Report of the Small Business Paperwork Relief Act Task Force

June 28, 2004

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1. Executive Summary

The Small Business Paperwork Relief Act of 2002 (the Act) was enacted June 28, 2002. The goal of the Act is to reduce the burden of Federal paperwork on small businesses. The Act requires the Federal government to (1) publish an annual list of the compliance assistance resources available to small businesses, (2) establish a single point of contact within agencies to interact with small businesses, and (3) establish an interagency Task Force to study and recommend additional means of reducing the burden on small businesses.

On June 28, 2003, the SBPRA Task Force submitted their first report to Congress outlining a series of recommendations that would streamline the information submission process and reduce the paperwork burden for small businesses. It identified a number of steps to be taken to consolidate information collections, organize a list of such collections, and provide for electronic submission of forms.

This second SBPRA Task Force report builds upon the recommendations provided in the first report and reflects the impact that the first report has had upon the small business community. It identifies a series of recommendations on disseminating information and specifically identifies a solution, developed over the previous year among agencies, to identify applicable collections and facilitate compliance with Federal paperwork requirements.

First, the Task Force identifies opportunities for improved consolidation or coordination of information dissemination efforts. There are significant barriers to the establishment of a unilateral requirement or mandate for Federal agencies to coordinate information dissemination activities. However, a number of steps are recommended to encourage similar access to the broader base of Federal information. These steps include improving the organization and classification of information and establishing a partnership between agencies and the small business community.

Second, the Task Force describes an interactive Internet-based system to help small business better understand existing paperwork requirements and make it easier for businesses to comply with such requirements. The Business Gateway initiative will provide a single web point of access for relevant regulatory information on all Federal forms, and harmonize industry-specific information collection requirements.

The Task Force and their members have identified a significant number of opportunities for the Federal government to support and provide better assistance to the small business community. The recommendations in both reports, if implemented, will fulfill the objectives outlined in the Act.

2. THE SMALL BUSINESS PAPERWORK RELIEF TASK FORCE

2.1. INTRODUCTION

2.1.1. What specific functions are assigned to the Task Force?

The Small Business Paperwork Relief Act requires the Director of Office of Management and Budget (OMB) to convene and chair a Task Force "to study the feasibility of streamlining requirements with respect to small business concerns regarding collection of information and strengthening dissemination of information."

More specifically, the Task Force is charged with five tasks designed to reduce the information collection burden placed by the Federal government on small businesses. These tasks are as follows:

1. Examine the feasibility and desirability of requiring the consolidation of information collection requirements within and across Federal agencies and programs, and identify ways of doing so.

2. Examine the feasibility and benefits to small businesses of having OMB publish a list of data collections organized in a manner by which they can more easily identify requirements with which they are expected to comply.

3. Examine the savings and develop recommendations for implementing electronic submissions of information to the Federal government with immediate feedback to the submitter.

4. Make recommendations to improve the electronic dissemination of information collected under Federal requirements.

5. Recommend a plan to develop an interactive Government-wide Internet program to identify applicable collections and facilitate compliance.

While carrying out its work, the Task Force is asked to consider opportunities for the coordination of Federal and State reporting requirements, and coordination among individuals who have been designated as the small business "point of contact" for their agencies.

The Task Force is required to submit a report of its findings on the first three tasks no later than one year after enactment, or June 28, 2003. A second report on the final two tasks is required no later than two years after enactment, or June 28, 2004. Both reports must be submitted to—

- the Director of OMB;

- the Small Business and Agriculture Regulatory Enforcement Ombudsman; and,

- the Senate Committees on Governmental Affairs and Small Business and Entrepreneurship and the House Committees on Government Reform and Small Business.

This is the second report required under the Act. The first report was submitted to Congress on June 28, 2003 and is available at http://www.whitehouse.gov/omb/inforeg/sbpr2003.pdf

2.1.2. Which agencies are represented and who are the Small Business Paperwork Relief Task Force members?

The Director of OMB appointed Dr. John D. Graham, Administrator of the Office of Information and Regulatory Affairs, and Karen S. Evans, Administrator of the Office of E-Government and Information Technology, to co-chair the Small Business Paperwork Relief Task Force. Dr. Graham is responsible for administering the Paperwork Reduction Act and for overseeing the Federal regulatory process. Ms. Evans is responsible for overseeing the President's Expanding E-Gov Initiative, including a Government-to-Business Portfolio of projects.

The Act specifies the following agencies to be represented on the Task Force:

- Department of Labor (including the Bureau of Labor Statistics, and the Occupational Safety and Health Administration);
- Environmental Protection Agency;
- Department of Transportation;
- Office of Advocacy of the Small Business Administration;
- Internal Revenue Service;
- Department of Health and Human Services (including the Centers for Medicare and Medicaid Services);
- Department of Agriculture;
- Department of Interior;
- General Services Administration;
- Two other participants to be selected by the Director of OMB (the Department of Commerce and additional representation from the Small Business Administration were chosen).

The Small Business Paperwork Relief Task Force members are listed by name at Appendix 5. A list of other participating staff is included at Appendix 6.

2.1.3. What are the Goals, Objectives, and Operating Principles

GOAL: Identify effective, realistic ways to reduce the burden on small businesses by making it easier to find, understand, and comply with government information collections.

> OBJECTIVE 1: Recommend actions that can make it easier for small businesses to find out what information collections apply to them from individual Federal agencies, across all Federal agencies, and from State and local governments, where practicable.
>
> OBJECTIVE 2: Recommend actions that can reduce the difficulty, frequency, redundancy, and expense of compliance for small businesses.
>
> OBJECTIVE 3: Recommend actions that will help small businesses understand why information is being collected and how it benefits them.

OPERATING PRINCIPLES:

- Recommendations should be consistent with principles of the President's Management Agenda:
  - Citizen-centered
  - Small businesses concerns and burden reduction are a priority for the Federal government
  - Results-oriented. Success should be measured by benefits that are demonstrable.
  - Market-based, actively promoting innovation.
- Recommendations must be technically feasible.
- Recommendations should be supportable within existing government agencies and management structures.
- Recommendations must be achievable given existing Agency resources, or a sufficient case must be made to support additional costs.
- Recommendations should address both short term and long term remedies.
- Recommendations should leverage and build on efforts underway that address the Task Force's goals.
- Recommendations should be consistent with lessons learned and based on best practices from past efforts.

4.1.4. What methods did the Task Force use to derive its recommendations?

The Task Force began its work with a meeting of the full membership to develop a common understanding of the law, project goals, scope, roles and responsibilities, resource requirements, strategy, timeline and deliverables.

After the initial meeting, the Task Force formed two subcommittees to address each of the two statutorily required tasks questions in greater detail. Additional staff experts from Federal agencies joined the effort. The subcommittees used methods such as:

- assigning specific questions to experts for research;
- in-person and virtual brainstorming;
- inventorying and investigating activities and projects already underway;
- studying best practices and lessons learned from prior/current activities; and
- studying the results of public outreach conducted by the Small Business Administration's (SBA) Office of Advocacy and other reference material intended to provide input from the business community and other stakeholders.

The subcommittee members and staff experts worked together to develop findings and recommendations.

The SBA's Office of Advocacy held a public meeting on February 9, 2004, to solicit the views of interested persons regarding the Task Force's duties. The Chief Counsel for Advocacy convened and chaired the meeting.

2.2 Findings and Recommendations

2.2.1. Task #4: Improve electronic dissemination of information collected under Federal requirements

PROBLEM STATEMENT

As noted earlier in this report, accessing the wide variety of public information collected by the Federal government can place a difficult, time-consuming, and expensive burden on citizens and businesses, particularly small businesses. Understanding the information that is available is made more difficult by the size and complexity of the government and enormous volume of information collections that the Federal government conducts. All sectors of the public, including small businesses and private citizens, should be able to easily access, retrieve, and use available government information, ideally free of charge. A May 2000 report stated the government then had an estimated 20,000 separate homepages and 40 million web pages.[1] Substantial growth has occurred since then and current seekers of government information sometimes find poorly organized government databases and websites lacking user-friendly search capabilities.

One obvious challenge is simply the enormity of the volume of information collected. Improving electronic dissemination of Federally-collected information requires enhancing government information technology, both in terms of simple agency management and distribution, and in terms of capabilities for sharing with the public and other government entities. Other issues are the adequacy of searching mechanisms and use of government terminology versus common terms.

During the Small Business Administration's Office of Advocacy Public Outreach Meeting held on February 9, 2004, the following issues and problems were identified by small business community representatives in the area of information dissemination:

1. Federal agency web sites need to be customer-centric with information organized by topic area, not by the organization that collected or reported the information.
2. There is a need for "one-stop shopping" or one source for information.
3. Search engines widely used on the Internet cannot locate Federal government information.
4. There is a need for a contact person or Hotline that can be called and that can assist in locating information.
5. Wherever possible, Federal agency web sites need to clearly date materials they post on the internet. The public wants to know when material was created or collected. Dating materials provides the public with guidance as to how relevant or timely the resources are and in some circumstances, whether the materials were prepared prior to or after pertinent regulatory change.

In addition the Task Force has identified eight specific areas that contribute to the need for improving the dissemination of federally-collected information:

[1] *Workshop Report on a Future Information Infrastructure for the Physical Sciences: The Facts of the Matter: Finding, Understanding and Using Information About Our Physical World,* Washington, DC, May 30-31, Department of Energy, Office of Scientific and Technical Information

1. Information is frequently difficult to locate.
2. Some information is not in a useful form. For example, data sets should be provided in formats that allow adjustment for specialized use.
3. Not all information that is collected may be disseminated; for example, information that may not be useful in aggregated form and information collected for enforcement and other protected purposes.
4. Many small businesses and other citizen groups do not know how or where to locate the information, or even that specific information is available. Today's public may not realize what information is available, may not know how to access it, and may not recognize the value of secondary uses.
5. The needs of small businesses and citizens are many and varied, and are sometimes not well defined; and agencies frequently do not make adequate efforts to address these needs.
6. Collected information needs to be more broadly shared among Federal agencies, and State and local governments.
7. Information integrity must be maintained. Assuming that Federally-collected information is quality-verified and reliable, maintaining the integrity of the information is a necessary consideration. Some information is time-sensitive or short-lived, and may lose its relevance or importance if not used quickly.

The Task Force has considered ways to improve access to information collected by identifying actions that Federal agencies can take to improve and coordinate their electronic dissemination of information.

ASSUMPTIONS

In developing these recommendations, the Task Force made the assumption that electronic information dissemination issues are not restricted to small businesses, but apply to all businesses, state and local governments, and citizens. Therefore the recommendations have a general focus, with an emphasis on small business needs.

These recommendations do not focus on certain categories of Federally-collected information (explained below) either because such information lacks utility to the public or because of direct prohibitions to its release.

1. As recognized by the Freedom of Information Act's nine exemption categories some information in the possession of the Federal Government is not appropriate for public disclosure. Such sensitive information can include taxpayer data, personal or medical data, certain proprietary data, and information that would reveal sensitive deliberative processes.
2. Some information that is collected is not useful in an aggregated form or when it is retained in "raw" form. These recommendations are focused on the particular stage or stages of the information life cycle that is useful to the particular constituencies of the information. However, it should be noted that multiple specialized constituencies often exist for the information that often make proactive dissemination appropriate at many or all stages.
3. The adoption of a set of technology standards is important and any such standards being adopted should be consistent with those currently being developed by Interagency Committee on Government Information (ICGI).

ISSUES

The Task Force was asked to specifically consider the methods of improving the electronic dissemination of information collected under Federal requirements. The Task Force conducted a review, which identified a number of Federal government initiatives to improve electronic information dissemination. Several of these initiatives are described in Appendix 2.

The Task Force believes that there is opportunity for improved consolidation or coordination of information dissemination efforts. This report outlines recommendations for accomplishing this task. However, the Task Force recognizes that, given the diversity of Federal government activities, no one method or template for disseminating information would fit all requirements. Below are four obstacles that make it difficult to improve dissemination of information through a top-down approach.

Vast Amount of Federal Information

Federal agencies collect a vast amount of information and make a great deal of it available to the public (as allowed by law and pursuant to statistical standards). However, this information or data is not readily available to the lay public and is spread across many different Federal agencies. The sheer volume of Federal information makes improvement in dissemination a very complex, time-consuming task.

Capabilities of the Small-Business Point of Contact

The Act requires each Agency to designate a single point of contact. Small business participants in the Public Outreach Meeting February 9, 2004 were very supportive of this measure. The point of contact should be able to assist in locating electronic information disseminated by the Agency; however, the variety and volume of information collected and disseminated by any agency makes that a difficult task for a single point of contact. Defining how each agency should accomplish this educational service and assistance is difficult. An agency with a single point of dissemination, particularly where it is applicable to a discrete group of businesses, may find it relatively easy to provide a telephone service to address all of the relevant issues. More difficult would be the provision of knowledgeable assistance and services to a large number of businesses across many populations with different information requirements. In addition, if agencies have well-designed websites that provide information on whom to call or contact for specific types of information, fewer inquiries will go to their small business point of contact.

Challenges of Cross-Agency Initiatives

Although the E-Government initiatives have begun to demonstrate how cross-agency initiatives can be governed and financed, it has not been without a great deal of struggle. A significant challenge remains for agencies to coordinate and integrate their information across Federal, state, and local government.

Determining Customer Needs

One important role that the Federal government needs to fill is that of a service organization that provides its citizens/customers with the information and assistance they need to comply with Federal regulations and other requirements. In order to adequately serve its customers, the Federal government needs to be well informed about its customers' needs, expectations and abilities. Thus, agencies need to devote more time to better determine customer needs and abilities and to better inform, educate, and assist them. They need to be proactive, using an assessment of their needs and abilities to plan, design, and promptly deliver the right information, assistance, and service to our customers. To determine customer needs, the government must identify its customers. Depending on the situation, our customers include the citizenry at large, small businesses, the third parties that represent them, and many other groups. We need to identify our customers, and determine how best to organize the information and services to meet the unique needs of specific customer market segments. Often these customers and their needs are very different for different agency missions. For example, in complying with Federal tax law, most guidance is general in nature, applies to a vast number of citizens, and is segmented by the type of organizational entity or form. Other regulators, such as Department of Transportation, have a narrower customer base that can more readily be segmented. Third parties are sometimes used to address regulatory compliance. For instance, 80 % percent of small businesses use the services of a tax professional to assist them with tax law compliance, so the needs of third-party customers must be addressed as well.

RECOMMENDATIONS

The Task Force has developed several recommendations to achieve the Act's goals. The recommendations discussed below are consistent with the operating principles of the Task Force. They have been limited to options considered technically feasible, supportable within existing government management structures, and achievable given existing agency resources. The Task Force also considered the previous legislative efforts to address paperwork burden, discussed above, when developing the recommendations. The recommendations listed below are intended to supplement these prior efforts, and they do not alleviate the need to continue those efforts. The Task Force determined that more can and should be done within the existing framework created by these Acts to improve access to Federally-collected information.

A number of government projects, including multi-agency projects, have proven the feasibility and desirability of the consolidation of information dissemination activities, as well as improving the labeling, organization, and visibility of Federally collected data. While there are significant barriers to the establishment of a unilateral requirement or mandate to do so, a number of steps can be recommended to encourage similar approaches to a broader base of Federal information. Based on the analysis of the problem, assumptions, and issues discussed above, the Task Force recommends the following actions to improve electronic dissemination of information collected under Federal requirements. These recommendations should not be viewed as discrete actions; the recommendations form an integrated and inter-dependent set of actions.

1. Require Agencies to augment their Small Business outreach plans. It is the recommendation of this Task Force that:
   a) Agencies should outline specific steps the agency would take to improve electronic dissemination of information collected under Federal requirements.

b) Agencies should set goals for improving electronic dissemination of information, and establish timelines for achieving those goals.
c) Agencies should identify activities that can be undertaken with other agencies having similar or related information collections. (See Recommendation 4 below.)
d) Additionally, each Agency should identify opportunities to improve public access to information; provide assistance to the public in locating, and using, Federally-collected information; and publicize the availability of the information.

2. Improve the Organization and Classification of Information. Unfortunately, much government information is still categorized and displayed based on the organizational structure of the agency. This approach is not intuitively obvious to the customer, and desired information is difficult to find unless the customer is familiar with a particular program and where that program falls within an agency. For example, within the Department of Agriculture, in order to find out about the requirements for conducting aquaculture business or how to certify fish health prior to export, a customer must first go to the Animal and Plant Health Inspection Service (APHIS) website, look under Veterinary Service to find the aquaculture program information. Only after examining the "Link to Other Sites" is the customer directed to aquaculture resources. Clearly, from a user's perspective, a search based on the topic "aquaculture," which produces the "Resource" webpage, is a more direct path to the information.

   In order to make government information more readily available to businesses or citizens, Federal agencies should move from an organizational context to a subject matter and/or audience context to organize and classify information. One approach for improving the organization and classification of government information is to create a standard Federal methodology for classifying information on web pages to improve Federal website content management. A methodology for organizing government information could include the following:
   a) A common Federal subject tree for Federal websites could significantly assist small businesses and the general public to find the information they seek. The Interagency Committee on Government Information is looking at this issue and is considering the public-centric taxonomies on FirstGov.gov and the departmental portals, as well as the business-line taxonomies used in the Federal Enterprise Architecture: Business Reference Model. The ICGI should also consider and compare the Federal Register Thesaurus among the other taxonomies it is reviewing. The Federal Register Thesaurus provides standard broad topics used to classify all Federal regulations and is particularly useful to small businesses.
   b) Assisted and unassisted search and navigation could be improved by establishing some basic, common metadata for all top level websites. Areas to be addressed include:
      i) The terminology and taxonomy must include the common terms used by customers, especially small business owners, to locate information.
      ii) The Government needs to explore metadata and taxonomies used on business-friendly web sites and by web search engines, especially with regard to how they classify and organize government data, and to identify commonly requested government information.

iii) Trade and library associations can also assist with classification of Federal information, which would make it more accessible to the public, including small businesses.

iv) There is a need to understand and stay current with the state-of-the-art search techniques and taxonomy structures.

v) The Federal Government should consider "knowledge harvesting" search/retrieval technology on its web-based knowledge bases and repositories. Although commercial search engine leaders do an excellent job at locating material, customers must perform additional searches on the located material to find their subject matter, thereby being time consuming for large documents and complex repositories. Search engines with "knowledge harvesting" functionality eliminate the need for additional searches

vi) The Interagency Committee on Government Information (see Appendix 2), established by the E-Gov Act of 2002, has commissioned working groups to address these areas, and their work needs to be supported by the agencies.

Adopting a common Federal subject tree as a Federal taxonomy would, at a minimum, simplify a customer’s navigation and search for information by making the classification of subject and content more consistent across the Federal government. Moving toward standard metadata tagging of websites and information across the Federal government would provide the opportunity to construct search engines and wizards that search for information based not only on the subject, but on the business context (i.e., taxes, agricultural loans), linking the search for information more directly to the customer’s business needs.

3. <u>Improve Outreach To Small Businesses.</u> Agencies should also take steps to improve outreach to small businesses, including public meetings and announcements regarding information that is available from the agency, especially the collections of information that are of particular interest to small businesses. Additional outreach efforts would significantly improve an agency’s efforts to identify opportunities for improving the dissemination of information. As part of this effort, OMB published a summary of the Compliance Assistance Resources offered by the various agencies in the Federal Register (68 Fed. Reg. 38525-38556 (June 27, 2003)). However, more extensive outreach and education efforts are required by the regulatory agencies to make customers aware of the information, assistance, and services that are available to help them comply with regulations and how to access them.

4. <u>Broaden and Improve Partnerships among Agencies with Similar or Overlapping Information Collections.</u> Agencies, with varying degrees of success, have tried independently or in small consortiums, to provide their customers with the information, assistance, and services that meet their needs and expectations. Agencies should be encouraged to expand their effort in working across agency boundaries to improve information dissemination. Agencies should take additional steps to identify other agencies, including state and local government agencies, with similar types of information and partner with them to develop consolidated access to those information collections. This would allow Agencies to eliminate duplication of dissemination and better ensure the accuracy and currency of information. Additionally, it would assist Agencies in identifying sources of information that would be useful in their work. For example, links between web sites with similar or related data can provide additional ease of use and capabilities to the customer. An example of Committee that currently operates with many partnerships across Federal, state, and local government is the Federal Geographic Data

Committee (FGDC). FGDC is a nineteen member interagency committee composed of representatives from the Executive Office of the President, Cabinet-level and independent agencies. The FGDC is developing the National Spatial Data Infrastructure (NSDI) in cooperation with organizations from State, local and tribal governments, the academic community, and the private sector. The NSDI encompasses policies, standards, and procedures for organizations to cooperatively produce and share geographic data.

5. Use the E-Government Cross-Agency Initiatives to Improve Dissemination of Information. The Task Force strongly supports the Presidential E-Government initiatives as ways to further improve the dissemination of electronic information. The E-Gov initiatives should be a tool to achieve further improvements through process re-engineering when feasible. In this way the E-Gov working groups would complement, rather than duplicate, other information dissemination efforts within the agencies. Highlights of activities of some of the E-Government initiatives are included in Appendix 2. Further work will need to be done to consolidate or integrate the products of the E-Gov initiatives as these initiatives mature.

6. Determine Customer Needs. Agencies need to conduct a needs and abilities assessment of their customer base in order to provide the right information and services, in an understandable and accessible format that facilitates compliance with Federal regulations and minimizes customer burden. The agencies should make every effort to use existing opportunities and avenues for administering the data collection instrument, including focus groups and surveys, to help determine how the collected data could best be disseminated back to the public. Focus groups and Government-wide portals, such as Business.Gov and FirstGov.gov, should also be employed to collect data regarding customer needs before investments are incurred.

7. Market Information. It is the responsibility of the Federal agencies to reach out and inform the public about these resources. Marketing or outreach can be done by individual agencies or by interagency 'workgroups.' The SBA should develop a cross-agency marketing or outreach campaign along the lines described above, as resources permit, while requesting any additional resources needed through normal budget channels. In addition, third-party organizations, such as universities, trade associations, trade journals and professional societies, should be employed to spread the word to their members (such organizations usually have multiple avenues for communicating – websites, newsletters, magazines, conferences, etc.).

8. Explore Public/Private Partnerships with Web Services Companies. Federal agencies need to explore working with companies whose search engines look for, classify and link to Agency information. This will assist in identifying other ways of looking at the collection of Federal information.

9. Don't Forget the Human Interface. There is much to be said for electronic dissemination of information, but, as was clearly articulated in the Public Outreach Meeting, there will always be a need for a person to be available to directly answer questions and provide assistance. This service can be provided through Call Centers and other techniques. Federal Help Line employees and small business points of contact should be educated on where to refer data requests across the government, as should specific program employees who may receive questions on data produced by agencies outside their own. USA Services (described in

Appendix 2) provides a central referral service for requests that cannot be addressed by the initial recipient. Such services can be augmented, but not replaced, by providing “Frequently Asked Questions” on web sites, to respond 24 hours a day to commonly asked questions.

2.2.1. Task #5: Recommend a plan to develop an interactive Government-wide Internet program to identify applicable collections and facilitate compliance

As demonstrated through last year's Task Force Report, the Federal Government is working diligently to reduce paperwork burden on small businesses, while overcoming legislative, regulatory, and transformational barriers. A key recommendation from last year's Task Force Report was the use of information technology to reduce the paperwork burden on small businesses. The Task Force recommended application of several ongoing Presidential E-Government initiatives and management reform programs to overcome the technology and policy barriers hindering the harmonization, streamlining, and reengineering necessary to achieve the Act's objectives. Prominent among these recommendations was the realignment of the Business Compliance One-Stop (BCOS) initiative to focus more specifically on reducing the paperwork burden for small businesses. As a direct result of the first Task Force report, the BCOS initiative was renamed Business Gateway, and its governance team began work identifying a solution to the concerns raised by the Congress and citizens, namely to develop an interactive system to identify applicable collections and facilitate compliance.

In developing the recommendation in this second report, the Task Force built upon the following recommendations from the first report.

1. Adoption of a Set of Technology Standards - To provide opportunities for consolidated reporting and information sharing, the Business Gateway should adopt standards that are consistent with industry standards when appropriate. The adopted set of standards should address format, design, security measures, and architecture.

2. Protect and Ensure Privacy – In developing the technology standards, the Federal government should include small businesses and their representatives in development and validation of an appropriate privacy policy.

3. Strategic Plan – Establish a strategic plan or business case that takes a synergistic approach to an integrated e-forms solution across all Federal agencies. The Federal government should work together to create a road map to implement the plan, within each agency's strategic planning and budget processes. The strategic plan should include burden reduction goals for small businesses.

4. Outreach Efforts to Small Business – Once reporting products become available that meet the government-wide standard, work with agencies to develop a multi-agency plan for marketing the products and services, and training and assisting small businesses to use them.

5. Work with Businesses and Associations–Fruitful areas for streamlining and harmonizing data requirements should be determined, including a new look for ways that businesses and associations can become viable, trusted, collection and dissemination points.

6. Approach Change Incrementally - Select each year a limited group of stakeholders to provide input on reducing information collection burdens.

7. Identify duplication through electronic forms management –The Paperwork Reduction Act requires agencies to self-certify that existing and proposed information gathering systems do not duplicate or overlap those of other systems in the same agency/department.

8. Encourage Agencies to Utilize "Smart" Electronic Forms - Consistent with the Government Paperwork Elimination Act (GPEA), federal agencies should develop "smart" electronic forms that provide immediate feedback to ensure that submitted data meet format requirements and are within the range of acceptable options for each data field. Government forms should be a model of "user friendliness" and efficiency. Agencies should accept electronic submission of forms to avoid errors when paper forms are manually transcribed.

RECOMMENDATIONS

The Task Force proposes adoption of the implementation plan for the Business Gateway which provides small business owners with a single access point to government services and information designed to assist them to start, run, and grow their business.

As a result of the first task force report, the project team increased emphasis on consolidating and harmonizing Federal paperwork requirements, which would help meet the goals of the Act, the Paperwork Reduction Act (PRA), the Government Paperwork Elimination Act (GPEA), and the E-Government Act of 2002. In addition to addressing Federal paperwork requirements, Business Gateway will provide a Web-based portal for small businesses looking to find useful regulatory information in one place along with providing various compliance assistance tools.

BUSINESS GATEWAY VISION, MISSION AND STRATEGIC GOALS

The Business Gateway is one of the Presidential E-Government Initiative, which is managed by the Small Business Administration with fourteen cross-government federal partners. The vision of the Business Gateway E-Government initiative is:

> "To reduce the burden on the Nation's small businesses by simplifying and improving electronic access to Federal Government information, programs and services and provide businesses and citizens with a one-stop means to find, fill, sign and submit forms and transactions electronically."

This vision is focused on alleviating the annual regulatory burden imposed on citizens and business by the Federal Government. Since forms account for a significant level of that burden, the initiative's emphasis on customer-friendly forms offers significant savings to small businesses that can be reinvested in productivity enhancement and job creation.

Currently, every small business owner must have a detailed understanding of the workings of the federal government in order to comply with small business legislation, policy, and regulation. For example, a small trucking company must inquire with each Federal agency and subagency that regulates this industry. The owner must gather information from disparate sources provided by the Internal Revenue Service, Department of Labor, Department of Transportation, and the Environmental Protection Agency among others. The Business Gateway will replace these traditional agency divisions with a unified online presence such that this small business owner can obtain relevant regulatory assistance, forms, and information from a centralized portal.

In order to achieve the vision, the Business Gateway seeks to build a Federal cross-agency technology infrastructure to provide useful regulatory information and compliance assistance tools in one place, while eliminating redundant data collection and providing electronically fill-able, file-able, and sign-able forms.

The initiative will result in an interactive Government-wide Internet solution that provides a "one-stop" access point for Federal regulatory information, compliance assistance tools, and enables them to find, fill out, sign and submit the required forms; and ensures that information common to multiple Federal information collection requirements is gathered only once and used multiple times to ensure data integrity and consistency throughout the compliance process.

The goals of the Business Gateway are:

1. to provide the Nation's small business owner with a single access point to government services and information designed to assist them to start, run, and grow their business;
2. to simplify, unify, and better manage citizen-facing E-forms infrastructure and processes on a government-wide basis; and
3. to begin the process of harmonizing and streamlining small business data integration.

Each of these goals is aligned with a specific technology solution, and the integration of these solutions will meet the requirements of the Act for "an interactive Government-wide system, available through the Internet" that eases the regulatory burden on small businesses. This integrated Internet system will also provide a single Federal cross-agency architectural framework that could eventually simplify the integration of Federal and state reporting requirements for small businesses. This will facilitate further dialogue between the Federal Government and the states on the coordination of reporting requirements as called for in both SBPRA and the E-Government Act. The following information describes each of the three specific goals.

<u>Goal 1: To provide the Nation's small business owner with a single access point to government services and information designed to assist them to start, run, and grow their business</u>.

To achieve this goal, the Business Gateway Program Management Office will develop a business portal on the Web, providing a "one-stop" service portal that greatly simplifies and streamlines the relationship between government, citizens and businesses by being the single access point for:

1. Government services and information needed to start, run, and grow a business.
2. Tools to find information and to comply with government laws and regulations.

The Business Gateway portal will include a search function for information that deals with government services for businesses, and will provide links to several existing Federal Web sites with content and services relevant to small businesses. Examples of such sites include cross-agency Web sites such as Business.gov, Export.gov, Regulations.gov, and Grants.gov, and department/agency specific sites such as SBA.gov. The business portal has the potential to save small business time and money by consolidating relevant content and services in one place and by providing a user-friendly navigation scheme to make it easier to locate the desired information.

The Business Gateway portal has adopted the uniform resource locator (URL), or Web address, currently used by the U.S. Business Advisor (Business.gov). The content of the U.S. Business Advisor will be updated, streamlined, and harmonized with similar content on BusinessLaw.gov and portions of SBA.gov to eliminate duplication, identify gaps in content or services, and greatly simplify navigation for an improved user experience.

While the vision of the Business Gateway is clear, there are many technical solutions to building a cross-agency business portal. The recommendations for implementing the Business Gateway will be evaluated to determine the most appropriate next steps in going forward to achieve the vision.

Currently, the implementation of the Business Gateway business portal will occur in three phases. In Phase I, the business portal will, in fact, be a "metasite" rather than a true portal, simply offering an aggregation of links to Federal Web sites selected for content and services relevant to small businesses. The metasite model will have a home page with a specific user interface, or "look and feel", but selecting a link will deliver the user to another Web site altogether. Also during this phase, the Business Gateway program management office will develop an information architecture to provide a roadmap for business content to be included under the business portal.

In Phase II, the Web site will shift from a metasite to a true portal, utilizing a common look and feel for all offered content and services, even though it will access information from different agencies and technology platforms. The software tools used to develop and maintain the portal will give small businesses the option of a standard or custom interface depending on their needs.

In Phase III, the Business Gateway program management office will fully integrate small business content and services into a common technology platform, with common tools to create, manage, publish, and integrate content. Federal agencies will still own the content and services, and the processes associated with them, but this fact will not be apparent to small business users, who will have access to a common portal. User customization features will be fully available so that small businesses can tailor the portal to meet their unique needs.

Phase I is expected to be completed by September 2004. The timeline for subsequent phases are to be determined by the Business Gateway Initiative project team to be consistent with milestones for the initiative.

Goal 2: To simplify, unify, and better manage citizen-facing E-Forms infrastructure and processes on a government-wide basis.

This goal will be met through the development and deployment of a single point of entry to "Government to Business" (G2B) and "Government to Citizen" (G2C) Federal forms and forms systems from 43 Federal departments and agencies. This capability will be accessible through the business portal (Business.gov) and will eventually allow small businesses to electronically find, fill out, and file the necessary Federal forms for compliance with Federal laws and regulations, all through a single Web location.

It is important to note that while Goal 2 is clear, there are many technical solutions to building an E-Forms infrastructure that allows businesses and citizens to find, fill, and file Federal forms online. This report lays out one recommendation to implement a technical solution for building an E-Forms infrastructure. The Business Gateway Initiative will be evaluating alternatives and determining the most appropriate next steps in going forward to achieve the vision after an “Alternatives Analysis” is conducted.

The forms component of the Business Gateway will include a forms portal containing a catalog of G2C and G2B forms, regardless of format (electronic, paper, Web questionnaire, etc.). This catalog will perform two functions. First, the catalog will enable small businesses to locate a form in the Federal Government that they may need and point them to the appropriate Federal site to acquire the form or fill it out directly online and submit it for further processing. Second, the catalog will provide Federal agencies with a common architecture to manage common forms processes, including inventory, version control, access management, utilization metrics, metadata (data about the data elements on the form), search, and user customization.

The forms architecture will also provide a shared services utility for forms deployments in the Federal Government. This means that agencies seeking full compliance with GPEA by converting their paper forms to an electronic format will have a Federal cross-agency platform ready to support their requirements. This will eliminate the need for future agency-specific investments in new forms systems.

Eventually, the forms architecture will mature to support electronically "fill-able, file-able, and sign-able" forms. The forms engine will be integrated with an Extensible Markup Language (XML) Gateway, allowing the data collected by these forms to be routed to the appropriate agencies in XML format and fed directly into legacy systems for processing. When coupled with standardized schema and data definition, the use of XML provides a common data standard for information sharing across the Federal Government and with other public and private sector enterprises.

The implementation of the Business Gateway forms component occurs in three phases. In Phase I, 43 Federal agencies will create and populate an electronic forms catalog by checking in their G2C and G2B forms. This will give small businesses a "one-stop" service portal for finding Federal customer-facing forms. Since all of the G2B and G2C transactions will have their metadata in one place, small businesses will be able to find the forms they need, no matter where they reside and regardless of the format, since the catalog links to existing agency-specific forms systems. In addition, the Business Gateway will sponsor a select number of hosted and brokered forms systems. Federal agencies that have yet to invest in forms systems will be supported by an e-forms shared services organization which will offer them assistance and e-forms options and help bring them into full GPEA compliance. Finally, select industry segments that are highly regulated will be used as a proof of concept to reduce overall forms burden through data harmonization and streamlining. This process will be explained under Goal 3.

In Phase II, hosted and brokered forms systems will continue to operate as an interim step between multiple agency-specific forms systems, which will also continue to exist, and a common forms engine to support all Federal forms requirements. These forms systems will facilitate the migration of those agencies that use them to the common forms engine and the XML Gateway when they are deployed.

In Phase III, the hosted and brokered forms systems under the shared services model will be migrated into the Federal forms engine that allows small businesses and citizens to find, fill, file, and sign forms, and the XML Gateway to facilitate data exchange with Federal agency legacy systems.

<u>Goal 3: Begin the process of harmonizing and streamlining data collection in order to reduce burden and make it easier for businesses to interact with the Federal government.</u>

To achieve this goal, the Business Gateway team will work with specific industries and Federal agencies to harmonize data elements, forms, and processes and reduce the regulatory paperwork burden by reducing the duplication and overlap in data and forms. The model resulting from these industry-specific pilot programs will be used to harmonize data in other industry sectors and business life cycle categories. The success of this effort will reduce the number of forms used across agencies, and allow small businesses to submit information common to multiple forms one time and have it reused many times. Both of these outcomes will reduce the amount of time small businesses spend complying with Federal laws and regulations.

The pilot projects identified for the Business Gateway address two heavily regulated industry sectors, trucking and surface coal mining that could benefit greatly from burden reduction. The development tasks to be accomplished during these pilot programs include the:

1. identification of common data across diverse forms;
2. definition of business rules for the industry vertical sector(s), and;
3. creation of “one form” to collect common data, and another for the remaining unique data.

The value of this effort to the small business is apparent when multiple customer-facing forms are reduced to a single form for common data, and a single form for unique data. The data collected from these forms can be used to populate all the forms required for the small business to be compliant with Federal laws and regulations.

These pilot programs are scheduled to be completed in October 2004.

CONCLUSION:

Based on the analysis of the problem, assumptions, and issues discussed above, the Task Force recommends the development of the Business Gateway as an interactive Government-wide Internet program to identify applicable collections and facilitate compliance. This initiative is designed specifically to meet the Act’s objective of reducing the paperwork burden on America’s small businesses. The initiative accomplishes this by:

1. providing a single Web point of access for relevant regulatory information and Federal G2C and G2B forms, and
2. harmonizing industry-specific information collection requirements to collect information once and use it many times and reduce the overall number of forms to be completed.

The Business Gateway, using the Internet as a service delivery channel, will promote the rate and accuracy with which citizens and small businesses comply with the myriad of government regulations, and save them millions of dollars which can be reinvested in the growth of our economy.

2.3. APPENDIX 1—The Small Business Paperwork Relief Act of 2002

Public Law 107-198 107th Congress

An Act

To amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small business concerns with certain Federal paperwork requirements, to establish a Task Force to examine information collection and dissemination, and for other purposes.

June 28, 2002

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TITLE.

This Act may be cited as the ``Small Business Paperwork Relief Act of 2002".

* * * * *

SEC. 3. ESTABLISHMENT OF TASK FORCE ON INFORMATION COLLECTION AND DISSEMINATION.

(a) In General.--Chapter 35 of title 44, United States Code, is amended--

(1) by redesignating section 3520 as section 3521; and

(2) by inserting after section 3519 the following:

Sec. 3520. Establishment of Task Force on information collection and dissemination.

(a) There is established a Task Force to study the feasibility of streamlining requirements with respect to small business concerns regarding collection of information and strengthening dissemination of information (in this section referred to as the `Task Force').

(b)(1) The Director shall determine--

(A) subject to the minimum requirements under paragraph (2), the number of representatives to be designated under each subparagraph of that paragraph; and

(B) the agencies to be represented under paragraph (2)(K).

(2) After all determinations are made under paragraph (1), the members of the Task Force shall be designated by the head of each applicable department or agency, and include--

(A) 1 representative of the Director, who shall convene and chair the Task Force;

(B) not less than 2 representatives of the Department of Labor, including 1 representative of the Bureau of Labor Statistics and 1 representative of the Occupational Safety and Health Administration;

(C) not less than 1 representative of the Environmental Protection Agency;

(D) not less than 1 representative of the Department of Transportation;

(E) not less than 1 representative of the Office of Advocacy of the Small Business Administration;

(F) not less than 1 representative of the Internal Revenue Service;

(G) not less than 2 representatives of the Department of Health and Human Services, including 1 representative of the Centers for Medicare and Medicaid Services;

(H) not less than 1 representative of the Department of Agriculture; not less than 1 representative of the Department of the Interior;

(J) not less than 1 representative of the General Services Administration; and

(K) not less than 1 representative of each of 2 agencies not represented by representatives described under subparagraphs (A) through (J).

(c) The Task Force shall--

(1) identify ways to integrate the collection of information across Federal agencies and programs and examine the feasibility and desirability of requiring each agency to consolidate requirements regarding collections of information with respect to small business concerns within and across agencies, without negatively impacting the effectiveness of underlying laws and regulations regarding such collections of information, in order that each small business concern may submit all information required by the agency

(A) to 1 point of contact in the agency;

(B) in a single format, such as a single electronic reporting system, with respect to the agency; and

(C) with synchronized reporting for information submissions having the same frequency, such as synchronized quarterly, semiannual, and annual reporting dates;

(2) examine the feasibility and benefits to small businesses of publishing a list by the Director of the collections of information applicable to small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), organized—

(A) by North American Industry Classification System code;

(B) by industrial sector description; or

(C) in another manner by which small business concerns can more easily identify requirements with which those small business concerns are expected to comply;

(3) examine the savings, including cost savings, and develop recommendations for implementing—

(A) systems for electronic submissions of information to the Federal Government; and

(B) interactive reporting systems, including components that provide immediate feedback to assure that data being submitted--

(i) meet requirements of format; and

(ii) are within the range of acceptable options for each data field;

(4) make recommendations to improve the electronic dissemination of information collected under Federal requirements;

(5) recommend a plan for the development of an interactive Governmentwide system, available through the Internet, to allow each small business to--

(A) better understand which Federal requirements regarding collection of information (and, when possible, which other Federal regulatory requirements) apply to that particular business; and

(B) more easily comply with those Federal requirements; and

(6) in carrying out this section, consider opportunities for the coordination

(A) of Federal and State reporting requirements; and

(B) among the points of contact described under section 3506(i), such as to enable agencies to provide small business concerns with contacts for information collection requirements for other agencies.

(d) The Task Force shall--

(1) by publication in the Federal Register, provide notice and an opportunity for public comment on each report in draft form; and—

(2) make provision in each report for the inclusion of

(A) any additional or dissenting views of Task Force members; and

(B) a summary of significant public comments.

(e) Not later than 1 year after the date of enactment of the Small Business Paperwork Relief Act of 2002, the Task Force shall submit a report of its findings under subsection (c) (1), (2), and (3) to--

(1) the Director;

(2) the chairpersons and ranking minority members of

(A) the Committee on Governmental Affairs and the Committee on Small Business and Entrepreneurship of the Senate; and

(B) the Committee on Government Reform and the Committee on Small Business of the House of Representatives; and

(3) the Small Business and Agriculture Regulatory Enforcement Ombudsman designated under section 30(b) of the Small Business Act (15 U.S.C. 657(b)).

(f) Not later than 2 years after the date of enactment of the Small Business Paperwork Relief Act of 2002, the Task Force shall submit a report of its findings under subsection (c) (4) and (5) to--

(1) the Director;

(2) the chairpersons and ranking minority members of

(A) the Committee on Governmental Affairs and the Committee on Small Business and Entrepreneurship of the Senate; and

(B) the Committee on Government Reform and the Committee on Small Business of the House of Representatives; and

(3) the Small Business and Agriculture Regulatory Enforcement Ombudsman designated under section 30(b) of the Small Business Act (15 U.S.C. 657(b)).

(g) The Task Force shall terminate after completion of its work.

(h) In this section, the term `small business concern' has the meaning given under section 3 of the Small Business Act (15 U.S.C. 632).

(b) Technical and Conforming Amendment.--The table of sections for chapter 35 of title 44, United States Code, is amended by striking the item relating to section 3520 and inserting the following:

3520. Establishment of Task Force on information collection and dissemination.

3521. Authorization of appropriations

2.4 Appendix 2 - Highlights of E-Government Activities that Are Improving Electronic Information Dissemination

U.S. Government Gateway (GSA) www.firstgov.gov
FirstGov.gov, the official U.S. gateway to all government information. On FirstGov.gov, you can search millions of web pages from Federal and state governments, the District of Columbia and U.S. territories. Most of these pages are not available on commercial websites. FirstGov has the most comprehensive government search engine anywhere on the Internet. Government information on FirstGov is also presented to visitors through various channels such as by audience, by topics, and by organization. For visitors that are unable to find the information on their own, FirstGov accepts and responds to e-mail and provides a telephone number to the National Contact Center which is equipped to answer questions and provide referrals to appropriate agencies. See USAServices below.

Federal Statistical Information www.fedstats.gov
FedStats provides the full range of official statistical information available to the public from the Federal Government. It uses the Internet's powerful linking and searching capabilities to track economic and population trends, education, health care costs, aviation safety, foreign trade, energy use, farm production, and more. It accesses official statistics collected and published by more than 100 Federal agencies without having to know in advance which agency produces them. All of the statistical information available through FedStats is maintained and updated solely by Federal agencies on their own web servers.

E-Rulemaking (EPA) www.regulations.gov
Allows citizens to easily access and participate in the rulemaking process. It improves the access to, and the quality of, the rulemaking process for individuals, businesses, and other government entities while streamlining and increasing the efficiency of internal agency processes.

International Trade Process Streamlining (DoC) www.export.gov
Makes it easy for Small and Medium Enterprises (SMEs) to obtain the information and documents needed to conduct business abroad.

Business Gateway (SBA) www.business.gov
Reduces the burden on businesses by making it easy to find, understand, and comply (including submitting forms) with relevant laws and regulations at all levels of government.

Geospatial One-Stop (DoI) www.geodata.gov
Provides Federal and state agencies with a single-point of access to map-related data, enabling consolidation of redundant data.

Disaster Management (DHS) www.disasterhelp.gov
Provides Federal, state, and local emergency managers on-line access to disaster-management-related information, planning, and response tools.

Grants.gov (HHS) www.grants.gov
Creates a single portal for all Federal grant customers to find, apply, and ultimately manage grants on-line.

Recruitment One-Stop (OPM) www.usajobs.opm.gov
Outsources delivery of USAJOBS Federal Employment Information System to deliver state-of-the-art on-line recruitment services to job seekers including intuitive job searching, on-line resume submission, applicant data mining, and on-line feedback on status and eligibility.

Recreation One-Stop (DoI) www.recreation.gov
Provides a single-point of access, user-friendly, web-based resource to citizens, offering information and access to government recreational sites.

GovBenefits.gov (DoL) www.govbenefits.gov
Provides a single point of access for citizens to locate and determine potential eligibility for government benefits and services.

E-Loans (ED) www.govloans.gov
Creates a single point of access for citizens to locate information on Federal loan programs, and improves back-office loan functions.

USA Services (GSA) www.firstgov.gov 1-800-FedInfo and Pueblo CO 81009
Develop and deploy government-wide citizen customer service using industry best practices that will provide citizens, including small businesses, with timely, consistent responses about government information and services.

FedBizOpps (GSA) **www.fedbizopps.gov**
This government-wide information portal is a website that provides a one-stop approach to locating federal business opportunities

Additional Cross Agency Portals
A more complete list of other Cross Agency Portals and initiatives can be found on FirstGov.gov at **http://www.firstgov.gov/Topics/Cross_Agency_Portals.shtml.**

Interagency Committee on Government Information (ICGI) Work Groups
www.cio.gov/documents/ICGI.html
In response to the E-Gov Act of 2002, the ICGI has formed cross-agency working groups which are addressing categorization of information; electronic records policy; and web content management.

2.5 Appendix 3 – Business Gateway Governance

The Business Gateway is a coordinated effort of 14 Federal agencies, with the U.S. Small Business Administration (SBA) as the managing partner. The Business Gateway Governance Board is chartered by the participating agencies, and comprised of senior representatives from each agency. The list of participating agencies is below:

- Small Business Administration (Managing Partner)
- Department of Labor
- General Services Administration
- Department of Transportation
- Department of Homeland Security
- Environmental Protection Agency
- Department of Commerce
- Department of Health and Human Services
- Department of Energy
- Social Security Administration
- Department of Interior
- Department of Treasury
- Department of Justice
- Department of Agriculture

2.6 Appendix 4 – Summary of Public Comments on Implementing the Small Business Paperwork Relief Act of 2002, Excerpted from the Transcript of a Public Outreach Meeting Held by the Office of Advocacy on February 9, 2004

Electronic Dissemination of Information Collected Under Federal Requirements

"I think that there's a lot of discussion about industry-specific information. But I think you should also think in terms of doing general industry information…they have some idea they've got to put all their ducks in a row outside of their industry-specific information. Other information would be useful…by size standard…Another thing is triggers by organizational structure…" *Anita Drummond, Associated Builders and Contractors,* pp. 20-21.

"The biggest complaint that our members (NFIB) mentioned…was trying to understand whether or not they were required to comply with a given regulation. In some cases…it costs a business owner more money to find out if they had to comply than they actually spent complying…(there should be) something that would direct a business owner directly to certain requirements of their business, to try to tell them within a few short clicks." *Bruce Phillips, National Federation of Independent Business (NFIB),* pp. 25-26.

"One of the major complaints we get from our small business members, frankly, is that the language in the websites is just not real business friendly. It is too stilted. It's too complex. It's too 'government-ese.'" *Bruce Philips, NFIB,* p. 27.

Regulatory Compliance Information on the Web

"We have a weekly newsletter that's more government oriented than anything else, but it also has compliance and regulatory on there. And we're finding it very helpful to hyperlink directly from the newsletter. So instead of just having a website that's back there, we actually are proactively printing out requirements that we'll get calls on…" *Michael Wilson, Textile Rental Services Association,* p. 32.

"I find it a little disconcerting that an agency would not want to put all of its regulatory information up on the Web. You know, if the businesses have to comply with it, they have to be able to find it, and for a lot of them, the only place they're going to be able to go to find that information is the Web. We've found out from our own polling, you know, businesses find out about regulations by talking to other businesses, or they find out by going to the Web or doing some basic research." *Andrew Langer, NFIB,* p. 35.

"A big pet peeve of mine…not being able to find the document because you don't have the exact name that it's searchable under." *Andrew Langer, NFIB,* p. 45.

"Our members tell us that when they finally find the information, they think they find the information they're looking for, what they really want is a phone number, toll free or not, or a fax number that they can get their answers to immediately." *Bruce Phillips, NFIB,* p. 46.

Compliance Assistance Hotlines

"We use the EPA refrigerant hotline a lot, and that used to have funding so they would be able to have a contractor do it. Now it's the actual division head at EPA who answers all the calls, which put a tremendous burden on him as well as not meeting the needs of people that are calling in, since you only have one person that's answering the phone now." *John Herzog, Air Conditioning Contractors of America (ACCA),* p. 49.

"I would just like to comment on the importance of there being hotlines that are somewhat available because in all of our e-strategies and e-government, I think sometimes we do lose sight of the fact that there are some small businesses and small business owners who either aren't on the Web or at least aren't comfortable on the Web." *Todd McCracken, National Small Business Association,* pp. 49-50.

Single Point of Contact Within An Agency

"Colorado in the '80s started an ombudsman for business, and they set a single spot—it was Wellington Webb, who later became the mayor of Denver. And that was so a business could go to this one single center and get all the information in terms of licenses needed and what paperwork they had to do in order to be in business in the state." *John Herzog, ACCA,* p.24.

"You need to have someplace the small business person can go outside of the Web to get a real-time answer to a question, because usually there may be some sort of urgency, or they may just get carried away in the course of their business that they may not have time other than that moment when they have however long it takes them to call." *Andrew Langer, NFIB,* p. 53.

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"(On forms) So of the thousands of transactional forms, one place across 43 agencies at this point in one website. Those forms, plus the access to many different portals that have different content needs. There's business, there's grants, there's benefits. There are other portals already there from the federal perspective that have content informational things that will guide a person to understanding what they need to do to comply." *Sandy Gibbs, U.S. Small Business Administration,* p.64.

Opportunities to Reduce Regulatory Burdens

"But one of the problems that we see is a state/federal interface. On the Boiler MACT standards that are coming up, the paperwork for the federal requirements may not be so onerous that it be devastating. It's going to be onerous, but we've accepted it. But there's going to be an even greater paperwork burden at the State Title V levels with regard to that rule, and that's not really been addressed." *Bob Bessette, Council of Industrial Boiler Owners,* pp. 66-67.

"New York City actually had a terrific website, and I'd use that as a model of where actually the Federal Government should be. You go onto the website, and it asks you a series of questions….it will go through a flow chart; and as it goes through that flow chart, at the end it produces all the regulations and all the different submissions that you have to have at the end or submit and provide the state and licenses" *Giovanni Coratolo, U.S. Chamber of Commerce,* pp. 22-23.

"Business owners complain actually that half their burden approximately is state-local and the other half is federal. So any formal or final version that uses the Web as a compliance tool should have some sort of links clearly to the state in which your business is located…" *Bruce Phillips, NFIB,* p.26.

"For sending hazardous waste off-site to be treated and disposed, or even recycled in some cases, you have to submit a hazardous waste manifest. There's been an initiative at EPA for a couple of years now to try to create electronic manifests where you could go onto a EPA site and fill that out and then submit it. There are about 25 states that have agreed to that arrangement…that would be very helpful." *Jeff Gunnulfsen, SOCMA,* p. 71.

<u>Reducing IRS Paperwork Requirements</u>

"I think if you can combine forms as often as you can so that you don't have the duplications, and then when you fill the form out it goes to the various agencies that need to know that would be one step…" *John Herzog, ACCA,* p.75.

"I've worked very closely with the Office of Burden Reduction, and my biggest complaint is it's just not big enough. I think they have like three people over there, and 80 percent of the paperwork is in the IRS. I mean if you really want to make a meaningful foray into reducing paperwork, I think the IRS has to really increase that office." *Giovanni Coratolo, U.S. Chamber,* p. 76.

<u>Miscellaneous Comments</u>

"I think there should be an effort made by every agency to make sure that their websites are Google searchable." *Andrew Langer, NFIB,* p. 35.

"There doesn't seem to be a consolidated place for them—for us to go find the partner we want for small business firms in a lot of business. You can't find them at any websites for any of the organizations. You know, certifications, for the most part you have to certify for the small business owners. It's cumbersome and it takes an enormous amount of time for the paperwork to be filled out." *Johnnie Simpson, National Veterans Association Business Forum,* p.57.

2.7. Appendix 5—Small Business Paperwork Relief Task Force Members

Agency	Member	Title
Office of Management and Budget	Dr. John Graham	Administrator, Office of Information and Regulatory Affairs
Office of Management and Budget	Karen S. Evans	Administrator, Office of E-Government and Information Technology
Department of Agriculture	Marty Mitchell	Chief of Information Collection Division
Department of Commerce	Karen Hogan	Deputy Chief Information Officer
Department of Energy	William Lewis	Office of Economic Impact and Diversity
Department of Interior	Edwin McCeney	Office of the Chief Information Officer
Department of Interior	Peter Ertman	E-Gov Program Manager, Bureau of Land Management
Department of Labor	Robert Gaddie	Associate Commissioner for Field Operations
Department of Labor	Barbara Bingham	Director, Office of Compliance Assistance Policy
Department of Labor	Audie Woolsey	Directorate of Cooperative State Programs OSHA
Department of Labor	Paula White	Director, Directorate of Cooperative State Programs OSHA
Department of Labor	Jeff Koch	Special Assistant to the Chief Information Officer
Department of Labor	David Gray	Acting Assistant Secretary for Policy
Department of Labor	Tyna Coles	Director, Office of Small Business Assistance
Department of Justice	Robert B. Briggs	Program Manager, Information Collection Svcs, Justice Management Division
Department of Transportation	Steve Lott	Manager, Strategic Integration IT Program Management Office of the CIO
Environmental Protection Agency	Jay Benforado	Director, National Center for Environmental Innovation, Office of Policy Economics, and Innovation
Environmental Protection Agency	Jim Edward	Director, Compliance Assistance and Sector Programs Division
Environmental Protection Agency	Kim Nelson	Assistant Administrator, Office of Environmental Information and Chief Information Officer
Environmental Protection Agency	Karen Brown	Director, Small Business Division, Small Business Ombudsman, SBPRA POC
Environmental Protection Agency	Tracy Back	Team Leader, Compliance Assistance and Sector Programs Division
Environmental Protection Agency	Catherine Tunis	Senior Analyst, Small Business Division
General Services Administration	Felipe Mendoza	Associate Administrator, Small Business Utilization
Health and Human Services	Arthuretta Martin	Deputy Director, Office of Small and Disadvantaged Business Utilization
Health and Human Services	Michael Miller	Director, Audit, Analysis, and Information Group Office of Strategic Operations and Regulatory Affairs Centers for Medicare and Medicaid Services
Internal Revenue Service	Ron Kovatch	Senior Advisor Office of Taxpayer Burden Reduction
Small Business Administration	Ron Miller	Program Executive Officer for E-Government
Small Business Administration	Jody Wharton	Director of Information, Office of Advocacy

2.8 Appendix 6—Contributing Staff

Agency	Member	Title
Office of Management and Budget	Donald Arbuckle	Deputy Administrator, Office of Information and Regulatory Affairs (OIRA)
Office of Management and Budget	David Rostker	Policy Analyst, OIRA
Office of Management and Budget	Keith Belton	Policy Analyst, OIRA
Office of Management and Budget	Jonathan Womer	Policy Analyst, OIRA
Office of Management and Budget	Shivani Desai	G2B Portfolio Manager
Office of Management and Budget	Jack Koller	G2C Portfolio Manager
Small Business Administration	Keith Holman	Assistant Chief Counsel Office of Advocacy

2.9 Appendix 7—Response to Comment

On May 5, 2004, the Office of Management and Budget (OMB) published in the Federal Register the draft SBPRA Task Force report and solicited public comments. During the comment period, which ended June 5, 2004, OMB did not receive any comments from citizens, the business community, or other organizations. One comment, however, was received from several Members of Congress. Specifically, Chairmen Doug Ose (Government Reform Subcommittee on Energy Policy, Natural Resources, and Regulatory Affairs), Chairman Edward L. Schrock (Small Business Subcommittee on Regulatory Reform and Oversight), and Chairman Donald A. Manzullo (Committee on Small Business) sent a letter to OMB Director Joshua Bolten on the draft report. This appendix addresses the major substantive comments raised in this letter.

Update on Recommendations Identified in the First Report

The committee chairmen requested an update on follow-up actions taken by the Administration to effectuate the recommendations in the first report of the SBPRA Task Force.

The Administration has taken many actions as a result of the recommendations contained in the first Task Force report. For example, a key recommendation from last year's Task Force Report was the use of information technology to reduce the paperwork burden on small businesses. The Task Force recommended application of several ongoing Presidential E-Government initiatives and management reform programs to overcome the technology and policy barriers hindering the harmonization, streamlining, and reengineering necessary to achieve the Act's objectives. Prominent among these recommendations was the realignment of the Business Compliance One-Stop (BCOS) initiative to focus more specifically on reducing the paperwork burden for small businesses. As a direct result of the first Task Force report, the BCOS initiative was renamed Business Gateway, and its governance team began work identifying a solution to the concerns raised by the Congress and citizens, namely to develop an interactive system to identify applicable collections and facilitate compliance.

The Business Gateway initiative is designed specifically to meet the Act's objective of reducing the paperwork burden on America's small businesses. The initiative accomplishes this by providing a single Web point of access for relevant regulatory information and Federal Government to Citizen (G2C) and Government to Business (G2B) forms, and by harmonizing industry-specific information collection requirements to collect information once and use it many times and reduce the overall number of forms to be completed.

In their letter, the committee chairmen also requested information about the recommendation for each agency to develop an SBPRA plan, the purpose of which is to identify relevant Federal forms and opportunities for burden reduction. This purpose is being fulfilled through the Business Gateway initiative. Indeed, the approach taken by the Administration—to identify burden reduction opportunities across Federal agencies through Business Gateway—is likely to be a more effective than an agency-by-agency approach to burden reduction.

Timeline of the Business Gateway Initiative

The Business Gateway Initiative should complete a business “metasite” with links to various Federal websites by September 2004. The two pilot burden reduction programs dealing with trucking and surface coal mining should be completed by October 2004 as well. We are unable to provide more specific dates as to the phases because the initiative will be soliciting a Request for Information from the industry to find the best value technical solution to implement the vision of the Business Gateway. While the vision of the Business Gateway is clear, there are many technical options for the implementation of a solution. The appropriate technical solution that is chosen by an interagency group of fourteen federal agency partners on the Business Gateway Initiative will dictate the timeline.

Participating Federal Agencies in Phase I of the Business Gateway Initiative

The committee chairmen requested that the final report identify the 43 departments and agencies that are expected to have their Federal forms included in the single point of entry for G2B and G2C Federal forms and form systems. Appendix 8 in this report identifies such agencies.

3.0 Appendix 8— Business Gateway Federal Forms Catalog

The following 43 departments and agencies are expected to have their Federal forms included in the single point of entry for G2B and G2C Federal forms and form systems.

- Commodities Futures Trading Commission
- Consumer Product Safety Commission
- Corporation for National Community Service
- Department of Agriculture
- Department of Commerce
- Department of Defense
- Department of Education
- Department of Energy
- Department of Health and Human Services
- Department of Housing and Urban Development
- Department of Justice
- Department of Labor
- Department of State
- Department of Interior
- Department of Treasury (Summary)
- Department of Transportation
- Department of Veterans Affairs
- Environmental Protection Agency
- Equal Employment Opportunity Commission
- Export-Import Bank
- Federal Communications Commission
- Federal Deposit Insurance Corporation
- Federal Emergency Management Agency
- Federal Housing Finance Board
- Federal Maritime Commission
- General Services Administration
- International Assistance Programs
- International Trade Commission
- National Aeronautics and Space Administration
- National Archives and Records Administration
- National Credit Union Administration
- National Endowment for the Arts
- National Endowment for the Humanities
- National Mediation Board
- National Science Foundation
- Nuclear Regulatory Commission
- Office of Personnel Management
- Office of Special Council
- Other Commissions and Board

- Railroad Retirement Board
- Small Business Administration
- Social Security Administration
- Tennessee Valley Authority