complete record of all Committee and Subcommittee activity which, in the case of a meeting or hearing transcript, shall include a substantially verbatim account of the remarks actually made during the proceedings subject only to technical, grammatical, and typographical corrections authorized by the person making the remarks.
- (C) Availability of Records. The records of the Committee at the National Archives and Records Administration shall be made available in accordance with Rule VII of the Rules of the House. The Chair of the Committee shall notify the Ranking Member of the Committee of any decision, pursuant to Rule VII, cl. 3(b)(3) or cl. 4 (b), to withhold a record otherwise available, and the matter shall be presented to the Committee for a determination of the written request of any Member of the Committee.
- (D) Publishing and Posting of Records. The Committee Rules shall be made publicly available in electronic form and published in the Congressional Record not later than 30 days after the Chair of the Committee is elected in each odd-numbered year.

15. COMMITTEE WEBSITE

The Chair shall maintain an official Committee website for the purpose of furthering the Committee's legislative and oversight responsibilities, including communicating information about Committee's activities to Committee Members and other Members of the House. The Ranking Minority Member may maintain a similar website for the same purpose, including communicating information about the activities of the Minority to Committee Members and other Members of the House.

16. ACCESS TO CLASSIFIED OR SENSITIVE INFORMATION

- (A) Access to classified or sensitive information supplied to the Committee or Subcommittees and attendance at closed sessions of the Committee or a Subcommittee shall be limited to Members and necessary Committee staff and stenographic reporters who have appropriate security clearance when the Chair determines that such access or attendance is essential to the functioning of the Committee or one of its Subcommittees.
- (B) Procedures Governing Availability. The procedures to be followed in granting access to those hearings, records, data, charts, and files of the Committee which involve classified information or information deemed to be sensitive shall be as follows:
 - (I) Only Members of the House of Representatives and specifically designated Committee staff of the Committee on Small Business may have access to such information.
 - (II) Members who desire to read materials that are in possession of the Committee shall notify the Clerk of the Committee in writing.
 - (II) The Clerk of the Committee will maintain an accurate access log, which identifies the circumstances surrounding access to the information, without revealing the material examined.
 - (III) If the material desired to be reviewed is material which the Committee or Subcommittee deems to be sensitive enough to require special handling, before receiving access to such information, individuals will be required to sign an access information sheet acknowledging such access and that the individual has read and understands the procedures under which access is being granted.
 - (IV) Material provided for review under this rule shall not be removed from a specified room within the Committee offices.
 - (V) Individuals reviewing materials under this rule shall make certain that the materials are returned to the proper custodian.
 - (VI) No reproductions or recordings may be made of any portion of such materials.
 - (VII) The contents of such information shall not be divulged to any person in any way, form, shape, or manner and shall not be discussed with any person who has not received the information in the manner authorized by the rules of the Committee.
 - (VIII) When not being examined in the manner described herein, such information will be kept in secure safes or locked file cabinets within the Committee offices.
 - (IX) These procedures only address access to information the Committee or Subcommittee deems to be sensitive enough to require special treatment.
 - (X) If a Member of the House of Representatives believes that certain sensitive information should not be restricted as to dissemination or use, the Member may petition the Committee or Subcommittee to so rule. With respect to information and materials provided to the Committee by the Executive Branch or an independent agency as that term is defined in 44 U.S.C. § 3502, the classification of information and materials as determined by the Executive Branch or independent agency shall prevail unless affirmatively changed by the Committee or Subcommittee involved, after consultation with the Executive Branch or independent agency.

- (XI) Other materials in the possession of the Committee are to be handled in the accordance with normal practices and traditions of the Committee.

17. OTHER PROCEDURES

The Chair of the Committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the Committee.

18. AMENDMENTS TO COMMITTEE RULES

The rules of the Committee may be modified, amended or repealed by a majority vote of the Members, at a meeting specifically called for such purpose, but only if written notice of the proposed change or changes has been provided to each Member of the Committee at least 72 hours prior to the time of the meeting of the Committee to consider such change or changes.

19. BUDGET AND TRAVEL

- (A) Allocation of Budget. From the amount provided to the Committee in the primary expense resolution adopted by the House of Representatives in the 115th Congress, the Chair, after consultation with the Ranking Minority Member, shall designate one-third of the budget under the direction of the Ranking Minority Member for the purposes of minority staff, travel expenses of minority staff and Members, and minority office expenses.
- (B) Authorization of Travel. The Chair may authorize travel in connection with activities or subject matters under the legislative or oversight jurisdiction of the Committee as set forth in Rule X of the Rules of the House. The Ranking Minority Member may authorize travel for any Minority Member or staff of the minority in connection with activities or subject matters under the Committee's jurisdiction as set forth in Rule X of the Rules of the House. Before such travel, there shall be submitted to the Chair of the Committee in writing the following at least seven (7) calendar days prior specifying: a) the purpose of the travel; b) the dates during which the travel is to occur; c) the names of the states or countries to be visited and the length of time spent in each; and d) the names of Members and staff of the Committee participating in such travel.

