

Congress of the United States

Washington, DC 20515

July 23, 2004

BY FACSIMILE

Mr. Felipe Mendoza
Associate Administrator
Office of Small Business Utilization
General Services Administration
1800 "F" Street, N.W. #6029
Washington, DC 20405

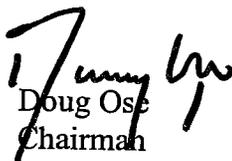
Dear Mr. Mendoza:

This letter follows up on the July 20, 2004 joint hearing of the Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs and the Small Business Subcommittee on Regulatory Reform and Oversight, entitled "What is OMB's Record in Small Business Paperwork Relief? – Part II." As discussed during the hearing, please respond to the enclosed followup questions for the record.

Please hand-deliver the agency's response to the Subcommittee majority staff in B-377 and B-363 Rayburn House Office Building and the minority staff in B-350A and B-343C Rayburn House Office Building not later than August 13, 2004. If you have any questions about this request, please call Barbara Kahlow on 226-3058.

Thank you for your attention to this request.

Sincerely,



Doug Ose
Chairman

Subcommittee on Energy Policy, Natural
Resources and Regulatory Affairs



Edward L. Schrock
Chairman

Subcommittee on Regulatory
Reform and Oversight

Enclosure

cc The Honorable Tom Davis
The Honorable John Tierney

The Honorable Donald A. Manzullo
The Honorable Charles A. Gonzalez

Q1. Enforcement & Waiver/Reduction Policies for First-Time Violations by Small Business. The Small Business Paperwork Relief Act (SBPRA) required each agency to submit its first enforcement report to Congress by December 31, 2003. To date, the General Services Administration (GSA) has not yet submitted its report. Your testimony stated that GSA did not assess any civil penalties in 2003 (p. 4). However, GSA assessed civil penalties in previous years, as indicated in some of the Office of Management and Budget's (OMB) "Federal Financial Management Status Report and 5-Year Plan" reports. In addition, GSA penalizes small businesses in its contracting practices.

- a. Why has GSA not submitted its enforcement report, statutorily due December 31, 2003, stating that it did not assess any civil penalties in Fiscal Year (FY) 2003? When will GSA do so?
- b. What is GSA's policy for first-time violations by small business that do not have the potential to cause serious harm to the public?
- c. Has GSA's policy changed since the June 2002 enactment of SBPRA? If so, how? If not, did your agency's policy change after the 1996 enactment of the Small Business Regulatory Enforcement Fairness Act (SBREFA), which required agencies to develop plans for waiving and/or reducing fines, as appropriate, on small business. If so, how? If not, why not?
- d. Does GSA have different policies for first-time violations by small business of paperwork requirements vs. first-time violations by small business of regulatory requirements? If so, please explain.
- e. Does GSA track first-time violations by small business of either paperwork requirements or regulatory requirements or both? If not, will you begin to do so?

Q2. Compliance Assistance Resources. OMB's June 2004 listing includes no compliance assistance information whatsoever for GSA. Your testimony stated that GSA is "in the process of compiling a list" (p. 5).

When will GSA provide all of the missing information? What is the reason for this noncompliance?

Q3. Single Point of Contact. You serve as GSA's Single Point of Contact (SPOC).

- a. As GSA's SPOC, how many calls have you received from small business?
- b. What topics did they cover?
- c. Were you able to answer all questions posed? If not, how were they handled? And, was the response complete and timely?

d. Did OMB, the Small Business Administration, or anyone else train you as GSA's SPOC? If not, do you think that training would help?

Q4. SBPRA Task Force. OMB's June 2004 report indicates that you served on the OMB-chaired SBPRA task force.

- a. How many meetings of the task force did you attend?
- b. What was your role, if any, in the task force?

PAPERWORK REDUCTION INITIATIVES/RESULTS

Q5. Burdensome GSA Paperwork. On April 11, 2002, Abator President and CEO Joanne E. Peterson testified before the Ose Subcommittee about paperwork burdens imposed on small businesses. She explained that, in order to expand her business in Ohio, she needed to get on the State Term contract list. To do this, she had to successfully complete GSA Solicitation FCIS-JB-980001B - REFRESH #10-9 ("Federal Supply Schedule for General Purpose Commercial Information Technology Equipment, Software, and Services," including having to complete GSA Standard Form 1449, OMB Nos. 9000-0136 & 3090-0163), which ran over 200 pages long and cost roughly \$12,232 in direct labor (about 640 man-hours) and supplies. Peterson stated, "Adding the federal GSA Solicitation requirement on top of an already complicated and burdensome state process puts small firms like Abator at a competitive disadvantage to large corporations that compete for this government work."

Can GSA reduce the burden of this specific paperwork requirement? If so, how? If not, why not? What paperwork reduction initiatives has GSA accomplished since 1/20/01 to benefit small businesses?

[OMB's Information Collection Inventory:

OMB NO: 9000-0136 EXPIRATION DATE: 10/31/2006
RESPS:1,275,000 HOURS:397,800 COSTS(000):\$0
Commercial Item Acquisitions - FAR Sections Affected: Part 12;
52.212-1 and 52.212-3
FORMS: NONE

OMB NO: 3090-0163 EXPIRATION DATE: 11/30/2004
RESPS:172,500 HOURS:68,900 COSTS(000):\$0
Information Specific to a Contract
FORMS: NONE]