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*1st Session* }

SENATE

{ REPORT  
113-33

SUMMARY OF LEGISLATIVE  
AND OVERSIGHT ACTIVITIES  
DURING THE 112TH CONGRESS

(JANUARY 3, 2011 THROUGH JANUARY 3, 2013)

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R E P O R T

OF THE

COMMITTEE ON  
SMALL BUSINESS & ENTREPRENEURSHIP  
UNITED STATES SENATE



APRIL 22, 2013.—Ordered to be printed

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## LETTER OF TRANSMITTAL

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U.S. SENATE, COMMITTEE ON  
SMALL BUSINESS AND ENTREPRENEURSHIP,  
*Washington, DC.*

Hon. JOSEPH R. BIDEN, Jr.,  
*President of the Senate,*  
*Washington, DC.*

DEAR MR. PRESIDENT: Senate Rule XXVI.8(b) requires the submission of a report of the activities of the Senate Committee on Small Business and Entrepreneurship for the previous Congress.

In accordance with the requirements, I am submitting the report of the activities of the Committee during the 112th Congress. This report outlines the most noteworthy legislative achievements and other achievements and activities of our Committee.

Sincerely,

MARY L. LANDRIEU,  
*Chair.*



# CONTENTS

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	Page
MEMBERSHIP .....	VI
JURISDICTION .....	1
OVERVIEW .....	2
KEY LEGISLATIVE ACTIVITIES .....	5
Extending the 504 Loan Guaranty Program Refinance Authority .....	5
Enhancing the SBIC Program .....	5
Oversight of SBA Lending in Communities .....	5
Implementation of the Small Business Jobs Act Capital Provisions .....	6
Crowdfunding .....	7
Disaster Loan Assistance .....	7
Improving the SBA's Surety Bond Guarantee Program .....	8
Making Contracting for Women-Owned Small Businesses Fairer .....	9
Contracting Fraud Prevention .....	9
Elimination of the TVC .....	9
SCORE for Small Business Act of 2012 .....	10
Today's Entrepreneurs are Advancing Mentorship Act .....	10
Reauthorization of the SBIR/STTR Programs .....	10
Regulatory Reform .....	12
Committee Review of Entrepreneurship Proposals .....	13
Small Business Tax Bills Introduced .....	16
Form 1099 Repeal .....	16
Small Business Tax Extenders .....	17
MEASURES ENACTED OR OBIATED .....	18
NOMINATIONS .....	20
HEARINGS, ROUNDTABLES, AND MARKUPS .....	20
OVERSIGHT .....	27
RULES .....	34
STAFF .....	38
COMMITTEE PUBLICATIONS .....	39
BILLS REFERRED .....	39

MEMBERSHIP  
COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP  
ONE HUNDRED TWELFTH CONGRESS

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MARY L. LANDRIEU, Louisiana, *Chair*  
OLYMPIA J. SNOWE, Maine, *Ranking Member*

CARL LEVIN, Michigan	DAVID VITTER, Louisiana
TOM HARKIN, Iowa	JAMES E. RISCH, Idaho
JOHN KERRY, Massachusetts	MARCO RUBIO, Florida
JOSEPH I. LIEBERMAN, Connecticut	RAND PAUL, Kentucky
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JEANNE SHAHEEN, New Hampshire	JERRY MORAN, Kansas
KAY HAGAN, North Carolina	

DONALD R. CRAVINS, JR., *Democratic Staff Director*  
WALLACE K. HSUEH, *Republican Staff Director*

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The Senate Committee on Small Business and Entrepreneurship has no subcommittees. They were abolished in 1995, at the start of the 104th Congress, under Chairman Kit Bond (Republican, Missouri) and Ranking Member Dale Bumpers (Democrat, Arkansas).

SUMMARY OF LEGISLATIVE AND OVERSIGHT ACTIVITIES  
DURING THE 112TH CONGRESS (JANUARY 3, 2011  
THROUGH JANUARY 3, 2013)

APRIL 22, 2013.—Ordered to be printed

Ms. LANDRIEU, from the Committee on Small Business and  
Entrepreneurship, submitted the following

R E P O R T

JURISDICTION

The jurisdiction of the Committee on Small Business and Entrepreneurship is set forth in rule XXV(1)(o) of the Standing Rules of the Senate.

Per rule XXV(1)(o) of the Standing Rules of the Senate:

(1) Committee on Small Business and Entrepreneurship to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the Small Business Administration;

(2) Any proposed legislation reported by such committee which relates to matters other than the functions of the Small Business Administration shall, at the request of the chairman of any standing committee having jurisdiction over the subject matter extraneous to the functions of the Small Business Administration, be considered and reported by such standing committee prior to its consideration by the Senate; and likewise measures reported by other committees directly relating to the Small Business Administration shall, at the request of the Chair of the Committee on Small Business and Entrepreneurship, be referred to the Committee on Small Business and Entrepreneurship for its consideration of any portion of the measure dealing with the Small Business Administration and be reported by this committee prior to its consideration by the Senate.

(3) Such committee shall also study and survey by means of research and investigation all problems of American small business enterprises and report thereon from time to time.

Per rule XXV(3)(a) of the Standing Rules of the Senate, the Committee on Small Business and Entrepreneurship shall be made up of 18 members. However, at the start of the 112th Congress, Majority Leader Harry Reid (D-NV) and Minority Leader Mitch McCon-

nell (R-KY) put forth S. Res. 42 and S. Res. 43, which laid out the members of the Committee and increased the number of members from 18 to 19, with ten (10) for the majority and nine (9) for the minority. When there is a difference, resolutions take precedence over the Rules.

#### OVERVIEW

The 112th Congress began on January 3, 2011 and ended on January 3, 2013. Barack H. Obama was the President of the United States at the start of the 112th Congress, and he was re-elected to a second term at the end of the 112th Congress. The Democrats were in the majority with 51 Democrats and 2 Independents who caucused with the Democrats. The Republicans were in the minority and held 47 seats. Senator Mary L. Landrieu of Louisiana was again the chair of the Senate Committee on Small Business and Entrepreneurship (the Committee), and Senator Olympia J. Snowe of Maine was the ranking minority member. There were 19 members of the Committee, divided between ten (10) for the majority and nine (9) for the minority. There were five (5) new members on the minority side: Mr. Marco Rubio of Florida; Mr. Rand Paul of Kentucky; Ms. Kelly Ayotte of New Hampshire; Mr. Scott Brown of Massachusetts; and Mr. Jerry Moran of Kansas. During the 112th Congress, Ms. Snowe and Mr. Lieberman announced that they would not seek re-election.

As the 112th Congress convened in January of 2011, the country was continuing to recover from the recession that began in late 2007, a time referred to as the worst economic crisis since the Great Depression. Following the collapse of the U.S. housing market and devaluation of collateral for businesses, the near-collapse of the financial markets, an ever-increasing national deficit, growing unemployment rates, and a decrease in consumer confidence and spending, small businesses were still facing difficult times.

Complicating matters, in 2011, in connection with the Congressional debate over the federal debt and deficit, and whether and how to raise the nation's debt ceiling limit, Congress enacted the Budget Control Act (P.L. 112-25) (the BCA). Under the BCA, Congress raised the federal debt limit, instituted ten-year discretionary spending caps, and provided for automatic, across-the-board budget cuts to achieve at least \$1.2 trillion in deficit reduction over the next ten years (sequestration) in the event Congress failed to pass legislation reported out by a Joint Select Committee on Deficit Reduction (the Super Committee) by January 15, 2012. To aid the Super Committee with its work on developing legislation, Chair Landrieu and Ranking Member Snowe each submitted letters of recommended deficit reduction proposals related to the Small Business Administration (the SBA or the Agency). Ultimately, the Super Committee failed to find agreement and report out a bill, which triggered sequestration (automatic, across-the-board cuts).

On top of these economic hardships, natural disasters created historic hardships on business and homeowners on the East Coast. Superstorm Sandy, which struck the northeastern United States on October 29th, was reported as the largest-sized storm system in U.S. history. Superstorm Sandy claimed the lives of 132 Americans, damaged or destroyed more than 651,000 homes and 459,000 businesses, and left more than 8.5 million families without power,

heat, or running water. The scale of this disaster created significant housing and transportation challenges, and successful recovery required sustained effort at the federal, State, and local level, from government, private businesses, and voluntary organizations. The need and demand for the SBA and its partners to provide small businesses with capital, counseling, and contracting assistance remained critical, and the Committee and the SBA faced the continued challenge from the 111th Congress of increasing SBA's capacity to assist small businesses.

To help small businesses address the challenges described during the two years of the 112th Congress, Chair Landrieu continued her focus from the last Congress on access to capital. While the Committee staff would hear that conditions were improving somewhat since the most difficult times in 2009 and 2010, at many hearings and roundtables, witnesses and participants would tell the Committee that capital was still difficult for small businesses to obtain. The larger loan amounts as well as the fee waivers and higher guarantees included in the Small Business Jobs Act of 2010 (the SBJA) continued the Committee's work to jumpstart SBA lending, and continued having a strong effect that led to record SBA numbers in the 112th Congress.

More specifically, in the two years immediately following passage of the SBJA, the SBA experienced the two largest lending years in the history of the Agency. In Fiscal year 2011, SBA loan approvals supported loans to almost 62,000 small business owners and pumped \$30.5 billion into local communities. For Fiscal Year 2012, SBA loan approvals supported \$30.25 billion in loans to nearly 54,000 small businesses.

In addition to access to capital, Chair Landrieu and Ranking Member Snowe made long-term reauthorization of the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs a priority during the 112th Congress. The SBIR and STTR programs are the largest federal research and development programs for small businesses, and it was important to give them stability after the string of short-term extensions since 2008. Thanks to the collaboration of the chairmen and ranking members of the Senate and House Armed Services Committees, Chair Landrieu and Ranking Member Snowe succeeded in getting a six-year reauthorization of the programs to the president's desk for signature on December 31, 2011.

Also of note, Chair Landrieu, Ranking Member Snowe and the Committee also focused on putting in place more tools to level the playing field for small businesses competing for contracts with the federal government. They succeeded in getting enacted improvements to the SBA's surety bond guarantee program and eliminating the limits placed on contract set-asides for women-owned small businesses.

To chip away at the high unemployment rates, Chair Landrieu placed a major emphasis on cultivating entrepreneurship. The Committee and other members of the Senate took seriously the findings made by the Kauffman Foundation, which stated that most jobs are created by start-ups of less than three years and high-growth firms. The Committee also built a public record and took action on policy recommendations gathered from Committee

roundtables and hearings that were designed to steer federal resources towards policies that foster such firms.

Three of the roundtables the Committee held were focused on examining the unique aspects of the ecosystem of entrepreneurship. An ecosystem is defined as “a system formed by the interaction of a community of organisms with their environment.” In this context, the Committee roundtables looked at the specific relationship between entrepreneurs and the current environment for entrepreneurship and how to make the system more robust. During these roundtables, the Committee heard from 40 experts who made more than 60 recommendations on how the federal government could help small businesses, entrepreneurs and start-up companies. These recommendations formed the basis of the Success Ultimately Comes from Capital, Contracting, Education, Strategic Partnerships and Smart Regulation (SUCCESS) Act of 2012. Included in the SUCCESS Act were a number of extensions of expiring or expired tax cuts for small businesses for 2012 and 2013, as well as provisions on improving access to capital, expanding export and contracting opportunities, encouraging education and mentoring. The SUCCESS Act almost passed the Senate with bipartisan support as part of S. 2237, the Small Business Jobs and Tax Relief Act of 2012.

Finally, Chair Landrieu and Ranking Member Snowe continued efforts to provide tax relief for small businesses and introduced legislation to extend tax relief included in the SBJA. At the end of the 112th Congress, several critical small business tax provisions were enacted in connection with legislation to extend expiring individual tax cuts first passed under the Bush Administration.

Building upon efforts led by Chair Landrieu and Ranking Member Snowe in the 111th Congress to repeal expanded Form 1099 reporting requirements set to take effect in 2012 (the 2012 Form 1099 Reporting Requirements), Senate Finance Committee Chairman Max Baucus, along with Chair Landrieu, introduced the Small Business Paperwork Mandate Elimination Act of 2011 (S. 72 ) on January 25, 2011, which was enacted as part of the Comprehensive 1099 Taxpayer Protection and Repayment of Exchange Subsidy Overpayments Act of 2011 (P.L. 112–9).

In examining all these issues and more during the 112th Congress, the Committee held 23 hearings, field hearings, roundtables and markups. During these hearings and roundtables, the Committee heard from more than 142 experts on a variety of subjects important to small businesses, from disaster recovery and the aforementioned high-growth firms, to closing the wealth gap for minorities through entrepreneurship and small business ownership. The Senate considered numerous measures related to the Small Business Committee’s jurisdiction, and the Committee weighed in with the Administration on oversight through 78 letters to various state and federal agencies.

This report of activities of the Committee on Small Business and Entrepreneurship during the 112th Congress is submitted in accordance to the requirements of Rule XXVI of the Standing Rules of the Senate, which stipulate that all standing committees report to the Senate on its legislative activities during the preceding Congress. This report summarizes the legislative and oversight activi-

ties of the Committee on critical issues of concern to small businesses.

#### KEY LEGISLATIVE ACTIVITIES

**Extending the 504 Loan Guaranty Program Refinance Authority.** The ability to refinance owner-occupied commercial real estate debt through the 504 loan guaranty program, originally allowed by American Recovery and Reinvestment Act of 2009 (ARRA) (P.L. 111–5), was temporarily expanded by the Small Business Jobs Act of 2010. The authority was a zero-cost way to help small businesses access their own equity that they had built up over the years in order to hire additional employees or retain those currently employed.

It took some time for the SBA to create a regulation implementing the 504 refinance authority, and the initial regulation was not fully consistent with legislative intent. When the SBA revised the regulation such that it was more in line with legislative intent, participation took off beginning in the early spring of 2012, providing more than \$2.2 billion in capital to small business owners during Fiscal Year 2012. However, on September 27, 2012 just as the program was accelerating and the lending community began to utilize it, the program expired.

Chair Landrieu and Ranking Member Snowe filed several bills to extend the 504 refinancing provision. The provision was originally introduced as S. 2364 by Senators Landrieu, Snowe and Shaheen along with five other bipartisan co-sponsors—Senators Isakson, Thune, Klobuchar, Tim Johnson, and Pryor. The 504 refinance provision was also included in Title II of the Success Ultimately Comes from Capital, Contracting, Education, Strategic Partnerships, and Smart Regulations (SUCCESS) Act, which almost passed the Senate as part of S. 2337, the Small Business Jobs and Tax Relief Act of 2012. Additionally, Chair Landrieu included the 504 refinance provision in a substitute amendment that she offered to the Jumpstart Our Business Startups (JOBS) Act of 2012 and also offered it as an amendment to S. 3457, the Veterans Jobs Corps Act of 2012. Ultimately, however, none of the bills or amendments made it to the president’s desk during the 112th Congress.

**Enhancing the SBIC Program.** The Small Business Investment Company (SBIC) program is the SBA’s venture capital program. It has served for decades as a model of a public-private partnership. The core debenture program is a zero-cost, symbiotic arrangement whereby the government and private investors work together to invest wisely in deserving small businesses. In May of 2012, Chair Landrieu introduced S. 3253, the Expanding Access to Capital for Entrepreneurial Leaders (EXCEL) Act, with Ranking Member Snowe. The bill would have raised the statutory cap for the program from \$3 billion to \$4 billion. It also would have increased the family of funds limit (multiple licensees under common control) from \$225 million to \$350 million. These provisions were also included in the SUCCESS Act.

**Oversight of SBA Lending in Communities.** Chair Landrieu included in the SUCCESS Act an initiative called the “Small Business Lender Activity Index.” The purpose was to increase transparency and clarity on the part of the SBA in order to help small businesses use the loan programs. The small business lender activ-

ity index was to be an online database posted on the SBA's website. This would have allowed a small business access to an SBA-backed loan more easily or would have helped an economic development official identify where the SBA's programs were being utilized and where there was room for improvement. This provision was included in the SUCCESS Act.

**Implementation of the Small Business Jobs Act Capital Provisions.** After passing the Small Business Jobs Act of 2010 (SBJA), which passed September 27, 2010, Chair Landrieu spent considerable time in the 112th Congress ensuring the law was being implemented effectively. The access to capital sections in the SBJA fell roughly into two categories: (a) programs administered by the SBA, and (b) programs administered by the Department of the Treasury (Treasury). The SBJA enhanced the loan programs at the SBA, by, among other things, increasing the 7(a) loan limits from \$2 million to \$5 million; the 504 loan limit from \$1.5 million to \$5.5 million; and the microloan limit from \$35,000 to \$50,000. Also included in the SBJA was the temporary authority to refinance owner occupied commercial real estate debt through the 504 loan program.

In the two years immediately following passage of the SBJA, the SBA experienced the two largest lending years in the history of the Agency. For Fiscal Year 2011, SBA loan approvals supported \$30.5 billion (61,689 loans) in its two main loan programs, 7(a) and 504. For fiscal 2012, SBA loan approvals for the same programs supported \$30.25 billion (53,848 loans) to small businesses. Breaking down the loan approvals for Fiscal Year 2012, the totals for the 7(a) loan program include 44,377 loans to small businesses, for \$15.15 billion. For the 504 loan program, the totals include 9,471 loans supporting \$15.09 billion in small business lending. The supported amount for 504 loans includes the SBA-backed portion and the third-party loans made by commercial lenders as part of the funding package. The 504 loan data for 2012 also includes approximately \$2 billion of refinancings.

The Treasury programs included the Small Business Lending Fund (SBLF) and the State Small Business Credit Initiative (SSBCI). The SBLF was a \$30-billion fund intended to encourage lenders with less than \$10 billion in assets to increase their small business lending. The SSBCI provided \$1.4 billion in grants to states to support small business programs.

Under the Small Business Lending Fund (SBLF), Treasury invested more than \$4.0 billion in 332 lenders. By the end of fiscal 2012, the vast majority of SBLF participants increased their small business lending. Participants increased their small business lending by a total of \$7.4 billion, and 78% increased their small business lending by 10 percent or more. Similarly situated banks that did not participate in the SBLF had not increased their small business lending by comparable amounts. The SSBCI allocated \$1.4 billion in grants for state run small business lending programs. As part of oversight of the implementation, the Committee heard testimony from two state recipients, and conducted interviews with an additional six state recipients.

The Committee notes that all Republicans on the Committee opposed the SBJA. They had many concerns about the SBLF, including: (a) the program too closely resembled the Troubled Asset Relief

Program's Capital Purchase Program, and (b) it would lead to higher risk lending by banks.

**Crowdfunding.** The Committee also explored crowdfunding, an innovative option for small businesses to obtain financing. The initiative was considered a new fundraising model designed to allow entrepreneurs to solicit investments for small businesses online. The idea gained momentum in early 2012, and the Committee heard testimony on February 1, 2012, from one of the strongest proponents in support of changing the Securities and Exchange Commission (SEC) regulations to enable crowdfunding, Mr. Tim Rowe, the founder and CEO of the Cambridge Innovation Center in Massachusetts.

The Committee saw merit in the idea of crowdfunding, and Chair Landrieu co-sponsored the Capital Raising Online While Deterring Fraud and Unethical Non-Disclosure Act (the CROWDFUND Act) of 2011 (S. 1970) with Senators Merkley and Bennet, which was introduced on December 8, 2011. The crowdfunding language ultimately passed the Senate as part of the JOBS Act of 2012 on March 22, 2012. It was signed into law by President Obama on April 5, 2012 (P.L. 112-106). From the outset, the Committee recognized the potential paradigm shift such a fundraising model could promote, but was equally conscious of the necessary investor protections that would be crucial to prevent widespread fraud. Thus, after passage, the Committee encouraged the SEC to issue a rule that would strike the appropriate balance.

**Disaster Loan Assistance.** As with other congresses, Chair Landrieu believed that disaster loan assistance was one of the SBA's most important services, and she made the programs a priority. She continually sought ways to make the SBA disaster programs more affordable and responsive to the business owners and home owners who rely on the SBA in desperate times. Below are two pieces of disaster legislation that Chair Landrieu pursued as part of the Committee's legislative agenda in the 112th Congress.

The first bill, S. 653, the Southeast Hurricanes Small Business Disaster Relief Act, was re-introduced by Chair Landrieu with Senators Cochran and Wicker on March 28, 2011. The bill would have authorized the SBA to waive up to \$15,000 of interest on 2005/2008 business disaster loans from Miss., Ala., La., and Tex. for severe damage caused by Hurricanes Katrina, Rita, Gustav and Ike, and economic injury from the Deepwater Horizon oil spill. Businesses would have still been responsible for the principal and the remaining interest. During the 111th Congress, a similar proposal—S. 2986—was endorsed by the U.S. Chamber of Commerce, the U.S. Conference of Mayors, the New York Times, the Times Picayune, and various Gulf Coast chambers of commerce and local governments. S. 653 was not enacted into law before the adjournment of the 112th Congress.

The second bill, S. 3672, was introduced by Chair Landrieu to improve collateral requirements for the SBA's business disaster loans. The purpose of the bill was to address years of complaints from small business owners that the SBA disaster loan program required business owners to pledge their house in order to get a loan, even if they had other collateral. This bill would have clarified that for SBA disaster business loans of less than \$200,000, the SBA would have been required to utilize assets other than the primary

residence if those assets were available to use as collateral towards the loan. The bill specified that these assets should be of equal or greater value than the amount of the loan. Also, to ensure that the change would guarantee a targeted improvement and maintain good under-writing standards, the bill included language to clarify that the provision would in no way require SBA to reduce the amount or quality of collateral it could seek on these types of loans.

During the 112th Congress, S. 3672 passed the Senate on December 28, 2012 by a vote of 62–32 as part of H.R. 1, the Senate-passed Disaster Relief Appropriations Act. However, it was not included in H.R. 152, the House-passed Disaster Relief Appropriations Act that subsequently was enacted into law.

The Committee notes that the disaster loan collateral provision was similar to Section 204 of S. 2731, the Small Business Administration Disaster Recovery and Reform Act of 2009 that Chair Landrieu and Senator Bill Nelson introduced during the 111th Congress. A similar provision also passed the House of Representatives twice that Congress. H.R. 3854, which included a modified collateral requirement under Section 801, passed the House on October 29, 2009, by a vote of 389–32. The provision also passed the House again on November 6, 2009, by a voice vote as Section 2 of H.R. 3743.

#### **Improving the SBA's Surety Bond Guarantee Program.**

The National Defense Authorization Act for Fiscal Year 2013 [P.L. 112–239] increased the SBA's Surety Bond Guarantee Program's bond limit from \$2 million to \$6.5 million. The limit had been \$2 million since 2000, and was temporarily increased from February 17, 2009, through September 30, 2010, through the American Recovery and Reinvestment Act (ARRA) to \$5 million, and up to \$10 million if a federal contracting officer certified in writing that a guarantee in excess of \$5 million was necessary. The purpose of raising the program's bond limit was to increase contracting opportunities for small businesses and bring the limit more in line with limits of other small business programs, such as the 8(a) Minority Small Business and Capital Ownership Development Program and the Historically Underutilized Business Zone (HUBZone) Program.

There were several legislative efforts during the 112th Congress to increase the program's bond limit. First, the Expanding Opportunities for Main Street Act of 2011 (S. 1334), introduced by Senator Tom Udall, and its companion bill in the House (H.R. 2424), introduced by Representative Bobby Rush, would have reinstated and made permanent ARRA's higher limits. Neither of these bills was reported by a committee for consideration by the House or the Senate.

Second, the American Jobs Act of 2011 (S. 1660), and its companion bill in the House, H.R. 12, would have provided \$3 million in additional funding to pay for the cost of temporarily increasing the program's bond limit to \$5 million from \$2 million until the end of FY2012. Cloture on a motion to proceed to S. 1660 was not invoked in the Senate on October 11, 2011, by a vote of 50 to 49. H.R. 12 was not reported by a committee for consideration in the House.

Last, on December 12, 2012, the Senate Committee on Appropriations released its draft of the Hurricane Sandy Emergency Assistance Supplemental bill, and it included a provision to increase the surety bond program's bond limit to \$5 million. The provision

was later removed from the Supplemental bill, following enactment of H.R. 4310, the National Defense Authorization Act for Fiscal Year 2013, because, as stated at the beginning of this section, the NDAA included the surety bond program changes and became law on January 2, 2013.

**Making Contracting for Women-Owned Small Businesses Fairer.** Originally introduced by Senators Snowe, Landrieu, Gillibrand, Bennet, Mikulski, Murkowski, and Shaheen as S. 2172, the Fairness in Women-Owned Small Business Contracting Act sought to eliminate the limits on contract award amounts and the prohibition against sole-source contract awards for Women-Owned Small Businesses. The National Defense Authorization Act for Fiscal Year 2013 [P.L. 112–239] authorized set-aside contracts of any value for Women-Owned Small Businesses (WOSBs). Previously, agencies could only set aside contracts for whose value was below \$4 million (\$6.5 in the case of manufacturing contracts).

**Contracting Fraud Prevention.** S. 633, the Small Business Contracting Fraud Prevention Act of 2011, was introduced on March 17, 2011 by Ranking Member Snowe, Chair Landrieu and Senators Scott Brown, Enzi, and Merkley. This initiative came on the heels of several vulnerabilities and abuses in nearly all of the SBA's contracting programs, as identified in multiple reports by the nonpartisan Government Accountability Office (GAO). The Small Business Contracting Fraud Prevention Act provided a comprehensive oversight framework within SBA to execute effective certification, surveillance and monitoring, and robust enforcement of its entire contracting portfolio. Among other things, S.633 would have amended the Small Business Act to include penalties for a business that misrepresents itself as a small business owned and controlled by service-disabled veterans. The bill would have also amended the 8(a) program to direct the Comptroller General, every three years, to evaluate the 8(a) program and report evaluation results to the Committees on Small Business. It also would have required related 8(a) program oversight by the SBA Administrator. S. 633 directed the Administrator to: (1) ensure the accuracy and appropriate revision of HUBZone maps, (2) ensure that only small businesses determined to be qualified to participate in HUBZone programs were participating, (3) report to the Small Business Committees about HUBZone small business applications or recertifications, and (4) develop measures and implement plans to assess the effectiveness of the HUBZone program. In the end, S. 633 passed the Senate with amendments by unanimous consent on September 21, 2011, but was not enacted into law before the adjournment of the 112th Congress.

**Elimination of the TVC.** The National Veterans Business Development Corporation's (TVC) federal authorization was terminated at the end of the 112th Congress as part of P.L. 112–239, the National Defense Authorization Act of 2013. More specifically, it was eliminated by S. Amdt. 3133, put forward by Ranking Member Snowe, for herself and Chair Landrieu, and passed as part of a manager's package of amendments on November 30, 2012. The Committee had raised questions about the management and spending decisions made by the TVC and its leaders for years, which were detailed in a 2008 Senate Small Business and Entrepreneurship Committee Report. The report found, among other things, that

the TVC had failed to support Veteran Business Resource Centers, had wasteful programs, lacked outcomes-based measurements, provided its employees with unacceptably high executive compensation, engaged in dubious expenditures, and failed to properly fundraise. Because of questions regarding mismanagement and potential fraud, the Committee sought to eliminate funding for the program starting in 2008. Two reports issued by the GAO in 2003 and 2004 criticized the TVC for the lack of internal controls and the inability to measure effectiveness of the program. The statutory purpose of the program is now being filled by the Office of Veterans Business Development.

**SCORE for Small Business Act of 2012.** Chair Landrieu considers public-private partnerships to be a pragmatic and powerful solution to many problems, from commercialization of research to training entrepreneurs. Often neither the private sector nor the government can do it all alone. The SBA's SCORE program embodies the power of public-private partnerships. The Service Corps of Retired Executives (SCORE) is a non-profit association, authorized under the Small Business Act, and a Resource Partner of the Small Business Administration (SBA). SCORE, which is made up of a network of 12,800 volunteers, is dedicated to educating and assisting entrepreneurs and small business owners in the formation, growth and expansion of their small businesses. In Fiscal Year 2011, SCORE estimated that it served more than 400,000 clients, and helped to create 40,537 businesses and more than 67,098 jobs. The Committee heard time and again at hearings and roundtables from volunteers serving in SCORE, and business owners who received SCORE assistance, about SCORE and how it could help the economy so much more if it had adequate support.

The SCORE for Small Business Act of 2012 (S. 3508) would have increased SCORE's authorization level to \$13 million in Fiscal Year 2013, \$15 million in Fiscal Year 2014, and \$17 million in Fiscal Year 2015. According to SCORE, the proposed increase in funding would have allowed SCORE to complete a large-scale transformation process that would have dramatically increased the number of businesses started during the next five years and implemented initiatives targeted at improving the efficiency and effectiveness of the program.

**Today's Entrepreneurs are Advancing Mentorship Act.** S. 3638 was designed by Chair Landrieu to strengthen America's entrepreneurial ecosystem by empowering the SBA's Office of Entrepreneurial Education and invigorating students of all ages, entrepreneurs and mentors throughout the country. Specifically, it would have formally authorized the SBA's Emerging Leaders Initiative (e200), a training initiative that specifically focused on executives of businesses poised for growth in historically challenged communities. The bill authorized \$2 million per year for FY13 through FY15 for the e200 program.

**Reauthorization of the SBIR/STTR Programs.** The Small Business and Entrepreneurship Committee has oversight of the two largest federal research and development programs for small businesses, the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. Through these programs, the government partners with small businesses, or small businesses and research universities or labs, to help solve its

research and development problems by making small but sufficient awards to test as many ideas as possible. The focus is on discovering, funding, and evaluating the initial, highest-risk, most cutting-edge exploratory research that is necessary to achieve significant technological innovations and breakthroughs, and to increase private-sector commercialization of innovation derived from federal research and development. As a result, these programs stimulate the economy, and create businesses and jobs by making good use of the country's entrepreneurs, scientists and engineers.

For the fourth Congress, the Committee worked to reauthorize the SBIR and STTR programs, which originally expired on September 30, 2008, and on September 30, 2009. They did so because virtually all members believed the SBIR and STTR programs were still necessary to stimulate America's innovation economy, to remedy the continued underrepresentation of small businesses in federal research and development, and to use small businesses to help government agencies meet national needs. Chair Landrieu and Ranking Member Snowe worked closely to build on legislation developed in previous congresses by Ranking Member Snowe when she was chair, and by Senator Kerry when he was chair.

During the 112th Congress, the SBIR and STTR programs were extended five times. The purpose of the extensions was to prevent the SBIR and STTR participating agencies from slowing down or shutting down their programs, as happened around the time of the 2000 SBIR reauthorization, which hurt many small businesses and delayed needed research. The extensions were as follows: (1) P.L. 112-1; (2) P.L. 112-17; (3) P.L. 112-33; (4) P.L. 112-36; and (5) P.L. 112-55.

The legislation ultimately was enacted as part of P.L. 112-81, the National Defense Authorization Act for Fiscal Year 2012, signed on December 31, 2011. Division E, the SBIR/STTR Reauthorization Act of 2011, among other things, extended the SBIR and STTR programs to September 30, 2017.

The Committee notes that there were two main bills through which the Committee worked to provide long-term reauthorization and stability to the SBIR and STTR programs in the 112th Congress. S. 493, the SBIR/STTR Reauthorization Act of 2011, introduced by Chair Landrieu for herself and Ranking Member Snowe and others on March 4, 2011, and S. 1867, the National Defense Authorization Act for Fiscal Year 2012 (as S. Amdt. 1115). S. 1867 was ultimately incorporated into H.R. 1540.

S. 493, the SBIR/STTR Reauthorization Act of 2011, was amended by a Manager's Amendment, and reported favorably out of Committee by a nearly unanimous vote of 18-1. It was then considered on the Senate floor in the spring of 2010 after 84 members voted in support of cloture to begin debate on passage of the bill through the full Senate. After five weeks on the floor, it did not pass the full Senate. However, Chair Landrieu's SBIR amendment to the Senate NDAA bill (S. 1867) was agreed to by an overwhelming voice vote on December 1, 2011, and then preserved in conference in H.R. 1540 with very few changes.

S. 493 incorporated most of the SBIR and STTR provisions adopted by the Committee in the 109th Congress from S. 3778, in the 110th Congress from S. 3362, and in the 111th Congress from S. 1233 and S. 4053. It was S. 1233 that incorporated provisions

from H.R. 2965, the comprehensive SBIR and STTR reauthorization bill adopted by the House of Representatives. S. 4053 went further than S. 493 and included not just the blending of the Senate and the House bills, but it also included a break-through compromise between the Biotechnology Industry Organization (BIO) and the Small Business Technology Council (SBTC) on the issue of the participation of companies majority-owned by multiple venture capital companies in the SBIR program. S. 4053 did not get a vote in the House before the end of the 111th Congress, but it did help in the new 112th Congress to move an SBIR/STTR reauthorization bill quickly through the Committee and on to the calendar for deliberation by the full Senate.

The highlights of the law are as follows: (1) provided stability with long-term authorizations for six years, through September 30, 2017; (2) increased the SBIR allocation incrementally from 2.5 to 3.2% and increased the STTR allocation incrementally from .3 to .45%; (3) increased award sizes for Phase I from \$100k to \$150k (\$225k with 50% increase), for Phase II from \$750k to \$1m (\$1.5m with 50% increase); (4) established a sequential Phase II at \$1m (\$1.5m with 50% increase); (5) provided the SBA the power to adjust award levels for inflation annually instead of every five years; (6) allowed for participation of firms majority owned by multiple venture capital, hedge fund or equity firms in a portion of the SBIR program (25% at NIH, NSF, and DoE; 15% at other 8 agencies); (7) allowed agencies on a three-year pilot basis to use 3% of SBIR funds for administration of the SBIR and STTR programs, including outreach to under-served states and populations and reducing the timeframe for decisions and disbursement of funds; (8) moderated the skipping Phase I provision and the commercialization index; and (9) it directed the agencies to shorten their timeframe for final decision to 90 days.

**Regulatory Reform.** Having heard repeatedly from small business owners about the difficulties they face in complying with onerous federal regulations, Ranking Member Snowe introduced S. 1030—the Freedom from Restrictive Excessive Executive Demands and Onerous Mandates (FREEDOM) Act of 2011. The measure was co-sponsored by Senator Coburn. Committee hearings revealed that small businesses too often lack the resources to follow the myriad regulatory changes spanning the various government agencies that affect their businesses. S. 1030 would have modernized the Regulatory Flexibility Act (RFA) to require that federal agencies conduct comprehensive analyses of the potential impacts that regulations could have on small businesses.

Among other provisions, the FREEDOM Act directed agencies to revise the RFA to ensure that foreseeable indirect economic effects would be taken into consideration, required a periodic review of existing rules that impact small business, and ensured that agencies would conduct small business impact studies on guidance documents as well as on RFA-compliant regulations. The legislation also would have expanded the placement of small business review panels, which at that time only applied to three agencies, to nine additional federal agencies over the course of three years. On June 9, 2012, The FREEDOM Act received a Senate floor vote as an amendment to the Economic Development Revitalization Act of

2011 (S. 782). The amendment received bipartisan support, including six Democrats, but failed 53–46.

**Committee Review of Entrepreneurship Proposals.** Building off of research from Babson College, widely considered one of the country’s top colleges for entrepreneurship education, and with feedback from other stakeholders, the Committee conducted a series of roundtables from February to April 2012 on strengthening the entrepreneurial ecosystem for small businesses. The goal of these roundtables was to take the ideas that came out of these discussions and use them as the foundation for a major piece of legislation to support the entrepreneurial ecosystem. The first roundtable on February 1, 2012 was entitled “Developing and Strengthening High-Growth Entrepreneurship.” This roundtable set the stage for Committee discussions by exploring the success of high-growth firms in job creation and why it was so important to replicate that success. The second roundtable was on March 22, 2012 and was entitled “A Spotlight on Small Business Investment Companies (SBIC) and Their Role in the Entrepreneurship Ecosystem.” That roundtable looked at how we could enhance the SBIC program, which had a long record of success for getting capital into the hands of America’s job creators. The last roundtable was on April 18, 2012 and was entitled “Perspectives from the Entrepreneurial Ecosystem: Creating Jobs and Growing Businesses through Entrepreneurship.” That roundtable discussed how different stakeholders in the entrepreneurial ecosystem were creating new entrepreneurs and growing businesses. It brought together key stakeholders from different levels of an entrepreneurial ecosystem: universities and entrepreneurship programs, federal and local officials, investors, private sector accelerators, mentors, and successful entrepreneurs.

As a result of these three roundtables, the Committee received almost 60 specific policy recommendations from the 41 participants. Some of these recommendations fell under the jurisdictions of other Senate committees, while other proposals had a significant cost associated with them or lacked the strong bipartisan support necessary to move them forward in the Senate. Chair Landrieu consulted with numerous colleagues on the Committee to identify six “domains” of proposals on which to focus Committee efforts: (1) Tax and Finance; (2) Access to Capital; (3) Access to Global Markets; (4) Access to Mentoring, Education and Strategic Partnerships; (5) Access to Government Contracting; and (6) Transparency, Accountability, and Effectiveness. These domains formed the six titles of S. 3442, the Success Ultimately Comes from Capital, Contracting, Education, Strategic Partnerships, and Smart Regulations (SUCCESS) Act of 2012.

On July 12, 2012, the full Senate voted on the SUCCESS Act as part of S. Amdt. 2521 to S. 2237, the Small Business Jobs and Tax Relief Act of 2012. S. Amdt. 2521 received a vote of 57–41, including five Republicans. These provisions were subsequently introduced as stand-alone legislation by Chair Landrieu on July 25, 2012. Ranking Member Snowe also included many of these provisions as part of S. 3572, the Restoring Tax and Regulatory Certainty to Small Business Act of 2012 that she introduced on September 9, 2012. Unfortunately, neither S. 3442 nor S. 3572 were enacted into law before the adjournment of the 112th Congress.

On November 29, 2012, the Committee held a legislative hearing entitled “Creating Jobs and Growing the Economy: Legislative Proposals to Strengthen the Entrepreneurial Ecosystem.” This hearing discussed legislative proposals promoting job creation and small business growth in entrepreneurial ecosystems. Legislation discussed at that hearing included S. 3442, the SUCCESS Act, and S. 3572, the Restoring Tax and Regulatory Certainty to Small Business Act of 2012.

S. 3442, the SUCCESS Act, had many titles and comprehensive reach. Title I of the SUCCESS Act provided almost \$12 billion in tax incentives to assist small businesses. All five tax provisions within the SUCCESS Act were based upon S. 2050 that was introduced in January 2012 by Ranking Member Snowe and Chair Landrieu. S. 2050, the Small Business Tax Extenders Act, reflected the work of multiple senators including: Senators Snowe, Kerry, Merkley, Cardin, Isakson, and Shaheen.

Title II of the SUCCESS Act focused on improving access to capital for small businesses. It included three components: (1) S. 3253, the Expanding Access to Capital for Entrepreneurial Leaders (EXCEL) Act, that Chair Landrieu introduced to enhance the Small Business Investment Company (SBIC) program by raising program cap from \$3 billion to \$4 billion and increasing the amount of leverage by SBIC licensees under common control from \$225 million to \$350 million. (2) S. 2364, Ranking Member Snowe’s bill that would have extended for a year and a half a provision allowing small business owners to use Small Business Administration (SBA) 504 loans to refinance existing commercial mortgages. And, (3), Chair Landrieu’s initiative to require the SBA to post a user friendly Lender Activity Index on the SBA website. Users would have been able to immediately access data such as, name of bank, number of SBA loans each bank made, total dollar amount of SBA loans of each bank, and industries lent to (hospitality, manufacturing, service, software, etc.).

Title III of the SUCCESS Act focused on promoting exports from small businesses. The Small Business Jobs Act made major changes to the international trade work done by the SBA. The export provisions of Title III are taken from S. 3218, the Shaheen-Ayotte Small Business Growth Act of 2012, as well as S. 3277, the Go Global Act of 2012, that Senator Shaheen and Chair Landrieu authored in 2012.

Title IV of the bill focused on promoting small business access to mentoring, education and strategic partnerships. Subtitle A of this title was originally introduced by Ranking Member Snowe and Chair Landrieu as S. 3198, the Strengthening Resources for America’s Entrepreneurs Act of 2012.

Subtitle B of the bill came from S. 3197, the Women’s Small Business Ownership Act, which was sponsored by Ranking Member Snowe and Chair Landrieu. This subtitle focused on the SBA Women’s Business Center (WBC) program.

Subtitle C of the SUCCESS Act was Ranking Member Snowe’s Strengthening America’s Small Business Development Centers Act. It would have reauthorized the SBDC program at the existing \$135 million authorization level through FY15, encouraged SBDCs to improve outreach and communications to universities, community colleges, and junior colleges and allowed the SBA Administrator to

authorize out-of-state SBDCs to provide assistance in declared disaster areas.

Subtitle D of Title IV was originally introduced as S. 3281 by Senators Snowe, Kerry, and Coburn. This subtitle repealed federal authorization of the National Veterans Business Development Corporation (TVC).

Title V of the SUCCESS Act focused on promoting federal government contracting opportunities for small businesses. It included S. 2187, the Small Business Administration Surety Bond Increase Act, originally introduced by Senators Cardin, Landrieu and Snowe. It would have made permanent the American Recovery & Reinvestment Act provision by Senator Cardin that temporarily increased the size of a SBA surety bond guarantee from \$2 million to \$5 million. As mentioned earlier, this provision was ultimately included in the National Defense Authorization Act for Fiscal Year 2013 [P.L. 112-239].

Subtitle B of Title V was originally introduced by Senators Snowe, Landrieu, Enzi, Brown, and Merkley, and eight other senators, as S. 633, the Small Business Contracting Fraud Prevention Act. The provisions in Subtitle B provided the SBA Inspector General with enhanced tools to eliminate fraud in small business contracting programs by imposing greater penalties for fraud and requiring that firms be debarred for five years if they misrepresent their status as veteran-owned for purposes of programs under the act.

Subtitle C under Title V was originally introduced by Senators Snowe, Landrieu, Gillibrand, Bennet, Mikulski, Murkowski, and Shaheen as S. 2172, the Fairness in Women-Owned Small Business Contracting Act. It sought to eliminate the limits on contract award amounts and the prohibition against sole-source contract awards to Women-Owned Small Businesses.

Subtitle D of the Title V of the SUCCESS Act originated in the House of Representatives as H.R. 3851, the Small Business Advocate Act of 2012, by Congressman Sam Graves. This provision required the Director of the Office of Small and Disadvantaged Business Utilization (OSDBU), which is established within all major federal Executive Agencies, to be compensated at up to a Senior Executive Service Level.

The final title of the SUCCESS Act was focused on improving federal government transparency, accountability, and effectiveness. A key component of this title was the result of the work of Senator Hagan from North Carolina. In particular, Subtitle A of Title VI was based upon Senator Hagan's legislation, S. 3194, the Small Business Common Application Act of 2012. The section aimed to streamline assistance for small businesses facing layers of paperwork when applying for a grant, seeking technical assistance or bidding on a contract from the federal government.

Subtitle A of the final title built off of provisions in S. 3194 by establishing an Executive Committee of 12 federal agency representatives, headed by the SBA Administrator, to review the feasibility of establishing a Small Business Common Application. This Executive Committee would have then provided recommendations to the Executive Branch and Congress within 270 days on establishing a common application and web portal for small businesses. The small business "common app" would have functioned much like

the one that students complete to apply to multiple colleges and universities simultaneously. It would have ensured that small businesses across the country could concentrate on growing and creating jobs—instead of filling out mountains of repetitive paperwork.

**Small Business Tax Bills Introduced.** On May 12, 2011, Ranking Member Snowe and Chair Landrieu once again introduced the Small Business Tax Equalization and Compliance Act (S. 974) to provide the salon industry the same tax rules on tips paid to employees as permitted in the restaurant industry. Specifically, the bill provided a tax credit designed for salon employers to offset the matching Social Security and Medicare taxes that the salon employer is required to pay on the tips that employees receive from customers. Building upon similar legislation introduced in previous Congresses, including the 111th Congress, the legislation would have also helped to make more even-handed IRS enforcement of laws on payroll and income taxes. Subsequent to introduction, S. 974 was referred to the Senate Finance Committee, which did not take action on the bill.

On March 22, 2012, Sen. Kerry and Chair Landrieu introduced the Small Business Health Care Tax Credit Improvement Act (S. 2227) to expand and simplify the small business health care tax credit created by ACA for employee health insurance expenses of small employers. S. 2227 was referred to the Senate Finance Committee, which did not take action on the bill.

On March 29, 2012, Ranking Member Snowe and Chair Landrieu, along with Senators Alexander, Boxer, Corker, and Hutchinson introduced the Songwriters Tax Simplification Reauthorization Act (S. 2258). Building on legislation introduced in previous Congresses, the bill was designed to reinstate the ability of American music publishers and self-published songwriters to elect to use a simplified 5-year, 20 percent, per year amortization schedule for tax purposes for song catalogues. S. 2258 was referred to the Finance Committee, which did not take action on the bill.

**Form 1099 Repeal.** Building upon efforts led by Chair Landrieu and Ranking Member Snowe in the 111th Congress to repeal expanded Form 1099 reporting requirements set to take effect in 2012 (the 2012 Form 1099 Reporting Requirements), Senate Finance Committee Chairman Max Baucus, along with Chair Landrieu, introduced the Small Business Paperwork Mandate Elimination Act of 2011 (S. 72 ) on January 25, 2011. Originally enacted as an offset to the Affordable Care Act (P.L. 111–148) (ACA), the 2012 Form 1099 Reporting Requirements would have expanded existing IRS Form 1099 reporting requirement to require any business to file a Form 1099 for payments made for goods—in addition to services—that cost \$600 or more. This would have created another category of income that required a Form 1099 filing requirement. In addition, the 2012 Form 1099 Reporting Requirements also required businesses that made payments to corporations for services that cost \$600 or more to file Form 1099s to report those payments.

Immediately following the enactment of ACA, small businesses raised concerns regarding the cost and regulatory burden the new 2012 Form 1099 Reporting Requirements triggered. In connection with the debate on the SBIR bill, the Senate passed H.R. 4 to re-

peal the 2012 Form 1099 Reporting Requirements on April 5, 2011. President Obama signed into law the repeal of the 2012 Form 1099 Requirements as part of the Comprehensive 1099 Taxpayer Protection and Repayment of Exchange Subsidy Overpayments Act of 2011 (P.L. 112-9) on April 14, 2011.

**Small Business Tax Extenders.** On January 31, 2012, Ranking Member Snowe and Chair Landrieu introduced the Small Business Tax Extenders Act (S. 2050) to extend expired and expiring tax relief for small businesses, which had been included in prior legislation. The bill was referred to the Senate Finance Committee and no further action was taken.

On March 25, 2012, Majority Leader Reid introduced the Small Business Jobs and Tax Relief Act of 2012 (S. 2237), and Chair Landrieu co-sponsored the bill on April 25, 2012. S. 2237 included a new hire tax credit targeted to small businesses and an extension of bonus depreciation as well as a related provision that allowed taxpayers who use the percentage-of-completion method of accounting to elect bonus depreciation, which was included in S. 2050. Chair Landrieu filed the SUCCESS Act as an amendment to S. 2237, which included several key small business tax priorities from S. 2050. The Senate failed to adopt the SUCCESS Act as an amendment to S. 2237 on July 12, 2012, and the Senate failed to invoke cloture on S. 2237 on July 12, 2012.

On July 19, 2012, the Senate passed the Middle Class Tax Cut Act (S. 3412) that included extensions, through 2013, of some of the small business tax provisions included in S. 2050. S. 3412 was placed on the Senate calendar and no further action was taken. Separately, on July 26, 2012, the Senate Finance Committee reported out The Family and Business Tax Cut Certainty Act of 2012 (S. 3521) that also included some small business tax provisions included in S. 2050. The Senate did not further consider S. 3521.

On September 19, 2012, Ranking Member Snowe introduced the Restoring Tax and Regulatory Certainty to Small Businesses Act of 2012 (S. 3572), which contained the small business tax relief extensions in S. 2050 filed jointly by Chair Landrieu and Ranking Member Snowe. The bill also included regulatory reforms that had not been previously included. Ranking Member Snowe incorporated the regulatory relief provisions from the FREEDOM Act (S. 1030) into S. 3572, as well as an additional section that required a “regulatory report card” annually submitted to Congress that would have identified all of the regulations spanning multiple agencies that impact small business in an effort to address what some perceive as a lack of transparency and accessibility. The bill was referred to the Senate Finance Committee and no further action was taken.

On January 1, 2013, the Senate passed the American Taxpayer Relief Act of 2012 (ATRA) (P.L. 112-240), which President Obama signed into law on January 2, 2013. ATRA included an extension of bonus depreciation and the related bonus depreciation provision from S. 2050, as well as the following key small businesses tax relief provisions from S. 2050:

*Extension of 100% Capital Gains Exclusion:* Until 2009, non-corporate taxpayers were allowed to exclude 50% of the gain from the sale of stock of qualified small businesses (QSB) if the taxpayers held the stock for more than 5 years. The Recovery Act of 2009 increased the 50% exclusion to 75% and the Small Business Jobs Act

of 2010 and subsequent legislation increased and extended the exclusion to 100% through 2011. However, as of January 1, 2012, the 100% exclusion reverted to 50% and startup investments were no longer entitled to preferential capital gains treatment. ATRA extended the 100% exclusion from tax the gain on the sale of QSB stock held for more than 5 years and that is acquired before January 1, 2014, with an effective retroactive date for any stock acquired after December 31, 2011.

*Extension of Enhanced S-Corp Built-in Gains (BIG) Provision:* When a corporation becomes an S-corporation, it is required to hold its business assets for 10 years or pay punitive taxes. This 10-year holding period is too long and ties up assets that could be sold to raise capital. In the Small Business Jobs Act of 2010 (SBJA) (P.L. 111-499), Congress reduced this holding period to 5 years to better match business planning cycles and allow S-corporations access to capital. ATRA extended the shortened 5-year holding provision through 2013.

*Extension of Enhanced Section 179 Deduction:* Under the SBJA and other subsequent legislation, for taxable years beginning in 2010 and 2011, small businesses could write-off for capital expenditures for qualifying Sec. 179 property up to \$500,000 and the phase-out threshold has been increased to \$2,000,000. These thresholds were up from prior law thresholds. In addition, for the first time, the SBJA allowed taxpayers to expense \$250,000 of the cost of improvements to real property, including qualified restaurant property and qualified retail property.

ATRA extended the more generous Sec. 179 provision through 2013 that was included in the S. 2050, S. 3442 (the SUCCESS Act), and S. 3572 that allows small businesses to immediately write-off up to \$500,000 (up from \$250,000) for tangible personal property and up to \$250,000 for improvements to leasehold property and retail property.

MEASURES ENACTED OR OBIATED RELEVANT TO THE SENATE  
COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

- S. Res. 42: Introduced by Sen. Reid on 2/3/2011. Constituted the majority party's membership on the Senate Committee on Small Business and Entrepreneurship for the 112th Congress.
- S. Res. 43: Introduced by Sen. McConnell on 2/3/2011. Constituted the minority party's membership on the Senate Committee on Small Business and Entrepreneurship for the 112th Congress.
- Rules of Procedure for the Senate Committee on Small Business and Entrepreneurship for the 112th Congress adopted by voice vote and published on 2/17/2011.
- S. Res. 66: Introduced by Sen. Landrieu on 2/17/2011. Authorized expenditures by the Committee on Small Business and Entrepreneurship for the 112th Congress.
- S. Res. 197: Introduced by Sen. Landrieu on 5/24/2011. Designated the week which began on May 15, 2011, as National Small Business Week.
- S. Res. 320: Introduced by Sen. Landrieu on 11/10/2011. Designated November 26, 2011, as Small Business Saturday.
- S. Res. 469: Introduced by Sen. Landrieu on 5/21/2012. Designated the week which began on May, 20, 2012, as National Small Business Week.

- S. Res. 589: Introduced by Sen. Snowe on 9/22/2012. Designated November 24, 2012, as Small Business Saturday.
- P.L. 112–1 (H.R. 366): Introduced by Congressman Sam Graves on 1/20/2011 and signed into law on 1/31/2011. Extended certain SBA programs from January 31, 2011 through May 31, 2011 (4 months).
- P.L. 112–9 (S. 72): Introduced by Senator Baucus with 17 original cosponsors on 1/25/2011 and signed into law on 4/1/2011. Repealed the Form 1099 reporting requirements set to take effect in 2012. Senate passed H.R. 4 (the House version) to repeal the requirements on April 5, 2011.
- P.L. 112–17 (S. 1082): Introduced by Sen. Landrieu on 5/26/2011 and signed into law on 6/1/2011. Extended certain SBA programs from May 31, 2011, through July 31, 2011, and extended the SBIR and STTR programs from May 31, 2011 through September 30, 2011 (two months for general SBA, four months for SBIR/STTR and DoD's Commercialization Pilot programs).
- P.L. 112–33 (H.R. 2017): Introduced by Congressman Aderholt on 5/15/2011 and signed into law on 9/30/2011. Continued appropriations for Fiscal Year 2012, government-wide, through October 4, 2011, and also extended the SBIR, STTR, and Commercialization Pilot programs for the same period (4 days).
- P.L. 112–36 (H.R. 2608): Introduced by Congressman Sam Graves on 7/21/2011 and signed into law on 10/05/2011. Original language would have extended the SBA from July 31, 2011, through December 31, 2011 (five months); eliminated 11 authorized programs; and eliminated 1 pilot program (Emerging Leaders). The Senate amended the bill on July 28, 2011, and sent back 1 year instead of five months; changed the repeal dates from date of enactment to the start of FY2012, modified the repeal of the Emerging Leaders pilot; and added Dr. Coburn's deficit reduction language. The House decided not to act and let certain SBA authorities lapse, such as cosponsorship. The bill was ultimately used as the vehicle for the FY2012 continuing appropriations, and extended the SBIR, STTR, and Commercialization Pilot programs from October 5, 2011, through November 18, 2011 (about six weeks).
- P.L. 112–55 (H.R. 2112): Introduced by Congressman Jack Kingston on 6/3/2011 and signed into law on 11/18/2011. Made Consolidated and Further Continuing Appropriations Act, 2012 and extended the SBIR, STTR, and Commercialization Pilot programs from November 17th, 2011 through December 16th, 2011 (one month).
- P.L. 112–78 (H.R. 3765): Introduced by Congressman Dave Camp on 12/23/2011 and signed into law 12/23/2011. Amends the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 and extended a number of small business tax relief measures through 2012.
- P.L. 112–81 (H.R. 1540): Introduced by Congressman Buck McKeon on 4/14/2011 and signed into law on 12/31/2011. The bill authorized the Department of Defense programs for Fiscal Year 2012 and included Division E, the SBIR/STTR Reauthorization Act of 2011, which comprehensively extended the SBIR, STTR and Commercialization Pilot/Readiness programs through September 30, 2017 (six years).

- P.L. 112–240 (H.R. 8), Introduced by Congressman Dave Camp on 7/24/2012 and signed into law on 1/2/2013. Extended through 2013 a number of small business tax relief measures, including extension of the 100% capital gains exclusion, the enhanced S-corp built-in gains, and the Sec. 179 deduction.

#### NOMINATIONS

The Small Business Administration has four positions which are filled by presidential nomination and require Senate confirmation under the jurisdiction of the Senate Committee on Small Business and Entrepreneurship. The positions are: SBA Administrator, SBA Deputy Administrator, SBA Inspector General, and Chief Counsel for Advocacy.

During the 112th Congress, only the position of Chief Counsel for Advocacy needed Senate action. The position of SBA Administrator was held by Karen Gordon Mills, confirmed April 3, 2009. The position of SBA Deputy Administrator was held by Marie Annette Collins Johns, confirmed on June 22, 2010. The position of SBA Inspector General was held by Peggy E. Gustafson, confirmed on September 24, 2009.

#### *Dr. Winslow Lorenzo Sargeant*

On January 26, 2011, President Obama nominated Winslow Lorenzo Sargeant, Ph.D. to serve as Chief Counsel for Advocacy for the SBA's Office of Advocacy. The nomination was reported favorably out of the Committee, 17–2, on October 12, 2011. On November 18, 2011, Dr. Sargeant's nomination was confirmed by a voice vote of the full Senate.

This was the second time that President Obama nominated Dr. Sargeant for the position. Dr. Sargeant was first nominated on June 8, 2009, during the 111th Congress. On August 6, 2009, the Committee held a hearing to consider the nomination of Dr. Winslow. The Committee voted in favor of Dr. Sargeant by a vote of 13–6. After reporting out Dr. Sargeant's nomination to the full Senate, there were objections to the unanimous consent agreements to confirm his nomination before the full Senate, and he did not get a vote. On August 19, 2010, nearly a year after receiving approval from the Committee, Dr. Sargeant was recess-appointed to the position of Chief Counsel of the Office of Advocacy by President Obama.

#### HEARINGS, ROUNDTABLES, AND MARKUPS OF THE 112TH CONGRESS

##### FIRST SESSION

- February 3, 2011: Hearing to Organize the Committee on Small Business and Entrepreneurship, Senator Landrieu chaired. Staff testimony from Mr. Donald R. Cravins, Jr., Democratic Staff Director and Chief Counsel; Mr. Wallace Hsueh, Republican Staff Director; and Ms. Caroline Bruckner, General Counsel. The Committee met to consider the Committee's rules of procedure and to discuss a budget resolution. The rules establish how the Committee will operate and the rights of the Majority and the Minority for the session of Congress.

- February 17, 2011: Markup to Organize the Committee on Small Business and Entrepreneurship, Senator Landrieu chaired.

The Committee met to adopt the Committee's rules of procedure and to vote on a budget resolution. The vote established funding for the Committee for the 112th Congress (vote occurred off the Senate Floor).

- February 17, 2011: Hearing titled "Reauthorization of the SBIR and STTR Programs," Senator Landrieu chaired. Testimony from Charles W. Wessner, Ph.D., Director of Technology, Innovation, and Entrepreneurship, The National Academies; Irwin Mark Jacobs, Ph.D., Co-Founder, Qualcomm; Matthew Silver, Ph.D., Co-Founder & Chief Executive Officer, Cambrian Innovation; Mr. Jere Glover, Executive Director, Small Business Technology Council; Mr. Joe Hernandez, Chief Executive Officer, Signal Genetics, On Behalf of the Biotechnology Industry Organization. The Committee met to review what role the SBIR and STTR programs play in spurring U.S. of innovation and economic development.

- March 3, 2011: Hearing titled "Closing the Wealth Gap: Exploring Minority Access to Capital and Contracting Opportunities," Senator Landrieu chaired. Testimony from The Honorable Marie Johns, Deputy Administrator, U.S. Small Business Administration; Dr. Robert W. Fairlie, Professor of Economics, University of California, Santa Cruz; Mr. Marc Morial, President and CEO, National Urban League; Ms. Susan Allen, President and CEO, U.S. Pan Asian American Chamber of Commerce; Mr. B. Doyle Mitchell, Chairman, National Bankers Association; Ms. Martha Montoya, Procurement Chair and Board Member, U.S. Hispanic Chamber of Commerce; The Honorable Peggy Gustafson, Inspector General, U.S. Small Business Administration; Mr. Greg Kutz, Managing Director of Forensic, Audits and Special Investigations, Government Accountability Office. The Committee met to highlight the fact that a large number of studies show that the wealth gap, as well as limited access to capital, counseling, and contracting hinders the formation and growth of minority-owned businesses.<sup>1</sup>

- March 8, 2011: Roundtable titled "Reauthorization of SCORE: Discussion and Recommendations for Volunteer-based Small Business Assistance," Senator Landrieu chaired. Testimony from Ms. Sheree Joy Burlington, Owner and Designer, Museware Pottery, Manchester, New Hampshire; Mr. Ridgley Evers, Member, Board of Directors, SCORE; Dr. Erik Pages, President, EntreWorks Consulting; Ms. Penny K. Pickett, Associate Administrator Office of Entrepreneurial Development, U.S. Small Business Administration; Mr. Leonard H. Sedlin, Director, SCORE Louisiana; Mr. W. Ken Yancey, Chief Executive Officer, SCORE; Mr. Ronald D. Weiss, Director, SCORE New Hampshire; Mr. William B. Shear, Director of Financial Markets and Community Investment, U.S. Government Accountability Office. The Committee met to discuss the value of SCORE, the need for the program's reauthorization, and recommendations for reauthorization legislation in the 112th Congress.

- March 9, 2011: Markup titled "SBIR/STTR Reauthorization," Senator Landrieu chaired. To discuss legislative proposals approving and reauthorizing the federal government's two largest re-

<sup>1</sup> Chair Landrieu also held two informal, unofficial meetings on the topic of closing the wealth gap: September 22, 2011, "Closing the Wealth Gap: Utilizing Minority Owned Businesses as Vehicles for Job Creation and Economic Recovery," and on September 19, 2012, "Closing the Wealth Gap through the African American Entrepreneurial Ecosystem."

search and development programs, the Small Business Innovation Research (SBIR) and the Small Business Technology Transfer (STTR) programs. S. 493, the “SBIR/STTR Reauthorization Act of 2011,” was amended by a Manager’s Amendment, and reported favorably by a nearly unanimous vote of 18–1.

- March 31, 2011: Hearing titled “President’s FY2012 Budget Request for the U.S. Small Business Administrations & Office of Advocacy,” Senator Landrieu chaired. Testimony from The Honorable Winslow Sargeant, Ph.D., Chief Counsel for Advocacy, U.S. Small Business Administration; The Honorable Karen Gordon Mills, Administrator, U.S. Small Business Administration. The Committee met to discuss President Obama’s Fiscal Year 2012 budget request of \$985 million for the SBA.

- May 19, 2011: Hearing titled “Small Business Recovery: Progress Report on the Implementation of the Small Business Jobs Act of 2010,” Senator Landrieu chaired. Testimony from The Honorable Marie Johns, Deputy Administrator, Small Business Administration; Mr. Don Graves, Deputy Assistant Secretary, Small Business, Community Development, and Housing Policy, U.S. Department of Treasury; Eric Blinderman, Founder and owner, Mas restaurant; Kristie Arslan, Executive Director, National Association for the Self-Employed; Patrick Woodie, Vice President, Rural Programs, North Carolina Rural Center. The Committee met to (1) Review the status of the federal government’s implementation of the *Small Business Jobs Act of 2010*; and (2) Hear directly from businesses owners and groups assisting businesses about whether provisions from the law have helped create jobs and grow small businesses.

- June 16, 2011: Hearing titled “An Examination of SBA Programs: Eliminating Inefficiencies, Duplications, Fraud and Abuse,” Senator Landrieu chaired. Testimony from the Honorable Karen Gordon Mills, Administrator, U.S. Small Business Administration; the Honorable Peggy E. Gustafson, Inspector General, U.S. Small Business Administration; Mr. William B. Shear, Director of Financial markets, and Community Investment, U.S. Government Accountability Office; Mr. Kevin Baron, Director of Government Affairs, American Small Business League; Mr. Tad DeHaven, Budget Analyst, Cato Institute; Ms. Fran Pastore, President and CEO, Women’s Business Development Council; Mr. Greg Clarkson, Executive Vice President—SBA Lending Division, BBVA Compass Bank, and also Chairman, NAGGL Board of Directors. The Committee met to focus on examining actions that could be taken to reduce or eliminate wasteful, duplicative, or ineffective operations of the SBA’s programs without undermining the SBA’s ability to serve the needs of small business owners.

- June 30, 2011: Roundtable titled “The SBA in Your Community: A Review of SBA Field Operations,” Senator Landrieu chaired. Testimony from Mr. Edward J. Cadena, District Director, Nevada District Office, U.S. Small Business Administration; Mr. Dave Dickson, District Director, Philadelphia District Office, U.S. Small Business Administration; Ms. Lynn Douthett, District Director, North Carolina District Office, U.S. Small Business Administration; Mr. Gilbert Goldberg, District Director, Cleveland District Office, U.S. Small Business Administration; Ms. Greta Johansson, District Director, New Hampshire District Office, U.S. Small Busi-

ness Administration; Mr. Greg Lopez, District Director, Colorado District Office, U.S. Small Business Administration; Ms. Linda Nelson, District Director, Arkansas District Office, U.S. Small Business Administration; Mr. Robert H. Nelson, District Director, Massachusetts District Office, U.S. Small Business Administration; Mr. Norm Proctor, District Director, Idaho District Office, U.S. Small Business Administration; Ms. Prayina Raghavan, District Director, New York City District Office, U.S. Small Business Administration; Mr. Stephan D. Umberger, District Director, Baltimore District Office, U.S. Small Business Administration. The Committee met to discuss with SBA district directors and field operations staff the SBA programs in local communities.

- July 11, 2011: Field Hearing titled “A Year After the Deepwater Horizon Oil Spill: The Status of Recovery Efforts in Florida,” Senator Rubio chaired. Testimony from Mr. Adam H. Putnam, Commissioner, Florida Department of Agriculture and Consumer Services; Mr. Joe Gilchrist, Owner, Flora-Bama Lounge, Package, and Oyster Bar; Mr. Collier Merrill, Chairman, Pensacola Chamber of Commerce; Captain Bob Zales, President, National Association of Charterboat Operators (NACO). The field hearing evaluated the economic and ecological recovery status of the Gulf of Mexico a year after the oil spill by assessing the efforts of the short-term recovery effort, evaluating what is needed for the long-term recovery of the Gulf, and identifying areas where the U.S. Congress could best assist those worst impacted by the BP Deepwater Horizon oil spill.

- July 21, 2011: Roundtable titled “Entrepreneurial Development: Obstacles and Opportunities for Supporting, Sustaining and Growing America’s Entrepreneurs,” Senator Landrieu chaired. Testimony from Mr. Leo J. Bottary, Vice President of Public Affairs, Vistage International, Inc.; Mr. Charles “Tee” Rowe, President and Chief Executive Officer, Association of Small Business Development Centers; Mr. Bill Shear, Director, Financial Markets and Community Investment, Government Accountability Office; Ms. Holly I. Schick, Deputy Associate Administrator, Office of Entrepreneurial Development, U.S. Small Business Administration; Mr. Scott Snair, Program Director, New Jersey Veterans Business Outreach Center; Mr. Clinton Tymes, Director, Delaware Small Business Development Center; Ms. Julie R. Weeks, Chair of the Board, Association of Women’s Business Centers; Mr. Daryl Williams, Chief Executive Officer, Urban Entrepreneur Partnership Inc.; Mr. W. Kenneth Yancey, Jr., Chief Executive Officer, SCORE. The Committee met to hear from various representatives of the relevant trade associations, small business owners, and the SBA regarding SBA’s entrepreneurial development programs and possible legislative proposals to improve/reauthorize these programs.

- July 25, 2011: Field Hearing titled “The Role of Small Businesses in Strengthening Cyber Security Efforts in the United States,” Senator Cardin chaired. Testimony from Mr. Patrick D. Gallagher, Director, National Institute of Standards and Technology of the U.S. Department of Commerce; Ms. Jennifer S. Walsmith, Senior Acquisition Executive, National Security Agency of the U.S. Department of Defense; Mr. Christian Johansson, Secretary of the Department of Business and Economic Development for the State of Maryland; Mr. Charles Iheagwara, Chief Marketing

and Business Development officer for Unatek, Inc.; Ms. Sarah Djamshidi, Executive Director for Chesapeake Innovation Center; Mr. Gregory von Lehmen, Provost for the University of Maryland University College. To discuss federal cyber security initiatives and opportunities for small businesses to contract with the federal government.

- August 11, 2011: Field Hearing titled “The Role of Exports in Small Business Growth and Job Creation,” Senator Shaheen chaired. Testimony from the Honorable Marie Johns, Deputy Administrator, Office of the Administrator, U.S. Small Business Administration; Ms. Wanda Felton, First Vice President and Vice Chair, Board of Directors, Export-Import Bank of the United States; James M. Cox, Regional Director, Northeast, Commercial Service, U.S. Commerce Department; Mr. Richard L. Friedman, President and CEO, Carpenter & Company, Inc.; Ms. Dawn Wivell, Former Director, Office of International Commerce/International Trade Resource Center, State of New Hampshire; Mr. Thomas Moulton, President and CEO, Sleepnet Corporation; Ms. Grace Preston, International Sales Manager, Secure Care Products, Inc. The field hearing was to discuss how small businesses could positively affect job growth and creation through exports.

- September 15, 2011: Hearing titled “Disaster Recovery: Evaluating the Role of America’s Small Businesses in Rebuilding their Communities,” Senator Landrieu chaired. Testimony from Mr. Albert B. Sligh, Jr., Associate Administrator, Mission Support Bureau, Federal Emergency Management Agency, U.S. Department of Homeland Security; Brigadier General (BG) Theodore Harrison, Director, National Contracting Organization, U.S. Army Corps of Engineers; Mr. Bill Woods, Director, Acquisition and Sourcing Management, U. S. Government Accountability Office; Mrs. Terri Bennett, Program Manager, Heartland PTAC; Mr. Sid Davis, President, Big John’s Heavy Equipment, Inc.; Mr. Dale Rentrop, Jr., President, Tiger Tugz, LLC; Mrs. Mindy Nunez-Airhart, Marketing Director and Assistant to the President, Southern Services & Equipment, Inc. The Committee met to (1) hear directly from small business owners on opportunities and challenges in working with the federal government on disaster recovery contracts; (2) hear from federal agencies on how they contract with small businesses after disasters; and (3) establish a Committee record on post-Katrina and post-Joplin issues that might impact recovery from 2011 disasters.

- October 12, 2011: Markup for the nomination of Dr. Winslow L. Sargeant to be chief counsel for advocacy, Small Business Administration. Voted out of Committee by a vote of 17–2.

- October 18, 2011: Hearing titled “Small Business Jobs Act of 2010, One Year Later,” Senator Landrieu chaired. Testimony from the Honorable Timothy Geithner. The Committee met to discuss the effectiveness of the Small Business Jobs Act of 2011.

#### SECOND SESSION

- February 1, 2012: Roundtable titled “Developing and Strengthening High-Growth Entrepreneurship,” Senator Landrieu chaired. Testimony from Mr. Wayne Crews, Vice President for Policy, Competitive Enterprise Institute; Dr. Douglas Holtz-Eakin, President, American Action Forum; Mr. Barry Evans, CEO, Calxeda; Mr.

Ridgely C. Evers, Managing Partner, Tapit Partners LLC; Mr. Stephen Ezell, Senior Analyst, Information Technology & Innovation Foundation; Mr. Mike Farmer, Founder and CEO, Leap2; Mr. Michael A. Finney, President and CEO, Michigan Economic Development Corporation; Mr. Sean Greene, Associate Administrator for Investment, U.S. Small Business Administration; Mr. Jim Kessler, Senior Vice President for Policy, Third Way; Mr. Brink Lindsey, Research and Policy Associate, Ewing Marion Kauffman Foundation; Mr. Jonathan Ortman, Senior Fellow, Ewing Marion Kauffman Foundation; Mr. Tim Rowe, Founder and CEO, Cambridge Innovation Center; Ms. Madeleine Sumption, Policy Analyst, Migration Policy Institute; Ms. Diane Tomb, President and CEO, National Association of Women Business Owners. The Committee met to discuss effective methods of strengthening growth among U.S. small businesses.

- March 22, 2012: Roundtable titled “A Spotlight on Small Business Investment Companies and their Role in the Entrepreneurial Ecosystem,” Senator Landrieu chaired. Testimony from Mr. Roger Bates, President, MEP R&H Supply, Inc.; Mr. Vincent D. Foster, Chairman of the Board & Chief Executive Officer, Main Street Capital Corporation; Mr. James Goodman, President, Gemini Investors; Mr. Harry Haskins, Deputy Associate Administrator for Investment, U.S. Small Business Administration; Mr. Manuel A. Henriquez, Chairman & Chief Executive Officer, Hercules Technology Growth Capital; Mr. Tim Rafalovich, Vice President, Community Lending and Investment, Wells Fargo Bank; Mr. Charles Rothstein, Senior Managing Director, Michigan Growth Fund; Mr. Barry Wides, Deputy Comptroller, Community Affairs Office of the Comptroller of the Currency; Mr. Seth Alvord, Managing Partner, Balance Point Capital; Mr. Rick Girard, Co-Founder & Chief Executive Officer, Girard Environmental Services; Mr. Thies Kölln, Partner, AAVIN Private Equity; Mr. Carl Kopfinger, Senior Vice President, Community Capital Group, Venture Capital & Mezzanine Investment Division, TD Bank; Mr. Dan Penberthy, Chief Financial Officer & Executive Vice President, RAND Capital Corporation; Mr. Don Sackett, Senior Vice President & Business Manager, Olympus Innov-X. The Committee met to discuss various players in the Small Business Investment Company (SBIC) community, to highlight the success of the SBIC program, and to examine opportunities for improvement.

- March 29, 2012: Hearing titled “The FY 2013 Budget Request for the Small Business Administration,” Senator Landrieu chaired. Testimony from the Honorable Karen Mills, Administrator, U.S. Small Business Administration; Mr. Ridgely C. Evers, Managing Partner, Tapit Partners LLC; Mr. Christopher G. Hurn, Chief Executive Officer and Cofounder, Mercantile Capital Corporation; Mr. Bill Shear, Director, Financial Markets & Community Investment, U.S. Government Accountability Office; Mr. Tony Wilkinson, President, National Association of Government Guaranteed Lenders; The Honorable Peggy E. Gustafson, Inspector General, U.S. Small Business Administration; The Honorable Winslow Sargeant, Chief Counsel for Advocacy, U.S. Small Business Administration. The Committee met to discuss the President’s FY2013 request for \$1.1 billion for the SBA

- April 18, 2012: Roundtable titled “Perspectives from the Entrepreneurial Ecosystem: Creating Jobs and Growing Businesses through Entrepreneurship,” Senator Landrieu chaired. Testimony from Mr. Nishith Acharya, Director, Office of Innovation & Entrepreneurship, Economic Development Administration, U.S. Department of Commerce; Mr. Evan Burfield, Chairman, StartupDC; Mr. Scott Daugherty, Executive Director, North Carolina Small Business Technology Development Center; Ms. Christina Friederichs, Managing Director, Helzberg Entrepreneurial Mentoring Program; Mr. Scott Gerber, Founder & President, Young Entrepreneur Council; Ms. Juliet Gorman, Communications Director, Etsy; Patricia G. Greene, Ph.D., Paul T. Babson Chair in Entrepreneurial Studies, Babson College; Ms. Jennifer Hyman, Chief Executive Officer and Co-Founder, Rent the Runway; Mr. Alex Laskey, President & Founder, Opower; the Honorable Craig Lowe, Mayor, City of Gainesville; Matt Mitchell, Ph.D., Senior Research Fellow, Mercatus Center at George Mason University; Mr. Joe Nigro, Business Evangelist, Vsnap.com; Mr. Vivek Wadhwa, Fellow, Stanford University; Mr. Tim Williamson, Chief Executive Officer and Co-Founder, The Idea Village. The Committee met to discuss high growth entrepreneurship and job creation, including the federal government’s role in strengthening entrepreneurial ecosystems.

- November 29, 2012: Hearing titled “Creating Jobs and Growing the Economy: Legislative Proposals to Strengthen the Entrepreneurial Ecosystem,” Senator Landrieu chaired. Testimony from Mr. Michael Chodos, Associate Administrator, Office of Entrepreneurial Development, U.S. Small Business Administration; Mr. Sean Greene, Associate Administrator for Investment & Special Advisor of Innovation, U.S. Small Business Administration; Mr. Scott Gardiner, Executive Vice President, Granite State Economic Development Corporation; Mrs. Fonda Lindfors New, Chief Executive Officer, QRI, Inc.; Mr. Joshua A. Etemadi, Sales Manager, Construction Bonds, Inc.; Mr. David Clough, State Director, Maine Chapter, National Federation of Independent Business; Ms. Diana Furchtgott-Roth, Senior Fellow, Manhattan Institute for Policy Research; Ms. Julie Weeks, President and Chief Executive Officer, Womenable. The purpose of this hearing was to discuss legislative proposals that promote job creation and small business growth in entrepreneurial ecosystems. The hearing followed up on previous roundtables held by the Committee between February and April 2012. At these three (3) roundtables, stakeholders from each level of the entrepreneurial ecosystem highlighted best practices, successful programs, and provided other recommendations that could be included in legislation. The November 29, 2012 hearing provided an opportunity for Committee members to highlight their relevant legislative proposals with Committee leadership, federal officials, and other stakeholders.

- December 13, 2012: Hearing titled “Hurricane Sandy: Assessing the federal Response and Small Business Recovery Efforts,” Senator Landrieu chaired. Testimony from Mr. Michael Chodos, Associate Administrator, Office of Entrepreneurial Development, U.S. Small Business Administration; Mr. James Rivera, Associate Administrator, Office of Disaster Assistance, U.S. Small Business Administration; Mr. Jim King, State Director, New York Small Business Development Center Network; Mr. Kevin S. Law, Presi-

dent and CEO, Long Island Association; the Honorable Dawn Zimmer, Mayor, City of Hoboken, New Jersey. This hearing assessed the SBA's response to Hurricane Sandy and small business recovery in the impacted region. The Committee also reviewed the SBA's progress in implementing the 2008 disaster reforms and opportunities for additional improvements in the 113th Congress.

#### OVERSIGHT

- *Letter to the SBA Regarding Duplicative Programs:* On January 25, 2011, Chair Landrieu and Ranking Member Snowe sent a letter to Administrator Karen Mills (SBA) detailing the Committee's plan to undertake a careful examination of ways to improve and strengthen small business programs within the SBA, including the possibility of eliminating duplicative, ineffective, or redundant programs.

- *Letter to the Small Business Administration Regarding Lending:* On February 1, 2011, Ranking Member Snowe sent a letter to Administrator Karen Mills (SBA) requesting information on the default rate of loans within the 504 lending program for each individual lender and the recovery rates for each holder.

- *Letter to the President's Council on Jobs and Competitiveness:* On February 8, 2011, Chair Landrieu and Ranking Member Snowe sent a letter to Chairman Jeffery Immelt (Jobs Council) urging the Council to incorporate strong small business initiatives, particularly in exporting, in the development of economic policies and recommendations.

- *Letter to Five (5) Agencies Regarding Support for Risk Retention Provisions and the Qualified Residential Mortgage Exemption in Section 941 of Dodd-Frank:* On February 16, 2011, Chair Landrieu and Senators Kay Hagan and Johnny Isakson sent a letter to Secretary Donovan (Housing and Urban Development), Chair Bernanke (Federal Reserve), Acting Director Edward DeMarco (Federal Housing Finance Agency), Chair Sheila Bair (Federal Deposit Insurance Corporation), Chair Mary Shapiro (Securities and Exchange Commission), and Acting Comptroller John Walsh (Office of the Comptroller of the Currency) expressing their support for the risk retention provisions and the Qualified Residential Mortgage Exemption of Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

- *Letter to the Budget Committee Regarding Views and Estimates on SBA's FY2012 Budget:* On March 18, 2011, Chair Landrieu submitted the views and estimates on the President's Fiscal Year 2012 budget request for the SBA and other matters under the jurisdiction of the SBC to Kent Conrad (Chairman of the Budget Committee) and Jeff Sessions (Ranking Member). Ranking Member Snowe sent a separate Views and Estimates letter on March 18, 2011.

- *Letter to the Small Business Administration Regarding the SBA's interpretation of the statute authorizing the State Trade and Export Promotion pilot grant program:* On March 30, 2011, Chair Landrieu and Ranking Member Snowe sent a letter to Administrator Mills expressing concerns that the SBA was only considering applications from states with international trade agencies.

- *Letter to the SBA Regarding Congressional Intent of the SBA's Intermediary Lending Pilot Program:* On April 1, 2011, Chair Lan-

drieu and Senator Carl Levin submitted a letter to Administrator Karen Mills (SBA) seeking to clarify the intent of the Intermediary Lending Pilot Program.

- *Letter to the SBA Regarding SBA's Outreach to the Louisiana Delta Region:* On April 29, 2011, Chair Landrieu submitted a request to Administrator Karen Mills (SBA) for increased SBA outreach in the Louisiana Delta Region.

- *Letter to the SBA Regarding Result of the Truth in Lending Act's Regulatory Requirements:* On May 2, 2011, Chair Landrieu submitted a letter to Chair Ben Bernanke (Federal Reserve) requesting that the regulations under the Truth in Lending Act and their application to traditional portfolio lenders not unnecessarily hinder the ability of those lenders to meet their borrowers' needs.

- *Letter to Department of Agriculture Regarding Outreach to the Louisiana Delta Region:* On May 4, 2011, Chair Landrieu issued a letter to Secretary Tom Vilsack (Department of Agriculture) requesting increased outreach by the Department of Agriculture in the Louisiana Delta Region.

- *Letter to the Secretary of Labor Regarding ESOP Annual Appraiser:* On May 6, 2011, Chair Landrieu and Ranking Member Snowe sent a letter to Secretary Solis (DOL) regarding the Department's proposed rule for expanding the definition of the term "fiduciary" to include ESOP annual appraisers. See 75 Fed. Reg. 65263 (Oct. 22, 2010). The letter pointed out that ESOPs employ 10 percent of the private sector and the proposed expanding of the definition of the term "fiduciary" would create undue expense and additional regulatory burden for ESOPs. DOL later revoked the proposed rules.

- *Letter to Six (6) Agencies Regarding Exemption from Risk Retention for Safe Mortgage Products:* On May 26, 2011, Chair Landrieu and Senators Kay Hagan and Johnny Isakson submitted a letter to Secretary Shaun Donovan (HUD), Chair Mary Shapiro (SEC), Chair Ben Bernanke (Federal Reserve), Acting Comptroller John Walsh (OCC), Chair Sheila Bair (FDIC), and Acting Director Edward Demarco (Federal Housing Finance Agency) requesting that they create a broad exemption from risk retention for historically safe mortgage products consistent with Section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

- *Letter to Senate Financial Services Appropriations Subcommittee Regarding the SBA's FY 2012 Funding:* On May 27, 2011, Chair Landrieu sent a letter to Richard Durbin (Chair) and Jerry Moran (Ranking Member) with funding recommendations for the SBA programs for FY2012.

- *Letter to the U.S. Department of Commerce:* On June 1, 2011, Ranking Member Snowe sent a letter to Secretary Locke (Commerce) urging his agency to reduce the cost-sharing requirement for the Manufacturing Extension partnership. This letter followed a GAO report exploring options for reducing the cost-share requirement.

- *Letter to the U.S. Department of Transportation:* On June 23, 2011, Ranking Member Snowe sent a letter to Secretary Ray LaHood (Transportation) to express concerns with regulations that some believed would add to the cost of transporting goods in the United States. This letter was cosigned by Senators Thune, Corker,

Brown, and Ayotte and Congressmen Young, Walden, Issa, Latta, Coffman, Cravaack, Graves, Hanna, Walsh, West, and Long.

- *Letter to the SBA Requesting Information on the Jobs Act:* On June 27, 2011, Chair Landrieu submitted a letter to Deputy Administrator Marie Johns (SBA) requesting specific information on the impact of the Jobs Act on small businesses nationwide.

- *Letter to the SBA Regarding the White House Rural Council:* On June 29, 2011, Chair Landrieu submitted a letter to Karen Mills (SBA) to follow-up on the June 16, 2011 oversight hearing and to request that the SBA assist the White House Rural Council in implementing its rural economic strategy, with a particular focus on small business job creation and economic development in rural communities.

- *Letter to the SBA Regarding the SBA-USDA Memorandum of Understanding:* On June 30, 2011, Chair Landrieu and Senators Maria Cantwell, Kay Hagan, and Mark Pryor requested from Deputy Administrator Marie Johns (SBA) answers to questions on the SBA-USDA Memorandum of Understanding (MOU), which was meant to better coordinate SBA and USDA programs to assist small businesses in underserved rural areas. The MOU set a goal to increase the number of small business loans guaranteed by SBA and USDA, as well as to expand technical assistant efforts in those areas. This letter served to determine whether the SBA has implemented and reached the aforementioned goals.

- *Letter to the SBA Following the June 16, 2011 SBC Antifraud Hearing:* On July 5, 2011, Chair Landrieu and Ranking Member Snowe sent a letter to Administrator Karen Mills (SBA) requesting clarification of the outstanding issues and discrepancies that arose from the June 16, 2011 hearing entitled “Examination of SBA Programs: Eliminating Inefficiencies, Duplications, Fraud, and Abuse,” with an emphasis on issues that affect federal contracting and the SBA’s oversight and maintenance of its lending and contracting programs.

- *Letter to the SBA Concerning the SBA Interpretation of the Duplication of Benefits:* On July 5, 2011, Chair Landrieu submitted to Administrator Karen Mills (SBA) a letter expressing the Chair’s concern about the SBA interpretation of duplication of benefits following declared disasters.

- *Letter to the SBA Requesting Evaluation of the SBA’s Entrepreneurial Development Programs:* On July 6, 2011, Chair Landrieu and Ranking Member Snowe sent to Administrator Karen Mills (SBA) a letter seeking an extensive evaluation of the SBA’s entrepreneurial development programs.

- *Letter to the SBA Regarding Ineligibility of Aquaculture Businesses for EIDLs:* On July 7, 2011, Chair Landrieu requested information from Deputy Administrator Marie Johns (SBA) regarding the impact of the ineligibility of aquaculture businesses to apply for the SBA Economic Injury Disaster Loans (EIDLs) following the *Deepwater Horizon* disaster.

- *Letter to the SBA Regarding the High Decline Rates of SBA Disaster Loans:* On July 7, 2011, Chair Landrieu and Senators Claire McCaskill and Roy Blunt requested from Administrator Karen Mills (SBA) an explanation for the high decline rates on SBA disaster loans and the reasons for such declines.

- *Letter to the SBA Regarding the Implementation of a Joint Small Business Program between the SBA and the Department of Commerce:* On July 7, 2011, Chair Landrieu submitted a letter to Secretary Gary Locke (Department of Commerce) and Administrator Karen Mills (SBA) requesting that both the Department of Commerce (DOC) and the SBA provide information on the effectiveness and utilization of a joint online export readiness assessment tool. The letter also asked for information on coordination between DOC and SBA offices and resource partners on export promotion.

- *Letter to the Small Business Administration Regarding Competitive Grants:* On July 28, 2011, Ranking Member Snowe and House Small Business Committee Chairman Sam Graves sent a letter to Administrator Karen Mills (SBA) and Deputy Administrator Marie Johns (SBA) to express disagreement with the SBA's decision to divide approximately \$3 million into 15 competitive grants and, by doing so, preclude 48 Small Business Development Centers from supplemental funding for FY2011.

- *Letter to the SBA Regarding Improvements to the SBA Disaster Assistance Program:* On August 3, 2011, Chair Landrieu issued a letter to Administrator Karen Mills (SBA) that recommended improvements to the SBA's disaster assistance efforts, including how to best fund Small Business Development Centers (SBDCs) following future natural disasters.

- *Letter to the U.S. Securities and Exchange Commission Regarding Dodd-Frank:* On November 17, 2011, Ranking Member Snowe, Senator Scott Brown, and Representatives Sam Graves, Rosco Bartlett, Scott Tipton, and Joe Walsh sent a letter to Chairperson Mary Shapiro (SEC) expressing concerns with the Securities and Exchange Commission's implementation of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203) which requires the SEC to promulgate rules requiring American companies to disclose use of the conflict minerals from the Democratic Republic of the Congo.

- *Letter to the U.S. Government Accountability Office Regarding Dodd-Frank:* On December 22, 2011, Ranking Member Snowe sent a letter to Gene Dodaro, Comptroller General of the United States, requesting that the Government Accountability Office examine the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act on community banks, credit unions, and small businesses.

- *Letter to the SBA Regarding the Deadline for the VC SBIR Rulemaking:* On January 24, 2012, Chair Landrieu and Congressman Sam Graves sent a letter to Administrator Karen Mills (SBA) urging the Agency to expeditiously carryout the rulemaking for Section 5107 of 2012 NDAA. That section made it possible for firms that are majority-owned by multiple venture capital operating companies, hedge funds, or private equity firms to compete for a portion of the SBIR program funds.

- *Letter to the GAO Requesting Co-Requestor Status on the Forensic Audit and Investigative Service Report on Franchise Lending:* On February 6, 2012, Chair Landrieu and Ranking Member Snowe submitted a letter to Comptroller General Gene Dodaro (Government Accountability Office) asking that they both be added as co-

requestors of the GAO's Forensic Audit and Investigative Service report on franchise lending at the SBA.

- *Letter to President Obama Regarding the SBA Administrator as a Cabinet Level Position:* On February 8, 2012, Ranking Member Snowe sent a letter to President Obama requesting clarification on whether the SBA Administrator would remain a Cabinet-level position should the Administration reorganize the Agency structure.

- *Letter to the U.S. Department of Veterans Affairs Regarding Contracting Fraud:* On February 9, 2012, Ranking Member Snowe sent a letter to Secretary Erik Shinseki (Veterans) requesting that he provide detailed information on what steps the VA was taking to ensure that only eligible businesses were participating in their procurement program while protecting legitimate veteran businesses applying for verification. Ranking Member Snowe also reiterated the need for more to be done to streamline the process and improve fraud prevention controls.

- *Letter to Senate Majority Leader Reid Regarding Senate Action on Export-Import Bank:* On February 22, 2012, Chair Landrieu and Senators Jeanne Shaheen, John Kerry, Maria Cantwell, Joseph Lieberman, and Kay Hagan sent a letter to Majority Leader Harry Reid and Republican Leader Mitch McConnell requesting that the Senate move forward to reauthorize the Export-Import Bank before its temporary extension expired in May 2012.

- *Letter to the Budget Committee Regarding Views and Estimates on SBA's FY13 Budget:* On March 9, 2012, Chair Landrieu sent to Senators Kent Conrad (Chair of the Budget Committee) and Jeff Sessions (Ranking Member) her views and estimates on the President's Fiscal Year 2013 budget request for the SBA. Ranking Member Snowe sent a separate Views and Estimates letter on March 9, 2012.

- *Letter to Commerce Regarding the Market Development Cooperator Program:* On March 21, 2012, Chair Landrieu and Ranking Member Snowe submitted to Secretary John Bryson (Department of Commerce) a request for additional information on the history and administration of the Market Development Cooperator Program (MDCP) administered by the Manufacturing and Services unit (MAS) of the ITA.

- *Letter to Labor Secretary Solis Regarding Application of Fair Labor Standards Act to Domestic Service:* On March 21, 2012, Chair Landrieu sent to Secretary Hilda Solis (Labor) a letter urging the Secretary to carefully consider the potential impact of the Department of Labor (DOL) proposed rule entitled, Application of the Fair Labor Standards Act to Domestic Service (76 Fed. Reg. 81190), on small businesses engaged in providing companion care services. According to the Small Business Administration's Office of Advocacy (Advocacy), more than 90% of home care companies are considered small businesses under the SBA definition of less than \$13.5 million dollars in annual revenue.

- *Letter to Senate Financial Services Appropriations Subcommittee Regarding SBA's 2013 Funding:* On March 29, 2012, Chair Landrieu submitted a letter to Senators Durbin (Chairman) and Moran (Ranking Member) her recommendations for the SBA's FY2013 appropriations.

- *Letter to the U.S. Department of Labor Regarding the Fair Labor Standards Act of 1938:* On March 20, 2012, Ranking Mem-

ber Snowe sent a letter seeking withdrawal of the Department of Labor's proposed revisions to current regulations pertaining to the exemption for companionship services and live-in domestic services from minimum wage and overtime requirements under the Fair Labor Standards Act of 1938.

- *Letter to the GAO Regarding Evaluation of the SBA's Patriot Express Pilot Loan Program:* On April 19, 2012, Chair Landrieu, Ranking Member Snowe, and Senator Mark Pryor submitted to Comptroller General Gene Dodaro (GAO) a formal request for a report from the GAO evaluating the SBA's Patriot Express Pilot Loan Program.

- *Letter to the Congressional Budget Office Regarding the Patient Protection and Affordable Care Act:* On June 28, 2012, Ranking Member Snowe sent a letter to Dr. Douglas Elmendorf (Director of the Congressional Budget Office) urging a reexamination of the budgetary impact of the Patient Protection and Affordable Care Act and a report to Congress.

- *Letter to the OMB and SBA on the Subsidy Cost Estimates of the 7(a) and 504 Loan Programs:* On July 20, 2012, Chair Landrieu sent to Acting Director Jeffrey Zients (OMB) and Administrator Karen Mills (SBA) a letter of concern about the subsidy cost estimates associated with the 7(a) and 504 loan programs. Chair Landrieu requested the actual econometric model used to forecast 7(a) and 504 loan performance, as well as any changes made to the model from the previous fiscal year.

- *Letter to 11 Agencies Regarding the Allocation Increases to the SBIR/STTR Programs:* On July 23, 2012, Chair Landrieu and Ranking Member Snowe submitted to Arne Duncan (Department of Education), Charles Bolden (NASA), Janet Napolitano (Homeland Security), Kathleen Sebelius (Health and Human Services), Leon Panetta (Department of Defense), Lisa Jackson (Environmental Protection Agency), Ray LaHood (Department of Transportation), Rebecca Blank (Department of Commerce), Steven Chu (Department of Energy), Subra Suresh (National Science Foundation), and Tom Vilsack (Department of Agriculture) a request for information on the allocation increases made to the SBIR-STTR programs through P.L. 112-81 and on each agency's or department's plans to use the new administrative funds.

- *Letter to the Federal Trade Commission on the Threat and Security to American Information Technology (IT) and Intellectual Property (IP):* On April 2, 2012, Chair Landrieu and Ranking Member Snowe submitted a letter to Chairman Jon Leibowitz, Commissioner J. Thomas Rosch, Commissioner Edith Ramirez, and Commissioner Julie Brill (Federal Trade Commission) asking for the consideration of a request submitted by the National Association of Attorneys General (NAAG) to use all the tools at the Federal Trade Commission's disposal to fight the theft and use of stolen American manufacturing information technology (IT) and intellectual property (IP).

- *Letter to the SBA on Loan Amounts Available Under Current Disaster Loan Regulations:* On August 31, 2012, Chair Landrieu and Congressman Cedric Richmond submitted to Administrator Karen Mills (SBA) a request for the SBA to raise the maximum loan amounts available to homeowners and renters under the SBA disaster loan regulations.

- *Letter to the SBA on Funding to the Louisiana Small Business Development Centers (SBDCs)*: On September 10, 2012, Chair Landrieu issued a request to Administrator Karen Mills (SBA) for the SBA to provide appropriate funding to the Louisiana Small Business Development Centers (SBDCs) following Hurricane Isaac.

- *Letter to the SBA on the Proposed Regulatory Changes Related to the SBIR/STTR Reauthorization Act of 2011*: On August 22, 2012, Chair Landrieu, Ranking Member Snowe, and Senators Jeanne Shaheen, Scott Brown, Tom Udall, and Kelly Ayotte submitted comments to Administrator Karen Mills (SBA) regarding the SBA's proposed amendments to the regulations governing the SBIR program under related to the SBIR/STTR Reauthorization Act of 2011.

- *Letter to 3 Departments Regarding Community Bank Regulation*: On September 27, 2012, the following Senators: Mark Warner, Patrick Toomey, Johnny Isakson, Jon Tester, John Barrasso, Ben Nelson, Debbie Stabenow, Mike Johanns, Mike Crapo, Kay Bailey Hutchison, Michael Bennet, Roy Blunt, Saxby Chambliss, Maryk Pryor, Joseph Manchin, Ron Wyden, Jerry Moran, Lindsey Graham, Kelly Ayotte, Mike Lee, Bill Nelson, Richard Burr, Kent Conrad, Marco Rubio, Max Baucus, Chuck Grassley, Kay Hagan, John Thune, John Boozman, Mitch McConnell, Michael Enzi, Olympia Snowe, John Cornyn, John Kerry, Mary Landrieu, James Risch, John Hoeven, Susan Collins, Lisa Murkowski, Robert Menendez, Tom Coburn, Jeanne Shaheen, Daniel Coats, Orrin Hatch, James Inhofe, Pat Roberts, Scott Brown, Ron H. Johnson, Roger Wicker, Amy Klobuchar, Robert Portman, Jon Kyl, and Herb Kohl issued a letter to Chair Ben Bernanke (Federal Reserve), Comptroller Tom Curry (Office of the Comptroller of the Currency), and Acting Chairman Marty Gruenberg (Federal Deposit Insurance Corporation). This letter urged the Agencies to consider the impact of applying standards developed for large, complex institutions on the unique and vital role that community banks play in the U.S. financial system.

- *Letter to 3 Departments Regarding the Extension of the Comment Period on Basel III*: On October 22, 2012, Chair Landrieu and Senator David Vitter, along with Congressmen Rodney Alexander, Charles Boustany, Steve Scalise, Bill Cassidy, John Fleming, Jeff Landry, and Cedric Richmond, submitted a letter to Chair Ben Bernanke (Federal Reserve), Acting Chairman Martin Gruenberg (FDIC), and Comptroller Thomas Curry (OCC). This letter from the Louisiana Congressional Delegation commended the recipients for their decision to extend the comment period on the Basel III regulatory capital due to the overly complex nature of the proposal and the possible harm to smaller banks and thrifts.

- *Letter to the SBA on the Disaster Response to Hurricane Sandy*: On December 6, 2012, Chair Landrieu and Senators Richard Blumenthal, Kay Hagan, Frank Lautenberg, Charles Schumer, Kirsten Gillibrand, and Robert Menendez issued a letter to Administrator Karen Mills (SBA) regarding the SBA's disaster response to Hurricane Sandy.

- *Letter to the SEC Requesting Regulations on Crowdfunding*: On December 10, 2012, Chair Landrieu and Senators Scott Brown, Jeff Merkeley, Michael Bennet, and Congressman Patrick McHenry wrote to Mary Shapiro (Securities and Exchange Commission) re-

questing that the Securities and Exchange Commission promulgate proposed regulations on crowdfunding in the most expeditious manner possible.

- *Letter to the Department of Veterans' Affairs on Small Business Contributions to the Southeast Louisiana Veterans Healthcare Replacement Hospital Project:* On December 19, 2012, Chair Landrieu submitted a letter to Secretary Erik Shinseki (Department of Veterans Affairs) urging maximum practical utilization of local and small businesses in the construction of the Southeast Louisiana Veterans Healthcare Replacement Hospital Project.

RULES FOR THE U.S. SENATE COMMITTEE ON SMALL BUSINESS AND  
ENTREPRENEURSHIP FOR THE 112TH CONGRESS

(Adopted February 17, 2011)

JURISDICTION

Per rule XXV(1) of the Standing Rules of the Senate:

(o)(1) Committee on Small Business and Entrepreneurship to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the Small Business Administration;

(2) Any proposed legislation reported by such committee which relates to matters other than the functions of the Small Business Administration shall, at the request of the chairman of any standing committee having jurisdiction over the subject matter extraneous to the functions of the Small Business Administration, be considered and reported by such standing committee prior to its consideration by the Senate; and likewise measures reported by other committees directly relating to the Small Business Administration shall, at the request of the Chair of the Committee on Small Business and Entrepreneurship, be referred to the Committee on Small Business and Entrepreneurship for its consideration of any portion of the measure dealing with the Small Business Administration and be reported by this committee prior to its consideration by the Senate.

(3) Such committee shall also study and survey by means of research and investigation all problems of American small business enterprises, and report thereon from time to time.

GENERAL SECTION

All applicable provisions of the Standing Rules of the Senate, the Senate Resolutions, and the Legislative Reorganization Acts of 1946 and of 1970 (as amended), shall govern the Committee.

MEETINGS

(a) The regular meeting day of the Committee shall be the first Thursday of each month unless otherwise directed by the Chair. All other meetings may be called by the Chair as he or she deems necessary, on 5 business days notice where practicable. If at least three Members of the Committee desire the Chair to call a special meeting, they may file in the office of the Committee a written request therefore, addressed to the Chair. Immediately thereafter, the Clerk of the Committee shall notify the Chair of such request. If, within 3 calendar days after the filing of such request, the Chair

fails to call the requested special meeting, which is to be held within 7 calendar days after the filing of such request, a majority of the Committee Members may file in the Office of the Committee their written notice that a special Committee meeting will be held, specifying the date, hour and place thereof, and the Committee shall meet at that time and place. Immediately upon the filing of such notice, the Clerk of the Committee shall notify all Committee Members that such special meeting will be held and inform them of its date, hour and place. If the Chair is not present at any regular, additional or special meeting or hearing, such member of the Committee as the Chair shall designate shall preside. For any meeting or hearing of the Committee, the Ranking Member may delegate to any Minority Member the authority to serve as Ranking Member, and that Minority Member shall be afforded all the rights and responsibilities of the Ranking Member for the duration of that meeting or hearing. Notice of any designation shall be provided to the Chief Clerk as early as practicable.

(b) It shall not be in order for the Committee to consider any amendment in the first degree proposed to any measure under consideration by the Committee unless an electronic copy of such amendment has been delivered to the Clerk of the Committee at least 2 business days prior to the meeting. Following receipt of all amendments, the Clerk shall disseminate the amendments to all Members of the Committee. This subsection may be waived by agreement of the Chair and Ranking Member or by a majority vote of the members of the Committee.

#### QUORUMS

(a)(1) A majority of the Members of the Committee shall constitute a quorum for reporting any legislative measure or nomination.

(2) One-third of the Members of the Committee shall constitute a quorum for the transaction of routine business, provided that one Minority Member is present. The term "routine business" includes, but is not limited to, the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments, and steps in an investigation including, but not limited to, authorizing the issuance of a subpoena.

(3) In hearings, whether in public or closed session, a quorum for the asking of testimony, including sworn testimony, shall consist of one Member of the Committee.

(b) Proxies will be permitted in voting upon the business of the Committee. A Member who is unable to attend a business meeting may submit a proxy vote on any matter, in writing, or through oral or written personal instructions to a Member of the Committee or staff. Proxies shall in no case be counted for establishing a quorum.

#### NOMINATIONS

In considering a nomination, the Committee shall conduct an investigation or review of the nominee's experience, qualifications, suitability, and integrity to serve in the position to which he or she has been nominated. In any hearings on the nomination, the nominee shall be called to testify under oath on all matters relating to his or her nomination for office. To aid in such investigation or review, each nominee may be required to submit a sworn detailed

statement including biographical, financial, policy, and other information which the Committee may request. The Committee may specify which items in such statement are to be received on a confidential basis.

#### HEARINGS

(a)(1) The Chair of the Committee may initiate a hearing of the Committee on his or her authority or upon his or her approval of a request by any Member of the Committee. If such request is by the Ranking Member, a decision shall be communicated to the Ranking Member within 7 business days. Written notice of all hearings, including the title, a description of the hearing, and a tentative witness list shall be given at least 5 business days in advance, where practicable, to all Members of the Committee.

(2) Hearings of the Committee shall not be scheduled outside the District of Columbia unless specifically authorized by the Chair and the Ranking Minority Member or by consent of a majority of the Committee. Such consent may be given informally, without a meeting, but must be in writing.

(b)(1) Any Member of the Committee shall be empowered to administer the oath to any witness testifying as to fact.

(2) The Chair and Ranking Member shall be empowered to call an equal number of witnesses to a Committee hearing. Subject to Senate Standing Rule 26(4)(d), such number shall exclude any Administration witness unless such witness would be the sole hearing witness, in which case the Ranking Member shall be entitled to invite one witness. The preceding two sentences shall not apply when a witness appears as the nominee. Interrogation of witnesses at hearings shall be conducted on behalf of the Committee by Members of the Committee or such Committee staff as is authorized by the Chair or Ranking Minority Member.

(3) Witnesses appearing before the Committee shall file with the Clerk of the Committee a written statement of the prepared testimony at least two business days in advance of the hearing at which the witness is to appear unless this requirement is waived by the Chair and the Ranking Minority Member.

(c) Any witness summoned to a public or closed hearing may be accompanied by counsel of his or her own choosing, who shall be permitted while the witness is testifying to advise the witness of his or her legal rights. Failure to obtain counsel will not excuse the witness from appearing and testifying.

(d) Subpoenas for the attendance of witnesses or the production of memoranda, documents, records, and other materials may be authorized by the Chair with the consent of the Ranking Minority Member or by the consent of a majority of the Members of the Committee. Such consent may be given informally, without a meeting, but must be in writing. The Chair may subpoena attendance or production without the consent of the Ranking Minority Member when the Chair has not received notification from the Ranking Minority Member of disapproval of the subpoena within 72 hours of being notified of the intended subpoena, excluding Saturdays, Sundays, and holidays. Subpoenas shall be issued by the Chair or by the Member of the Committee designated by him or her. A subpoena for the attendance of a witness shall state briefly the purpose of the hearing and the matter or matters to which the witness

is expected to testify. A subpoena for the production of memoranda, documents, records, and other materials shall identify the papers or materials required to be produced with as much particularity as is practicable.

(e) The Chair shall rule on any objections or assertions of privilege as to testimony or evidence in response to subpoenas or questions of Committee Members and staff in hearings.

(f) Testimony may be submitted to the formal record for a period not less than two weeks following a hearing or roundtable, unless otherwise agreed to by Chair and Ranking Member.

#### CONFIDENTIAL INFORMATION

(a) No confidential testimony taken by, or confidential material presented to, the Committee in executive session, or any report of the proceedings of a closed hearing, or confidential testimony or material submitted pursuant to a subpoena, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the Members. Other confidential material or testimony submitted to the Committee may be disclosed if authorized by the Chair with the consent of the Ranking Member.

(b) Persons asserting confidentiality of documents or materials submitted to the Committee offices shall clearly designate them as such on their face. Designation of submissions as confidential does not prevent their use in furtherance of Committee business.

#### MEDIA AND BROADCASTING

(a) At the discretion of the Chair, public meetings of the Committee may be televised, broadcasted, or recorded in whole or in part by a member of the Senate Press Gallery or an employee of the Senate. Any such person wishing to televise, broadcast, or record a Committee meeting must request approval of the Chair by submitting a written request to the Committee Office by 5 p.m. the day before the meeting. Notice of televised or broadcasted hearings shall be provided to the Ranking Minority Member as soon as practicable.

(b) During public meetings of the Committee, any person using a camera, microphone, or other electronic equipment may not position or use the equipment in a way that interferes with the seating, vision, or hearing of Committee members or staff on the dais, or with the orderly process of the meeting.

#### SUBCOMMITTEES

The Committee shall not have standing subcommittees.

#### AMENDMENT OF RULES

The foregoing rules may be added to, modified or amended; provided, however, that not less than a majority of the entire Membership so determined at a regular meeting with due notice, or at a meeting specifically called for that purpose.

STAFF OF THE SENATE COMMITTEE ON SMALL BUSINESS AND  
ENTREPRENEURSHIP

Donald R. Cravins, Jr., Democratic Staff Director and Chief Counsel  
Wallace K. Hsueh, Republican Staff Director

*Democratic Staffers:*

Caroline Bruckner, General Counsel  
Krystal Brumfield, Tax and Procurement Counsel  
Kristen Bushnell, Executive Assistant, Research Analyst  
Richard Carbo, Press Secretary  
Ellen Devine, Legislative Aide  
Katie Elder, Research Analyst  
David Gillers, Counsel  
John High, Professional Staff Member  
Alex Johnson, Research Analyst  
Ross LeBlanc, Research Analyst  
Cheryl Miller, Deputy Staff Director  
Ross Nodurft, Senior Research Analyst  
Claire O'Rourke, Professional Staff Member  
Elle Ourso, Deputy Press Secretary  
Irma Palmer, Deputy Press Secretary  
Princess Prince, Executive Assistant  
Ami Sanchez, Counsel  
Rob Sawicki, Communications Director  
Jim Simpson, Policy Correspondent, Legislative Aide  
Hope Stephens, Policy Correspondent  
Brian Van Hook, Policy Director  
Kevin Wheeler, Deputy Democratic Staff Director  
Afton Zaunbrecher, Policy Correspondent, Legislative Aide

*Republican Staffers:*

Chris Averill, Professional Staff Member  
Corey Cooke, Research Assistant  
Tara Crumb, Staff Assistant  
Diane Dietz, Professional Staff Member  
Constantine Efstathiou, Staff Assistant  
James Gelfand, Counsel  
Alex Hecht, Chief Counsel/Regulatory Counsel  
Lindsey Hughes, Professional Staff Member  
Steve Keen, Professional Staff Member  
Chris Lucas, Counsel  
Scott McCandless, Tax Counsel  
Jelena McWilliams, Assistant Chief Counsel  
Shelley New, Research Assistant  
Adam Reece, Senior Professional Staff Member  
Jake Triolo, Professional Staff Member  
Matt Walker, Deputy Republican Staff Director and Chief Counsel  
Meredith West, Senior Professional Staff Member

*Non-Designated Staffers:*

Joan Evans, Chief Clerk  
Alex Gamoran, Staff Assistant  
Justin Jerome, Systems Administrator  
Christina Jones, Staff Assistant  
Derek Pangallo, Systems Administrator  
Ruda Pollard, Staff Assistant  
Darla Ripchensky, Chief Clerk  
Monisha Smith, Hearing Clerk

## COMMITTEE PUBLICATIONS

## Hearings, Field Hearings, and Roundtables

- A Year After the Deepwater Horizon Oil Spill: The Status of Recovery Efforts in Florida. July 11, 2011. S. Hrg. 112–433.
- The Role of Small Businesses in Strengthening Cyber Security Efforts in the United States. July 25, 2011. S. Hrg. 112–262.
- The Role of Exports in Small Business Growth and Job Creation. August 11, 2011. S. Hrg. 112–494.
- Disaster Recovery: Evaluating the Role of America’s Small Businesses in Rebuilding Their Communities. September 15, 2011. S. Hrg. 112–722.
- Small Business Jobs Act of 2010, One Year Later. October 18, 2011. S. Hrg. 112–488.
- Developing and Strengthening High-Growth Entrepreneurship. February 1, 2012. S. Hrg. 112–429.
- A Spotlight on Small Business Investment Companies and their Role in the Entrepreneurial Ecosystem. March 22, 2012. S. Hrg. 112–487.
- The FY 2013 Budget Request for the Small Business Administration. March 29, 2012. S. Hrg. 112–500.
- Perspectives from the Entrepreneurial Ecosystem: Creating Jobs and Growing Businesses through Entrepreneurship. April 18, 2012. S. Hrg. 112–617.

## Reports

- Summary of Legislative and Oversight Activities During the 111th Congress. March 28, 2011. Report 112–6.

## BILLS REFERRED TO THE SENATE COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP DURING THE 112TH CONGRESS

- S. 236 (Ms. McCaskill) 1/31/2011. A bill to eliminate the preferences and special rules for Alaska Native Corporations under section 8(a) of the Small Business Act.
- S. 257 (Ms. Landrieu) 2/2/2011. Small Business Broadband and Emerging Information Technology Enhancement Act of 2011.
- S. 370 (Mr. Casey) 2/16/2011. A bill to require contractors to notify small business concerns that have been included in offers relating to contracts let by Federal agencies, and for other purposes.
- S. 493 (Ms. Landrieu) 3/4/2011. SBIR/STTR Reauthorization Act of 2011.
- S. 532 (Mr. Pryor) 3/9/2011. Patriot Express Authorization Act of 2011.
- S. 633 (Ms. Snowe) 3/17/2011. Small Business Contracting Fraud Prevention Act of 2011.
- S. 653 (Ms. Landrieu) 3/28/2011. Southeast Hurricanes Small Business Disaster Relief Act of 2011.
- S. 681 (Ms. Snowe) 3/30/2011. Greater Accountability in the Lending Fund Act of 2011.
- S. 976 (Mr. Casey) 5/12/2011. Monroe County HUBZone Act of 2011.
- S. 1078 (Ms. Landrieu) 5/25/2011. Small Business Additional Temporary Extension Act of 2011.

- S. 1110 (Mr. Enzi) 5/26/2011. Small Business Fairness Act of 2011.
- S. 1154 (Mr. Baucus) 6/7/2011. Honoring Promises to Service-Disabled Veterans Act of 2011.
- S. 1511 (Ms. Landrieu) 9/6/2011. Gulf Coast Disadvantaged Business Relief Act of 2011.
- S. 1590 (Ms. McCaskill) 9/21/2011. Fairness for Small Businesses in Federal Contracting Act of 2011.
- S. 1709 (Mr. Casey) 10/13/2011. Small Business Disaster Assistance Act of 2011.
- S. 1756 (Ms. Hagan) 10/20/2011. HUBZone Protection Act of 2011.
- S. 1828 (Mr. Kerry) 11/8/2011. Increasing Small Business Lending Act of 2011.
- S. 2136 (Ms. Landrieu) 2/28/2011. A bill to increase the maximum amount of leverage permitted under title III of the Small Business Investment Act of 1958, and for other purposes.
- S. 2157 (Mr. Nelson) 3/6/2012. Shuttle Workforce Revitalization Act of 2012.
- S. 2172 (Ms. Snowe) 3/7/2012. Fairness in Women-Owned Small Business Contracting Act of 2012.
- S. 2187 (Mr. Cardin) 3/12/2012. A bill to remove the sunset date for amendments to the Small Business Investment Act of 1958, and for other purposes.
- S. 2364 (Ms. Snowe) 4/25/2012. A bill to extend the availability of low-interest refinancing under the local development business loan program of the Small Business Administration.
- S. 3174 (Mr. Kerry) 5/14/2012. Vocational and Technical Entrepreneurship Development Act of 2012.
- S. 3194 (Ms. Hagan) 5/16/2012. Small Business Common Application Act of 2012.
- S. 3196 (Ms. Snowe) 5/17/2012. National Womens' High-Growth Business Bipartisan Task Force Act of 2012.
- S. 3197 (Ms. Snowe) 5/17/2012. Women's Small Business Ownership Act of 2012.
- S. 3198 (Ms. Landrieu) 5/17/2012. Strengthening Resources for America's Entrepreneurs Act of 2012.
- S. 3200 (Ms. Landrieu) 5/17/2012. A bill to require the Small Business Administration to submit a regular National Small Business Index to Congress to assess how policies provide incentives or impediments to small business development.
- S. 3213 (Mr. Cardin) 5/22/2012. Small Business Goaling Act of 2012.
- S. 3214 (Ms. Landrieu) 5/22/2012. TEAM Act.
- S. 3246 (Ms. Snowe) 5/24/2012. SCORE Program Improvement Act of 2012.
- S. 3253 (Ms. Landrieu) 5/24/2012. EXCEL Act.
- S. 3277 (Ms. Landrieu) 6/7/2012. Go Global Act of 2012.
- S. 3281 (Ms. Snowe) 6/7/2012. A bill to terminate the federal authorization of the National Veterans Business Development Corporation.
- S. 3442 (Ms. Landrieu) 7/25/2012. SUCCESS Act of 2012.
- S. 3508 (Ms. Landrieu) 8/2/2012. SCORE for Small Business Act of 2012.
- S. 3638 (Ms. Landrieu) 11/26/2011. TEAM Act of 2012.

- S. 3672 (Ms. Landrieu) 12/12/2011. A bill to clarify the collateral requirement for certain loans under section 7(d) of the Small Business Act, and for other purposes.
- S. 3675 (Ms. Collins) 12/12/2011. HUBZone Expansion Act of 2012.
- S. 3681 (Ms. Landrieu) 12/13/2011. A bill to clarify the collateral requirement for certain loans under the SBA Disaster Loan Program, and for other purposes.
- S. RES. 66 (Ms. Landrieu) 2/17/2011. An original resolution authorizing expenditures by the Committee on Small Business and Entrepreneurship.
- S. RES. 348 (Ms. Snowe) 12/15/2011. A resolution expressing the sense of the Senate that the Secretary of the Treasury should take actions to increase the transparency and accountability of the Small Business Lending Fund Program.

