

112TH CONGRESS
2D SESSION

H. R. 6240

To make reforms to taxes, regulations, and workforce development programs in order to increase employment in the manufacturing sector and overall economy.

IN THE HOUSE OF REPRESENTATIVES

JULY 31, 2012

Mr. GRAVES of Missouri introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Education and the Workforce, the Judiciary, and 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 make reforms to taxes, regulations, and workforce development programs in order to increase employment in the manufacturing sector and overall economy.

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 (a) SHORT TITLE.—This Act may be cited as the
5 “Manufacturing Comeback Act of 2012”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title.

TITLE I—RESEARCH AND DEVELOPMENT

Sec. 101. Extension and expansion of research and development tax credit.

TITLE II—CORPORATE AND INDIVIDUAL PROVISIONS GENERALLY

Sec. 201. Extension of bonus depreciation and temporary 100 percent expensing for certain business assets.

Sec. 202. Extension of increased small business expensing.

Sec. 203. Maximum corporate income tax rate reduced to 25 percent for 2013.

Sec. 204. Temporary extension of 2001 tax relief.

Sec. 205. Temporary extension of 2003 tax relief.

TITLE III—WORKFORCE TRAINING

Sec. 301. Short title.

Sec. 302. Industry-recognized and nationally portable credentials for job training programs.

Sec. 303. Skill credential registry.

Sec. 304. Effective Date.

TITLE IV—ECONOMIC IMPACT OF RESEARCH GRANTS

Sec. 401. Economic impact of research grants.

TITLE V—REGULATIONS

Sec. 501. Short title; table of contents.

Sec. 502. Clarification and expansion of rules covered by the Regulatory Flexibility Act.

Sec. 503. Expansion of report of regulatory agenda.

Sec. 504. Requirements providing for more detailed analyses.

Sec. 505. Repeal of waiver and delay authority; Additional powers of the Chief Counsel for Advocacy.

Sec. 506. Procedures for gathering comments.

Sec. 507. Periodic review of rules.

Sec. 508. Judicial review of compliance with the requirements of the Regulatory Flexibility Act available after publication of the final rule.

Sec. 509. Jurisdiction of court of appeals over rules implementing the Regulatory Flexibility Act.

Sec. 510. Clerical amendments.

Sec. 511. Agency preparation of guides.

TITLE VI—VOCATIONAL TRAINING AT STATE LEVEL

Sec. 601. Findings.

Sec. 602. Sense of Congress.

TITLE I—RESEARCH AND DEVELOPMENT

SEC. 101. EXTENSION AND EXPANSION OF RESEARCH AND DEVELOPMENT TAX CREDIT.

(a) EXTENSION.—

(1) Subparagraph (B) of section 41(h)(1) of the Internal Revenue Code of 1986 is amended by striking “December 31, 2011” and inserting “December 31, 2016”.

(2) CONFORMING AMENDMENT.—Section 45C(b)(1)(D) of such Code is amended by striking “December 31, 2011” and inserting “December 31, 2016”.

(b) ALTERNATIVE SIMPLIFIED CREDIT.—Subparagraph (A) of section 41(c)(5) of such Code is amended by striking “14 percent (12 percent in the case of taxable years ending before January 1, 2009)” and inserting “25 percent”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2011.

1 **TITLE II—CORPORATE AND INDIVIDUAL PROVISIONS GENERALLY**

2 **SEC. 201. EXTENSION OF BONUS DEPRECIATION AND TEMPORARY 100 PERCENT EXPENSING FOR CERTAIN BUSINESS ASSETS.**

3 (a) IN GENERAL.—Paragraph (2) of section 168(k) of the Internal Revenue Code of 1986 is amended—

4 (1) by striking “January 1, 2012” in subparagraph (A)(iv) and inserting “January 1, 2014”, and

5 (2) by striking “January 1, 2011” each place it appears and inserting “January 1, 2013”.

6 (b) TEMPORARY 100 PERCENT EXPENSING.—Paragraph (5) of section 168(k) of such Code is amended—

7 (1) by striking “2013” and inserting “2014”, and

8 (2) by striking “2012” both places it appears and inserting “2013”.

9 (c) EXTENSION OF ELECTION TO ACCELERATE THE AMT CREDIT IN LIEU OF BONUS DEPRECIATION.—Subclause (II) of section 168(k)(4)(D)(iii) of such Code is amended by striking “2013” and inserting “2014”.

10 (d) CONFORMING AMENDMENTS.—

(2) The heading for clause (ii) of section 168(k)(2)(B) of such Code is amended by striking “PRE-JANUARY 1, 2013” and inserting “PRE-JANUARY 1, 2014”.

8 (3) Subparagraph (C) of section 168(n)(2) of
9 such Code is amended by striking “January 1,
10 2013” and inserting “January 1, 2014”.

(4) Subparagraph (D) of section 1400L(b)(2) of such Code is amended by striking “January 1, 2013” and inserting “January 1, 2014”.

(5) Subparagraph (B) of section 1400N(d)(3) of such Code is amended by striking “January 1, 2013” and inserting “January 1, 2014”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall apply to property placed in service after December 31, 2012, in taxable years ending after such date.

21 SEC. 202. EXTENSION OF INCREASED SMALL BUSINESS EX-
22 PENSING.

(a) DOLLAR LIMITATION.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 is amended—

1 (1) in subparagraph (B) by striking “or 2011”
2 and inserting “, 2011, or 2012”,

3 (2) in subparagraph (C) by striking “2012”
4 and inserting “2013”, and

5 (3) in subparagraph (D) by striking “2012”
6 and inserting “2013”.

7 (b) REDUCTION IN LIMITATION.—Paragraph (2) of
8 section 179(b) of such Code is amended—

9 (1) in subparagraph (B) by striking “or 2011”
10 and inserting “, 2011, or 2012”,

11 (2) in subparagraph (C) by striking “2012”
12 and inserting “2013”, and

13 (3) in subparagraph (D) by striking “2012”
14 and inserting “2013”.

15 (c) INFLATION ADJUSTMENT.—Subparagraph (A) of
16 section 179(b) of such Code is amended by striking
17 “2012” and inserting “2013”.

18 (d) COMPUTER SOFTWARE.—Section
19 179(d)(1)(A)(ii) of such Code is amended by striking
20 “2013” and inserting “2014”.

21 (e) CONFORMING AMENDMENT.—Section 179(c)(2)
22 of such Code is amended by striking “2013” and inserting
23 “2014”.

1 (f) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply to taxable years beginning after
 3 December 31, 2012.

4 **SEC. 203. MAXIMUM CORPORATE INCOME TAX RATE RE-**
 5 **DUCTED TO 25 PERCENT FOR 2013.**

6 (a) IN GENERAL.—Subsection (b) of section 11 of the
 7 Internal Revenue Code of 1986 is amended by adding at
 8 the end the following new paragraph:

9 “(3) SPECIAL RULE FOR 2013.—In the case of
 10 a taxable year beginning in 2013—

11 “(A) in lieu of paragraph (1), the amount
 12 of the tax imposed by subsection (a) shall be
 13 the sum of—

14 “(i) 15 percent of so much of the tax-
 15 able income as does not exceed \$50,000,
 16 and

17 “(ii) 25 percent of so much of the tax-
 18 able income as exceeds \$50,000,

19 “(B) paragraph (2) shall be applied by
 20 substituting ‘25 percent’ for ‘35 percent’, and

21 “(C) paragraphs (1) and (2) of section
 22 1445(e) shall be applied by substituting ‘25
 23 percent’ for ‘35 percent’.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2012.

4 **SEC. 204. TEMPORARY EXTENSION OF 2001 TAX RELIEF.**

5 (a) IN GENERAL.—Section 901 of the Economic
6 Growth and Tax Relief Reconciliation Act of 2001 is
7 amended by striking “December 31, 2012” both places it
8 appears and inserting “December 31, 2013”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall take effect as if included in the enact-
11 ment of the Economic Growth and Tax Relief Reconcili-
12 ation Act of 2001.

13 **SEC. 205. TEMPORARY EXTENSION OF 2003 TAX RELIEF.**

14 (a) IN GENERAL.—Section 303 of the Jobs and
15 Growth Tax Relief Reconciliation Act of 2003 is amended
16 by striking “December 31, 2012” and inserting “Decem-
17 ber 31, 2013”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall take effect as if included in the enact-
20 ment of the Jobs and Growth Tax Relief Reconciliation
21 Act of 2003.

TITLE III—WORKFORCE TRAINING

SEC. 301. SHORT TITLE.

This title may be cited as the “American Manufacturing Efficiency and Retraining Investment Collaboration Achievement Works Act” or the “AMERICA Works Act”.

SEC. 302. INDUSTRY-RECOGNIZED AND NATIONALLY PORTABLE CREDENTIALS FOR JOB TRAINING PROGRAMS.

(a) WORKFORCE INVESTMENT ACT OF 1998.—

(1) GENERAL EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(d)(4)(F) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(d)(4)(F)) is amended by adding at the end the following:

“(iv) PRIORITY FOR PROGRAMS THAT PROVIDE AN INDUSTRY-RECOGNIZED AND NATIONALLY PORTABLE CREDENTIAL.—In selecting and approving training services, or programs of training services, under this section, a one-stop operator and employees of a one-stop center referred to in subsection (c) shall give priority consideration to services and programs (approved by the appropriate State agency and local board in conjunction with section 122) that

1 lead to a credential that is in high demand
2 in the local area served and listed in the
3 registry described in section 3(b) of the
4 AMERICA Works Act.”.

5 (2) YOUTH ACTIVITIES.—Section 129(c)(1)(C)
6 of the Workforce Investment Act of 1998 (29 U.S.C.
7 2854(c)(1)(C)) is amended—

8 (A) by redesignating clauses (ii) through
9 (iv) as clauses (iii) through (v), respectively;
10 and

11 (B) by inserting after clause (i) the fol-
12 lowing:

13 “(ii) training (with priority consider-
14 ation given to programs that lead to a cre-
15 dential that is in high demand in the local
16 area served and listed in the registry de-
17 scribed in section 3(b) of the AMERICA
18 Works Act, if the local board determines
19 that such programs are available and ap-
20 propriate);”.

21 (b) CAREER AND TECHNICAL EDUCATION.—

22 (1) STATE PLAN.—Section 122(c)(1)(B) of the
23 Carl D. Perkins Career and Technical Education
24 Act of 2006 (20 U.S.C. 2342(c)(1)(B)) is amended
25 by striking the semicolon at the end and inserting

1 the following: “and, with respect to programs of
2 study leading to an industry-recognized credential or
3 certificate, will give priority consideration to pro-
4 grams of study that—

5 “(i) lead to an appropriate (as deter-
6 mined by the eligible agency) skills creden-
7 tial (which may be a certificate) that is in
8 high demand in the area served and listed
9 in the registry described in section 3(b) of
10 the AMERICA Works Act; and

11 “(ii) may provide a basis for addi-
12 tional credentials, certificates, or degrees;”.

13 (2) USE OF LOCAL FUNDS.—Section 134(b) of
14 the Carl D. Perkins Career and Technical Education
15 Act of 2006 (20 U.S.C. 2354(b)) is amended—

16 (A) in paragraph (11), by striking “; and”
17 and inserting a semicolon;

18 (B) in paragraph (12)(B), by striking the
19 period and inserting “; and”; and

20 (C) by adding at the end the following:

21 “(13) describe the career and technical edu-
22 cation activities supporting the attainment of indus-
23 try-recognized credentials or certificates, and how
24 the eligible recipient, in selecting such activities,
25 gave priority consideration to activities supporting

1 high-demand registry skill credentials described in
2 section 122(c)(1)(B)(i).”.

3 (3) TECH-PREP PROGRAMS.—Section
4 203(c)(2)(E) of the Carl D. Perkins Career and
5 Technical Education Act of 2006 (20 U.S.C.
6 2373(c)(2)(E)) is amended by striking “industry-
7 recognized credential, a certificate,” and inserting
8 “industry-recognized credential or certificate (such
9 as a high-demand registry skill credential described
10 in section 122(c)(1)(B)(i)),”.

11 (c) TRAINING PROGRAMS UNDER TAA.—Section
12 236(a)(5) of the Trade Act of 1974 (19 U.S.C.
13 2296(a)(5)) is amended by inserting after the sentence
14 that follows subparagraph (H)(ii) the following: “In ap-
15 proving training programs under paragraph (1), the Sec-
16 retary shall give priority consideration to programs that
17 lead to a credential that is in high demand in the local
18 area (defined for purposes of title I of the Workforce In-
19 vestment Act of 1998 (29 U.S.C. 2801 et seq.)) served
20 by the corresponding one-stop delivery system under that
21 title for the training programs, and that is listed in the
22 registry described in section 3(b) of the AMERICA Works
23 Act.”.

24 **SEC. 303. SKILL CREDENTIAL REGISTRY.**

25 (a) DEFINITIONS.—In this section:

1 (1) COVERED PROVISION.—The term “covered
2 provision” means any of sections 129 and 134 of the
3 Workforce Investment Act of 1998 (29 U.S.C. 2854,
4 2864), section 122(c)(1)(B) of the Carl D. Perkins
5 Career and Technical Education Act of 2006 (20
6 U.S.C. 2342(c)(1)(B)), and section 236 of the Trade
7 Act of 1974 (19 U.S.C. 2296).

8 (2) INDUSTRY-RECOGNIZED.—The term “indus-
9 try-recognized”, used with respect to a credential,
10 means a credential that—

11 (A) is sought or accepted by companies
12 within the industry sector involved as recog-
13 nized, preferred, or required for recruitment,
14 screening, or hiring; and

15 (B) is endorsed by a nationally recognized
16 trade association or organization representing a
17 significant part of the industry sector.

18 (3) NATIONALLY PORTABLE.—The term “na-
19 tionally portable”, used with respect to a credential,
20 means a credential that is sought or accepted by
21 companies within the industry sector involved, across
22 multiple States, as recognized, preferred, or required
23 for recruitment, screening, or hiring.

24 (4) WORKFORCE INVESTMENT ACTIVITIES.—
25 The term “workforce investment activities” has the

1 meaning given the term in section 101 of the Work-
2 force Investment Act of 1998 (29 U.S.C. 2801).

3 (b) REGISTRY.—

4 (1) IN GENERAL.—Not later than 120 days
5 after the date of enactment of this Act, the Sec-
6 retary of Labor (referred to in this section as the
7 “Secretary”) shall create a registry of skill creden-
8 tials (which may be certificates), for purposes of en-
9 abling programs that lead to such a credential to re-
10 ceive priority under a covered provision.

11 (2) REGISTRY.—The Secretary shall—

12 (A) list the credential in the registry if the
13 credential is required by Federal or State law
14 for an occupation (such as a credential required
15 by a State law regarding qualifications for a
16 health care occupation);

17 (B) list the credential in the registry if the
18 credential is a credential from the Manufac-
19 turing Institute-Endorsed Manufacturing Skills
20 Certification System; and

21 (C) list the credential, and list an updated
22 credential, in the registry if the credential in-
23 volved is an industry-recognized, nationally
24 portable credential that is consistent with the
25 Secretary’s established industry competency

1 models and is consistently updated through
2 third party validation to reflect changing indus-
3 try competencies.

4 (c) RULE OF CONSTRUCTION.—Nothing in this title
5 shall be construed to require an entity with responsibility
6 for selecting or approving an education, training, or work-
7 force investment activities program with regard to a cov-
8 ered provision, to select a program with a credential listed
9 in the registry described in subsection (b).

10 **SEC. 304. EFFECTIVE DATE.**

11 This title, and the amendments made by this title,
12 take effect 120 days after the date of enactment of this
13 Act.

14 **TITLE IV—ECONOMIC IMPACT**
15 **OF RESEARCH GRANTS**

16 **SEC. 401. ECONOMIC IMPACT OF RESEARCH GRANTS.**

17 The Secretary of Labor and the Secretary of Com-
18 merce shall prepare for each research grant made by their
19 departments a statement describing the economic impact
20 of the activities to be carried out using the grant funding.

21 **TITLE V—REGULATIONS**

22 **SEC. 501. SHORT TITLE; TABLE OF CONTENTS.**

23 This title may be cited as the “Regulatory Flexibility
24 Improvements Act of 2012”.

1 **SEC. 502. CLARIFICATION AND EXPANSION OF RULES COV-**
2 **ERED BY THE REGULATORY FLEXIBILITY**
3 **ACT.**

4 (a) IN GENERAL.—Paragraph (2) of section 601 of
5 title 5, United States Code, is amended to read as follows:

6 “(2) RULE.—The term ‘rule’ has the meaning
7 given such term in section 551(4) of this title, ex-
8 cept that such term does not include a rule of par-
9 ticular (and not general) applicability relating to
10 rates, wages, corporate or financial structures or re-
11 organizations thereof, prices, facilities, appliances,
12 services, or allowances therefor or to valuations,
13 costs or accounting, or practices relating to such
14 rates, wages, structures, prices, appliances, services,
15 or allowances.”.

16 (b) INCLUSION OF RULES WITH INDIRECT EF-
17 FECTS.—Section 601 of title 5, United States Code, is
18 amended by adding at the end the following new para-
19 graph:

20 “(9) ECONOMIC IMPACT.—The term ‘economic
21 impact’ means, with respect to a proposed or final
22 rule—

23 “(A) any direct economic effect on small
24 entities of such rule; and

25 “(B) any indirect economic effect on small
26 entities which is reasonably foreseeable and re-

1 sults from such rule (without regard to whether
2 small entities will be directly regulated by the
3 rule).”.

4 (c) INCLUSION OF RULES WITH BENEFICIAL EF-
5 FECTS.—

6 (1) INITIAL REGULATORY FLEXIBILITY ANAL-
7 YSIS.—Subsection (c) of section 603 of title 5,
8 United States Code, is amended by striking the first
9 sentence and inserting “Each initial regulatory flexi-
10 bility analysis shall also contain a detailed descrip-
11 tion of alternatives to the proposed rule which mini-
12 mize any adverse significant economic impact or
13 maximize any beneficial significant economic impact
14 on small entities.”.

15 (2) FINAL REGULATORY FLEXIBILITY ANAL-
16 YSIS.—The first paragraph (6) of section 604(a) of
17 title 5, United States Code, is amended by striking
18 “minimize the significant economic impact” and in-
19 serting “minimize the adverse significant economic
20 impact or maximize the beneficial significant eco-
21 nomic impact”.

22 (d) INCLUSION OF RULES AFFECTING TRIBAL ORGA-
23 NIZATIONS.—Paragraph (5) of section 601 of title 5,
24 United States Code, is amended by inserting “and tribal
25 organizations (as defined in section 4(l) of the Indian Self-

1 Determination and Education Assistance Act (25 U.S.C.
2 450b(l))),” after “special districts,”.

3 (e) INCLUSION OF LAND MANAGEMENT PLANS AND
4 FORMAL RULEMAKING.—

5 (1) INITIAL REGULATORY FLEXIBILITY ANAL-
6 YSIS.—Subsection (a) of section 603 of title 5,
7 United States Code, is amended in the first sen-
8 tence—

9 (A) by striking “or” after “proposed
10 rule,”; and

11 (B) by inserting “or publishes a revision or
12 amendment to a land management plan,” after
13 “United States,”.

14 (2) FINAL REGULATORY FLEXIBILITY ANAL-
15 YSIS.—Subsection (a) of section 604 of title 5,
16 United States Code, is amended in the first sen-
17 tence—

18 (A) by striking “or” after “proposed rule-
19 making,”; and

20 (B) by inserting “or adopts a revision or
21 amendment to a land management plan,” after
22 “section 603(a),”.

23 (3) LAND MANAGEMENT PLAN DEFINED.—Sec-
24 tion 601 of title 5, United States Code, is amended
25 by adding at the end the following new paragraph:

1 “(10) LAND MANAGEMENT PLAN.—

2 “(A) IN GENERAL.—The term ‘land man-
3 agement plan’ means—

4 “(i) any plan developed by the Sec-
5 retary of Agriculture under section 6 of
6 the Forest and Rangeland Renewable Re-
7 sources Planning Act of 1974 (16 U.S.C.
8 1604); and

9 “(ii) any plan developed by the Sec-
10 retary of the Interior under section 202 of
11 the Federal Land Policy and Management
12 Act of 1976 (43 U.S.C. 1712).

13 “(B) REVISION.—The term ‘revision’
14 means any change to a land management plan
15 which—

16 “(i) in the case of a plan described in
17 subparagraph (A)(i), is made under section
18 6(f)(5) of the Forest and Rangeland Re-
19 newable Resources Planning Act of 1974
20 (16 U.S.C. 1604(f)(5)); or

21 “(ii) in the case of a plan described in
22 subparagraph (A)(ii), is made under sec-
23 tion 1610.5–6 of title 43, Code of Federal
24 Regulations (or any successor regulation).

“(C) AMENDMENT.—The term ‘amendment’ means any change to a land management plan which—

“(i) in the case of a plan described in subparagraph (A)(i), is made under section 6(f)(4) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604(f)(4)) and with respect to which the Secretary of Agriculture prepares a statement described in section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)); or

“(ii) in the case of a plan described in subparagraph (A)(ii), is made under section 1610.5–5 of title 43, Code of Federal Regulations (or any successor regulation) and with respect to which the Secretary of the Interior prepares a statement described in section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).”.

(f) INCLUSION OF CERTAIN INTERPRETIVE RULES

INVOLVING THE INTERNAL REVENUE LAWS.—

1 (1) IN GENERAL.—Subsection (a) of section
2 603 of title 5, United States Code, is amended by
3 striking the period at the end and inserting “or a
4 recordkeeping requirement, and without regard to
5 whether such requirement is imposed by statute or
6 regulation.”.

7 (2) COLLECTION OF INFORMATION.—Paragraph
8 (7) of section 601 of title 5, United States Code, is
9 amended to read as follows:

10 “(7) COLLECTION OF INFORMATION.—The term
11 ‘collection of information’ has the meaning given
12 such term in section 3502(3) of title 44.”.

13 (3) RECORDKEEPING REQUIREMENT.—Para-
14 graph (8) of section 601 of title 5, United States
15 Code, is amended to read as follows:

16 “(8) RECORDKEEPING REQUIREMENT.—The
17 term ‘recordkeeping requirement’ has the meaning
18 given such term in section 3502(13) of title 44.”.

19 (g) DEFINITION OF SMALL ORGANIZATION.—Para-
20 graph (4) of section 601 of title 5, United States Code,
21 is amended to read as follows:

22 “(4) SMALL ORGANIZATION.—

23 “(A) IN GENERAL.—The term ‘small orga-
24 nization’ means any not-for-profit enterprise

1 which, as of the issuance of the notice of pro-
2 posed rulemaking—

3 “(i) in the case of an enterprise which
4 is described by a classification code of the
5 North American Industrial Classification
6 System, does not exceed the size standard
7 established by the Administrator of the
8 Small Business Administration pursuant to
9 section 3 of the Small Business Act (15
10 U.S.C. 632) for small business concerns
11 described by such classification code; and

12 “(ii) in the case of any other enter-
13 prise, has a net worth that does not exceed
14 \$7,000,000 and has not more than 500
15 employees.

16 “(B) LOCAL LABOR ORGANIZATIONS.—In
17 the case of any local labor organization, sub-
18 paragraph (A) shall be applied without regard
19 to any national or international organization of
20 which such local labor organization is a part.

21 “(C) AGENCY DEFINITIONS.—Subpara-
22 graphs (A) and (B) shall not apply to the ex-
23 tent that an agency, after consultation with the
24 Office of Advocacy of the Small Business Ad-
25 ministration and after opportunity for public

1 comment, establishes one or more definitions
 2 for such term which are appropriate to the ac-
 3 tivities of the agency and publishes such defini-
 4 tions in the Federal Register.”.

5 **SEC. 503. EXPANSION OF REPORT OF REGULATORY AGEN-**
 6 **DA.**

7 Section 602 of title 5, United States Code, is amend-
 8 ed—

9 (1) in subsection (a)—

10 (A) in paragraph (2), by striking “, and”
 11 at the end and inserting “;”;

12 (B) by redesignating paragraph (3) as
 13 paragraph (4); and

14 (C) by inserting after paragraph (2) the
 15 following:

16 “(3) a brief description of the sector of the
 17 North American Industrial Classification System
 18 that is primarily affected by any rule which the
 19 agency expects to propose or promulgate which is
 20 likely to have a significant economic impact on a
 21 substantial number of small entities; and”; and

22 (2) in subsection (c), to read as follows:

23 “(c) Each agency shall prominently display a plain
 24 language summary of the information contained in the
 25 regulatory flexibility agenda published under subsection

1 (a) on its website within 3 days of its publication in the
 2 Federal Register. The Office of Advocacy of the Small
 3 Business Administration shall compile and prominently
 4 display a plain language summary of the regulatory agen-
 5 das referenced in subsection (a) for each agency on its
 6 website within 3 days of their publication in the Federal
 7 Register.”.

8 **SEC. 504. REQUIREMENTS PROVIDING FOR MORE DE-**
 9 **TAILED ANALYSES.**

10 (a) INITIAL REGULATORY FLEXIBILITY ANALYSIS.—
 11 Subsection (b) of section 603 of title 5, United States
 12 Code, is amended to read as follows:

13 “(b) Each initial regulatory flexibility analysis re-
 14 quired under this section shall contain a detailed state-
 15 ment—

16 “(1) describing the reasons why action by the
 17 agency is being considered;

18 “(2) describing the objectives of, and legal basis
 19 for, the proposed rule;

20 “(3) estimating the number and type of small
 21 entities to which the proposed rule will apply;

22 “(4) describing the projected reporting, record-
 23 keeping, and other compliance requirements of the
 24 proposed rule, including an estimate of the classes of
 25 small entities which will be subject to the require-

1 ment and the type of professional skills necessary
2 for preparation of the report and record;

3 “(5) describing all relevant Federal rules which
4 may duplicate, overlap, or conflict with the proposed
5 rule, or the reasons why such a description could not
6 be provided;

7 “(6) estimating the additional cumulative eco-
8 nomic impact of the proposed rule, or the cumulative
9 impact of any other rule stemming from the imple-
10 mentation of the Free Trade Agreements, on small
11 entities beyond that already imposed on the class of
12 small entities by the agency or why such an estimate
13 is not available; and

14 “(7) describing any disproportionate economic
15 impact on small entities or a specific class of small
16 entities.”.

17 (b) FINAL REGULATORY FLEXIBILITY ANALYSIS.—

18 (1) IN GENERAL.—Section 604(a) of title 5,
19 United States Code, is amended—

20 (A) in paragraph (4), by striking “an ex-
21 planation” and inserting “a detailed expla-
22 nation”;

23 (B) in each of paragraphs (4), (5), and the
24 first paragraph (6), by inserting “detailed” be-
25 fore “description”; and

1 (C) by adding at the end the following:

2 “(7) describing any disproportionate economic
3 impact on small entities or a specific class of small
4 entities.”.

5 (2) INCLUSION OF RESPONSE TO COMMENTS ON
6 CERTIFICATION OF PROPOSED RULE.—Paragraph
7 (2) of section 604(a) of title 5, United States Code,
8 is amended by inserting “(or certification of the pro-
9 posed rule under section 605(b))” after “initial reg-
10 ulatory flexibility analysis”.

11 (3) PUBLICATION OF ANALYSIS ON WEBSITE.—
12 Subsection (b) of section 604 of title 5, United
13 States Code, is amended to read as follows:

14 “(b) The agency shall make copies of the final regu-
15 latory flexibility analysis available to the public, including
16 placement of the entire analysis on the agency’s website,
17 and shall publish in the Federal Register the final regu-
18 latory flexibility analysis, or a summary thereof which in-
19 cludes the telephone number, mailing address, and link to
20 the website where the complete analysis may be ob-
21 tained.”.

22 (c) CROSS-REFERENCES TO OTHER ANALYSES.—
23 Subsection (a) of section 605 of title 5, United States
24 Code, is amended to read as follows:

1 “(a) A Federal agency shall be treated as satisfying
2 any requirement regarding the content of an agenda or
3 regulatory flexibility analysis under section 602, 603, or
4 604, if such agency provides in such agenda or analysis
5 a cross-reference to the specific portion of another agenda
6 or analysis which is required by any other law and which
7 satisfies such requirement.”.

8 (d) CERTIFICATIONS.—Subsection (b) of section 605
9 of title 5, United States Code, is amended—

10 (1) by inserting “detailed” before “statement”
11 the first place it appears; and

12 (2) by inserting “and legal” after “factual”.

13 (e) QUANTIFICATION REQUIREMENTS.—Section 607
14 of title 5, United States Code, is amended to read as fol-
15 lows:

16 **“§ 607. Quantification requirements**

17 “In complying with sections 603 and 604, an agency
18 shall provide—

19 “(1) a quantifiable or numerical description of
20 the effects of the proposed or final rule and alter-
21 natives to the proposed or final rule; or

22 “(2) a more general descriptive statement and
23 a detailed statement explaining why quantification is
24 not practicable or reliable.”.

1 **SEC. 505. REPEAL OF WAIVER AND DELAY AUTHORITY; AD-**
2 **DITIONAL POWERS OF THE CHIEF COUNSEL**
3 **FOR ADVOCACY.**

4 (a) IN GENERAL.—Section 608 is amended to read
5 as follows:

6 **“§ 608. Additional powers of Chief Counsel for Advo-**
7 **cacy**

8 “(a)(1) Not later than 270 days after the date of the
9 enactment of the Regulatory Flexibility Improvements Act
10 of 2012, the Chief Counsel for Advocacy of the Small
11 Business Administration shall, after opportunity for notice
12 and comment under section 553, issue rules governing
13 agency compliance with this chapter. The Chief Counsel
14 may modify or amend such rules after notice and comment
15 under section 553. This chapter (other than this sub-
16 section) shall not apply with respect to the issuance, modi-
17 fication, and amendment of rules under this paragraph.

18 “(2) An agency shall not issue rules which supple-
19 ment the rules issued under subsection (a) unless such
20 agency has first consulted with the Chief Counsel for Ad-
21 vocacy to ensure that such supplemental rules comply with
22 this chapter and the rules issued under paragraph (1).

23 “(b) Notwithstanding any other law, the Chief Coun-
24 sel for Advocacy of the Small Business Administration
25 may intervene in any agency adjudication (unless such
26 agency is authorized to impose a fine or penalty under

1 such adjudication), and may inform the agency of the im-
 2 pact that any decision on the record may have on small
 3 entities. The Chief Counsel shall not initiate an appeal
 4 with respect to any adjudication in which the Chief Coun-
 5 sel intervenes under this subsection.

6 “(c) The Chief Counsel for Advocacy may file com-
 7 ments in response to any agency notice requesting com-
 8 ment, regardless of whether the agency is required to file
 9 a general notice of proposed rulemaking under section
 10 553.”.

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 611(a)(1) of such title is amended
 13 by striking “608(b),”.

14 (2) Section 611(a)(2) of such title is amended
 15 by striking “608(b),”.

16 (3) Section 611(a)(3) of such title is amend-
 17 ed—

18 (A) by striking subparagraph (B); and

19 (B) by striking “(3)(A) A small entity”
 20 and inserting the following:

21 “(3) A small entity”.

22 **SEC. 506. PROCEDURES FOR GATHERING COMMENTS.**

23 Section 609 of title 5, United States Code, is amend-
 24 ed by striking subsection (b) and all that follows through
 25 the end of the section and inserting the following:

1 “(b)(1) Prior to publication of any proposed rule de-
2 scribed in subsection (e), an agency making such rule shall
3 notify the Chief Counsel for Advocacy of the Small Busi-
4 ness Administration and provide the Chief Counsel with—

5 “(A) all materials prepared or utilized by the
6 agency in making the proposed rule, including the
7 draft of the proposed rule; and

8 “(B) information on the potential adverse and
9 beneficial economic impacts of the proposed rule on
10 small entities and the type of small entities that
11 might be affected.

12 “(2) An agency shall not be required under para-
13 graph (1) to provide the exact language of any draft if
14 the rule—

15 “(A) relates to the internal revenue laws of the
16 United States; or

17 “(B) is proposed by an independent regulatory
18 agency (as defined in section 3502(5) of title 44).

19 “(c) Not later than 15 days after the receipt of such
20 materials and information under subsection (b), the Chief
21 Counsel for Advocacy of the Small Business Administra-
22 tion shall—

23 “(1) identify small entities or representatives of
24 small entities or a combination of both for the pur-
25 pose of obtaining advice, input, and recommenda-

1 tions from those persons about the potential eco-
2 nomic impacts of the proposed rule and the compli-
3 ance of the agency with section 603; and

4 “(2) convene a review panel consisting of an
5 employee from the Office of Advocacy of the Small
6 Business Administration, an employee from the
7 agency making the rule, and in the case of an agen-
8 cy other than an independent regulatory agency (as
9 defined in section 3502(5) of title 44), an employee
10 from the Office of Information and Regulatory Af-
11 fairs of the Office of Management and Budget to re-
12 view the materials and information provided to the
13 Chief Counsel under subsection (b).

14 “(d)(1) Not later than 60 days after the review panel
15 described in subsection (c)(2) is convened, the Chief Coun-
16 sel for Advocacy of the Small Business Administration
17 shall, after consultation with the members of such panel,
18 submit a report to the agency and, in the case of an agen-
19 cy other than an independent regulatory agency (as de-
20 fined in section 3502(5) of title 44), the Office of Informa-
21 tion and Regulatory Affairs of the Office of Management
22 and Budget.

23 “(2) Such report shall include an assessment of the
24 economic impact of the proposed rule on small entities,
25 including an assessment of the proposed rule’s impact on

1 the cost that small entities pay for energy, and a discus-
2 sion of any alternatives that will minimize adverse signifi-
3 cant economic impacts or maximize beneficial significant
4 economic impacts on small entities.

5 “(3) Such report shall become part of the rulemaking
6 record. In the publication of the proposed rule, the agency
7 shall explain what actions, if any, the agency took in re-
8 sponse to such report.

9 “(e) A proposed rule is described by this subsection
10 if the Administrator of the Office of Information and Reg-
11 ulatory Affairs of the Office of Management and Budget,
12 the head of the agency (or the delegatee of the head of
13 the agency), or an independent regulatory agency deter-
14 mines that the proposed rule is likely to result in—

15 “(1) an annual effect on the economy of
16 \$100,000,000 or more;

17 “(2) a major increase in costs or prices for con-
18 sumers, individual industries, Federal, State, or local
19 governments, tribal organizations, or geographic re-
20 gions;

21 “(3) significant adverse effects on competition,
22 employment, investment, productivity, innovation, or
23 on the ability of United States-based enterprises to
24 compete with foreign-based enterprises in domestic
25 and export markets; or

1 “(4) a significant economic impact on a sub-
2 stantial number of small entities.

3 “(f) Upon application by the agency, the Chief Coun-
4 sel for Advocacy of the Small Business Administration
5 may waive the requirements of subsections (b) through (e)
6 if the Chief Counsel determines that compliance with the
7 requirements of such subsections are impracticable, un-
8 necessary, or contrary to the public interest.”.

9 **SEC. 507. PERIODIC REVIEW OF RULES.**

10 Section 610 of title 5, United States Code, is amend-
11 ed to read as follows:

12 **“§ 610. Periodic review of rules**

13 “(a) Not later than 180 days after the enactment of
14 the Regulatory Flexibility Improvements Act of 2011,
15 each agency shall publish in the Federal Register and
16 place on its website a plan for the periodic review of rules
17 issued by the agency which the head of the agency deter-
18 mines have a significant economic impact on a substantial
19 number of small entities. Such determination shall be
20 made without regard to whether the agency performed an
21 analysis under section 604. The purpose of the review
22 shall be to determine whether such rules should be contin-
23 ued without change, or should be amended or rescinded,
24 consistent with the stated objectives of applicable statutes,
25 to minimize any adverse significant economic impacts or

1 maximize any beneficial significant economic impacts on
2 a substantial number of small entities. Such plan may be
3 amended by the agency at any time by publishing the revi-
4 sion in the Federal Register and subsequently placing the
5 amended plan on the agency’s website.

6 “(b) The plan shall provide for the review of all such
7 agency rules existing on the date of the enactment of the
8 Regulatory Flexibility Improvements Act of 2011 within
9 10 years of the date of publication of the plan in the Fed-
10 eral Register and for review of rules adopted after the date
11 of enactment of the Regulatory Flexibility Improvements
12 Act of 2011 within 10 years after the publication of the
13 final rule in the Federal Register. If the head of the agen-
14 cy determines that completion of the review of existing
15 rules is not feasible by the established date, the head of
16 the agency shall so certify in a statement published in the
17 Federal Register and may extend the review for not longer
18 than 2 years after publication of notice of extension in
19 the Federal Register. Such certification and notice shall
20 be sent to the Chief Counsel for Advocacy of the Small
21 Business Administration and the Congress.

22 “(c) The plan shall include a section that details how
23 an agency will conduct outreach to and meaningfully in-
24 clude small businesses for the purposes of carrying out
25 this section. The agency shall include in this section a plan

1 for how the agency will contact small businesses and gath-
2 er their input on existing agency rules.

3 “(d) Each agency shall annually submit a report re-
4 garding the results of its review pursuant to such plan
5 to the Congress, the Chief Counsel for Advocacy of the
6 Small Business Administration, and, in the case of agen-
7 cies other than independent regulatory agencies (as de-
8 fined in section 3502(5) of title 44) to the Administrator
9 of the Office of Information and Regulatory Affairs of the
10 Office of Management and Budget. Such report shall in-
11 clude the identification of any rule with respect to which
12 the head of the agency made a determination described
13 in paragraph (5) or (6) of subsection (e) and a detailed
14 explanation of the reasons for such determination.

15 “(e) In reviewing a rule pursuant to subsections (a)
16 through (d), the agency shall amend or rescind the rule
17 to minimize any adverse significant economic impact on
18 a substantial number of small entities or disproportionate
19 economic impact on a specific class of small entities, or
20 maximize any beneficial significant economic impact of the
21 rule on a substantial number of small entities to the great-
22 est extent possible, consistent with the stated objectives
23 of applicable statutes. In amending or rescinding the rule,
24 the agency shall consider the following factors:

25 “(1) The continued need for the rule.

1 “(2) The nature of complaints received by the
2 agency from small entities concerning the rule.

3 “(3) Comments by the Regulatory Enforcement
4 Ombudsman and the Chief Counsel for Advocacy of
5 the Small Business Administration.

6 “(4) The complexity of the rule.

7 “(5) The extent to which the rule overlaps, du-
8 plicates, or conflicts with other Federal rules and,
9 unless the head of the agency determines it to be in-
10 feasible, State, territorial, and local rules.

11 “(6) The contribution of the rule to the cumu-
12 lative economic impact of all Federal rules on the
13 class of small entities affected by the rule, unless the
14 head of the agency determines that such calculations
15 cannot be made and reports that determination in
16 the annual report required under subsection (d).

17 “(7) The length of time since the rule has been
18 evaluated or the degree to which technology, eco-
19 nomic conditions, or other factors have changed in
20 the area affected by the rule.

21 “(f) The agency shall publish in the Federal Register
22 and on its website a list of rules to be reviewed pursuant
23 to such plan. Such publication shall include a brief de-
24 scription of the rule, the reason why the agency deter-
25 mined that it has a significant economic impact on a sub-

1 stantial number of small entities (without regard to wheth-
 2 er it had prepared a final regulatory flexibility analysis
 3 for the rule), and request comments from the public, the
 4 Chief Counsel for Advocacy of the Small Business Admin-
 5 istration, and the Regulatory Enforcement Ombudsman
 6 concerning the enforcement of the rule.”.

7 **SEC. 508. JUDICIAL REVIEW OF COMPLIANCE WITH THE RE-**
 8 **QUIREMENTS OF THE REGULATORY FLEXI-**
 9 **BILITY ACT AVAILABLE AFTER PUBLICATION**
 10 **OF THE FINAL RULE.**

11 (a) IN GENERAL.—Paragraph (1) of section 611(a)
 12 of title 5, United States Code, is amended by striking
 13 “final agency action” and inserting “such rule”.

14 (b) JURISDICTION.—Paragraph (2) of such section is
 15 amended by inserting “(or which would have such jurisdic-
 16 tion if publication of the final rule constituted final agency
 17 action)” after “provision of law,”.

18 (c) TIME FOR BRINGING ACTION.—Paragraph (3) of
 19 such section is amended—

20 (1) by striking “final agency action” and insert-
 21 ing “publication of the final rule”; and

22 (2) by inserting “, in the case of a rule for
 23 which the date of final agency action is the same
 24 date as the publication of the final rule,” after “ex-
 25 cept that”.

1 (d) INTERVENTION BY CHIEF COUNSEL FOR ADVO-
 2 CACY.—Subsection (b) of section 612 of title 5, United
 3 States Code, is amended by inserting before the first pe-
 4 riod “or agency compliance with section 601, 603, 604,
 5 605(b), 609, or 610”.

6 **SEC. 509. JURISDICTION OF COURT OF APPEALS OVER**
 7 **RULES IMPLEMENTING THE REGULATORY**
 8 **FLEXIBILITY ACT.**

9 (a) IN GENERAL.—Section 2342 of title 28, United
 10 States Code, is amended—

11 (1) in paragraph (6), by striking “and” at the
 12 end;

13 (2) in paragraph (7), by striking the period at
 14 the end and inserting “; and”; and

15 (3) by inserting after paragraph (7) the fol-
 16 lowing new paragraph:

17 “(8) all final rules under section 608(a) of title
 18 5.”.

19 (b) CONFORMING AMENDMENTS.—Paragraph (3) of
 20 section 2341 of title 28, United States Code, is amended—

21 (1) in subparagraph (D), by striking “and” at
 22 the end;

23 (2) in subparagraph (E), by striking the period
 24 at the end and inserting “; and”; and

1 (3) by adding at the end the following new sub-
2 paragraph:

3 “(F) the Office of Advocacy of the Small
4 Business Administration, when the final rule is
5 under section 608(a) of title 5.”.

6 (c) AUTHORIZATION TO INTERVENE AND COMMENT
7 ON AGENCY COMPLIANCE WITH ADMINISTRATIVE PROCE-
8 DURE.—Subsection (b) of section 612 of title 5, United
9 States Code, is amended by inserting “chapter 5, and
10 chapter 7,” after “this chapter,”.

11 **SEC. 510. CLERICAL AMENDMENTS.**

12 (a) Section 601 of title 5, United States Code, is
13 amended—

14 (1) in paragraph (1)—

15 (A) by striking the semicolon at the end
16 and inserting a period; and

17 (B) by striking “(1) the term” and insert-
18 ing the following:

19 “(1) AGENCY.—The term”;

20 (2) in paragraph (3)—

21 (A) by striking the semicolon at the end
22 and inserting a period; and

23 (B) by striking “(3) the term” and insert-
24 ing the following:

25 “(3) SMALL BUSINESS.—The term”;

1 (3) in paragraph (5)—

2 (A) by striking the semicolon at the end
3 and inserting a period; and

4 (B) by striking “(5) the term” and insert-
5 ing the following:

6 “(5) SMALL GOVERNMENTAL JURISDICTION.—
7 The term”; and

8 (4) in paragraph (6)—

9 (A) by striking “; and” and inserting a pe-
10 riod; and

11 (B) by striking “(6) the term” and insert-
12 ing the following:

13 “(6) SMALL ENTITY.—The term”.

14 (b) The heading of section 605 of title 5, United
15 States Code, is amended to read as follows:

16 “§ 605. **Incorporations by reference and certifi-**
17 **cations”.**

18 (c) The table of sections for chapter 6 of title 5,
19 United States Code, is amended—

20 (1) by striking the item relating to section 605
21 and inserting the following new item:

“605. Incorporations by reference and certifications.”;

22 (2) by striking the item relating to section 607
23 and inserting the following new item:

“607. Quantification requirements.”;

24 and

1 (3) by striking the item relating to section 608
2 and inserting the following:

“608. Additional powers of Chief Counsel for Advocacy.”.

3 (d) Chapter 6 of title 5, United States Code, is
4 amended as follows:

5 (1) In section 603, by striking subsection (d).

6 (2) In section 604(a) by striking the second
7 paragraph (6).

8 **SEC. 511. AGENCY PREPARATION OF GUIDES.**

9 Section 212(a)(5) the Small Business Regulatory En-
10 forcement Fairness Act of 1996 (5 U.S.C. 601 note) is
11 amended to read as follows:

12 “(5) AGENCY PREPARATION OF GUIDES.—The
13 agency shall, in its sole discretion, taking into ac-
14 count the subject matter of the rule and the lan-
15 guage of relevant statutes, ensure that the guide is
16 written using sufficiently plain language likely to be
17 understood by affected small entities. Agencies may
18 prepare separate guides covering groups or classes of
19 similarly affected small entities and may cooperate
20 with associations of small entities to distribute such
21 guides. In developing guides, agencies shall solicit
22 input from affected small entities or associations of
23 affected small entities. An agency may prepare
24 guides and apply this section with respect to a rule
25 or a group of related rules.”.

TITLE VI—VOCATIONAL TRAINING AT STATE LEVEL

SEC. 601. FINDINGS.

The Congress finds that—

(1) high schools, community colleges, technical schools, as well as public and private universities and colleges should, when opportunities are available and viable, establish local and statewide partnerships with industry, especially manufacturing companies;

(2) these partnerships include, but are not limited to, targeting curriculum and course work, in conjunction with private businesses and industry certification organizations that provide industry recognized nationally portable skills to meet the needs of industry; and

(3) these partnerships will connect the intellectual knowledge available at our technical colleges, our two year universities, and at our four year colleges and universities with business leaders in order to create a synergism that encourages businesses to grow and expand through the availability of a higher skilled workforce.

1 **SEC. 602. SENSE OF CONGRESS.**

2 It is the sense of Congress that schools should estab-
3 lish local and statewide partnerships with industry, espe-
4 cially manufacturing companies.

