

110TH CONGRESS
1ST SESSION

H. R. 456

To amend title 44 of the United States Code, to provide for the suspension of fines under certain circumstances for first-time paperwork violations by small business concerns.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 12, 2007

Mr. NEUGEBAUER introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 44 of the United States Code, to provide for the suspension of fines under certain circumstances for first-time paperwork violations by small business concerns.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Paper-
5 work Relief Act”.

1 **SEC. 2. SUSPENSION OF FINES FOR FIRST-TIME PAPER-**
2 **WORK VIOLATIONS BY SMALL BUSINESS CON-**
3 **CERNS.**

4 Section 3506 of title 44, United States Code (com-
5 monly referred to as the “Paperwork Reduction Act”), is
6 amended by adding at the end the following:

7 “(j) SMALL BUSINESSES.—

8 “(1) SMALL BUSINESS CONCERN.—In this sub-
9 section, the term ‘small business concern’ means a
10 business concern that meets the requirements of sec-
11 tion 3(a) of the Small Business Act (15 U.S.C.
12 632(a)) and the regulations promulgated under that
13 section.

14 “(2) IN GENERAL.—In the case of a first-time
15 violation by a small business concern of a require-
16 ment regarding the collection of information by an
17 agency, the head of such agency shall not impose a
18 civil fine on the small business concern unless the
19 head of the agency determines that—

20 “(A) the violation has the potential to
21 cause serious harm to the public interest;

22 “(B) failure to impose a civil fine would
23 impede or interfere with the detection of crimi-
24 nal activity;

25 “(C) the violation is a violation of an inter-
26 nal revenue law or a law concerning the assess-

1 ment or collection of any tax, debt, revenue, or
2 receipt;

3 “(D) the violation was not corrected on or
4 before the date that is 6 months after the date
5 of receipt by the small business concern of noti-
6 fication of the violation in writing from the
7 agency; or

8 “(E) except as provided in paragraph (3),
9 the violation presents a danger to the public
10 health or safety.

11 “(3) DANGER TO PUBLIC HEALTH OR SAFE-
12 TY.—

13 “(A) IN GENERAL.—In any case in which
14 the head of an agency determines under para-
15 graph (2)(E) that a violation presents a danger
16 to the public health or safety, the head of the
17 agency may, notwithstanding paragraph (2)(E),
18 determine not to impose a civil fine on the
19 small business concern if the violation is cor-
20 rected not later than 24 hours after receipt by
21 the small business owner of notification of the
22 violation in writing.

23 “(B) CONSIDERATIONS.—In determining
24 whether to provide a small business concern
25 with 24 hours to correct a violation under sub-

1 paragraph (A), the head of the agency shall
2 take into account all of the facts and cir-
3 cumstances regarding the violation, including—

4 “(i) the nature and seriousness of the
5 violation, including whether the violation is
6 technical or inadvertent or involves willful
7 or criminal conduct;

8 “(ii) whether the small business con-
9 cern has made a good faith effort to com-
10 ply with applicable laws and to remedy the
11 violation within the shortest practicable pe-
12 riod of time; and

13 “(iii) whether the small business con-
14 cern has obtained a significant economic
15 benefit from the violation.

16 “(C) NOTICE TO CONGRESS.—In any case
17 in which the head of the agency imposes a civil
18 fine on a small business concern for a violation
19 that presents a danger to the public health or
20 safety and does not provide the small business
21 concern with 24 hours to correct the violation
22 under subparagraph (A), the head of the agency
23 shall notify Congress regarding such determina-
24 tion not later than the date that is 60 days

1 after the date that the civil fine is imposed by
2 the agency.

3 “(4) LIMITED TO FIRST-TIME VIOLATIONS.—

4 “(A) IN GENERAL.—This subsection shall
5 not apply to any violation by a small business
6 concern of a requirement regarding collection of
7 information by an agency if such small business
8 concern previously violated any requirement re-
9 garding collection of information by that agen-
10 cy.

11 “(B) OTHER AGENCIES.—For purposes of
12 making a determination under subparagraph
13 (A), the head of an agency shall not take into
14 account any violation of a requirement regard-
15 ing collection of information by another agen-
16 cy.”.

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