

U.S. Small Business Administration
Final Plan for Retrospective Analysis of Existing Rules
August 19, 2011

I. Executive Summary of Final Plan and Compliance with Executive Order 13563

Executive Order 13563 recognizes the importance of maintaining a consistent culture of retrospective review and analysis throughout the executive branch. Before a rule has been tested, it is difficult to be certain of its consequences, including its costs and benefits. The U.S. Small Business Administration's plan is designed to create a defined method and schedule for identifying certain rules that are obsolete, unnecessary, unjustified, excessively burdensome, or counterproductive. The agency's review process is intended to facilitate the identification of rules that warrant repeal or modification, including, where necessary or appropriate, strengthening or modernizing those rules.

Executive Order 13563 calls not for a single exercise, but for "periodic review of existing significant regulations," with close reference to empirical evidence. It explicitly states that "retrospective analyses, including supporting data, should be released online wherever possible." Consistent with the commitment to periodic review and to public participation, SBA will continue to assess its existing significant regulations in accordance with the requirements of Executive Order 13563. SBA welcomes public suggestions about appropriate reforms. If, at any time, members of the public identify possible reforms to streamline requirements and to reduce existing burdens, SBA will give those suggestions careful consideration.

The mission of the Small Business Administration is to maintain and strengthen the Nation's economy by enabling the establishment and viability of small businesses, and by assisting in economic recovery of communities after disasters. Because of this mission, SBA is committed to reducing the regulatory burdens facing small businesses and continues to explore initiatives that would simplify the way in which they do business with Federal agencies and enhance their capacity to access capital, create jobs, and revitalize the nation's economy. SBA will also engage other federal agencies in an ongoing conversation to identify and implement regulatory processes for reducing the burden on small businesses across government. As part of its efforts to reduce burden on small businesses, within the next 90 days, SBA will explore opportunities and methodologies to expedite payments to small business contractors consistent with the Federal Acquisition Regulatory (FAR) Council's guidelines. Receipt of expedited payments could improve cash flows for these businesses and their capacity to sustain and grow their operations.

SBA is also particularly invested in reducing the paperwork burden imposed by its loan, innovation, and procurement programs. Along those lines, SBA is analyzing the following initiatives that would streamline and simplify the process for participating in these programs:

- Single electronic lender application for 7(a) loan programs;
- Uniform SBIR Portal for Information and Solicitations;
- Single Uniform Certification for SBA Contracting Programs;

- Automated credit decision model for 7(a) loan program;
- Government contracting program eligibility website;
- Integrated certification and program management system;
- Portal to distribute materials to resource partners;
- Auto-approve disaster loans based on credit scores; and
- Automate process of receiving insurance recovery information.

SBA developed this retrospective review plan in keeping with its resources, expertise, and regulatory priorities. SBA sought suggestions from the public and incorporated best practices from across the Administration. SBA has developed a concrete timetable with rules to be reviewed. Reviews are being conducted by the relevant program office and the Office of General Counsel under the auspices of the SBA Deputy Administrator. SBA anticipates that the reviews will result in rulemakings that propose revisions that meet the Executive Order 13563 guidance. Through this process, SBA seeks to build on its commitment to open government and to promote reasonable decision-making that will help entrepreneurs and small business concerns start, grow, and thrive.