

## Small Businesses Identify Regulations in Need of Review and Reform

by Keith Holman, Assistant Chief Counsel

Small business owners and representatives have nominated over 80 federal regulations for review and reform in response to the Office of Advocacy's Regulatory Review and Reform (r3) initiative.

"The fact that our office received over 80 strong nominations shows that small businesses are concerned about the cumulative weight of regulations," said Chief Counsel for Advocacy Thomas M. Sullivan. "Not only will the strongest and most compelling cases make our Top 10 list, the rest of the nominations are giving us insight into the regulatory areas that concern small business."

Advocacy will transmit the Top 10 list to agencies in the spring and will work to ensure that the listed rules will be reviewed and reformed. In order to track agency progress, the recommended reforms will be posted on Advocacy's website and an update on the status of reforms will be published twice a year. Advocacy encourages small businesses and their representatives to follow the progress of the reforms and comment to the agencies on that progress.

Advocacy created the r3 initiative because complying with federal regulations now costs our economy \$1.1 trillion per year. On

a household basis, this amounts to more than the average cost of healthcare. The smallest businesses bear the brunt of regulations. They annually pay 45 percent more per employee to comply with federal regulations than big businesses do.

Find out more about Advocacy's r3 initiative and agency progress in reviewing and reforming the Top 10 rules by visiting [www.sba.gov/advo/r3](http://www.sba.gov/advo/r3).

## Business.gov Unveils New Search Features

by Rob Kleinstauber, Editor/Writer

Business.gov, the official business link to the U.S. government, has launched new search features and expanded content. These improvements make it easier for small business owners to find essential information they need to run their operations, including forms, licenses, permits and regulatory information from federal, state, and local governments.

In addition to federal government resources, the site now offers business owners access to 9,000 state, territory, county, and city government websites providing information on starting and managing a business while complying with regulations at all levels.

The site's new search service is a "mashup"—a unique service created by combining content from separate web applications. It is an

improvement over general search services because it delivers results directly aligned with doing business in a specific geographic area. For example, if a user types in "business license, Richmond, VA" the relevant results on licenses will be returned from the city of Richmond and state of Virginia websites.

"The inclusion of state and local content on Business.gov means that small business owners can go to one website to find what they need to successfully manage their operations," said Nancy Sternberg, program manager of the Business Gateway Initiative. "Business.gov helps give small business owners a complete understanding of what's needed to comply with government regulations."

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## Regulatory News

### Small Business Panel Submits Report on Occupational Exposure to Beryllium

by Bruce Lundegren, Assistant Chief Counsel

On January 15 the Occupational Safety and Health Administration (OSHA) formally submitted a final Small Business Advocacy Review panel report to OSHA Administrator Edwin Foulke on the agency's draft proposed standard on occupational exposure to beryllium. OSHA's draft proposal would lower the permissible exposure limit (PEL) for beryllium and mandate new requirements for cleaning and controlling workplace exposure to beryllium.

Beryllium is an extremely heat-resistant metal used in highly specialized applications, such as precision instruments, electronics, aerospace, and nuclear power. While unique in its properties, inhalation of beryllium particles can lead to "acute beryllium disease," a sensitization (i.e., allergic reaction) to beryllium. More prolonged exposure can lead to "chronic beryllium disease" and possibly to lung cancer. Advanced stages of these diseases are characterized by scarring

of the lung tissue and reduced lung function (similar to asbestosis). Airborne exposures usually result from heating or grinding beryllium, but solid forms do not cause airborne exposures.

The small business review panel was mandated by the Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996. That law requires that any OSHA rule that is expected to have a significant economic impact on a substantial number of small businesses must undergo a review by a government panel with the assistance of small businesses. The panel consists of staff from OSHA, the Office of Advocacy, and the Office of Information and Regulatory Affairs within the Office of Management and Budget. The panel is assisted by small businesses from the regulated industry. In this case, representatives from a variety of industries that use beryllium (including precision stamping, machining, electronics recycling,

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dental laboratories, and abrasive blasting) reviewed the draft proposed rule and offered recommendations to the panel.

OSHA's proposal would lower the current PEL for beryllium and impose new requirements to control beryllium exposure. However, the small business representatives were concerned that OSHA was

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### New Counsel for Regional Affairs Joins Advocacy Staff

Kate Reichert joined the Office of Advocacy's staff as regulatory and legislative counsel for regional affairs in January. Reichert comes to the Office of Advocacy with a recent *juris doctor* degree from Ohio State University's Moritz College of Law. She received her bachelor's degree from the Scripps School of Journalism at Ohio University in Athens, Ohio. She served as an editor on *The Journal on Dispute Resolution* in law school. Her education has also included international programs at the University

of Oxford and the University of Southern Denmark.

Reichert's prior legal experience was in the office of Ohio State Representative Timothy DeGeeter and in Franklin County, Ohio. She has also volunteered in a number of programs in Ohio. Reichert will work closely with Advocacy's regional advocates, especially in furthering the state regulatory flexibility model legislative initiative. She can be reached at (202) 205-6972 or [kate.reichert@sba.gov](mailto:kate.reichert@sba.gov).



Regulatory and Legislative Counsel for Regional Affairs Kate Reichert.

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## Message from the Chief Counsel

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### Advocacy Experts Educate New Generation of Policy Makers

by Thomas M. Sullivan, Chief Counsel for Advocacy

Nothing keeps you on your toes like having to explain yourself to students. Many of the Office of Advocacy's staff members have risen to the challenge and are teaching or participating in courses at the high school, undergraduate, and graduate levels.

Advocacy's regional advocates appear regularly as guest lecturers in college courses on business and entrepreneurship. I have enjoyed speaking to MBA students who participate in the Washington Campus (a program that explores the Washington policymaking environment) as well as teaching a summer class at Georgetown University.

Here in Washington, D.C., a city which is renowned for its energetic multitaskers, Advocacy's staff members are among the best. Chad Moutray, Advocacy's chief economist, teaches in the Junior Achievement program at T.C. Williams High School in Alexandria, Virginia. Cheryl Johns, Advocacy's assistant chief counsel for telecom-

munications, teaches intellectual property law in George Washington University Law School's graduate paralegal program. She also teaches in the university's online masters

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**“Here in Washington, a city renowned for its energetic multitaskers, Advocacy's staff members are among the best.”**

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program, which reaches students across the United States. In addition, she advises students completing their masters' theses in intellectual property law.

Regulatory Economist Joe Johnson helps teach the Regulatory Law Clinic at George Mason University School of Law. Johnson is one of multiple instructors who provide feedback, critique, and discussion with students on topics that the students choose. In addition, each instructor presents one or more lectures during the semester on a topic

in their particular field of expertise. This semester Joe is serving as a guest lecturer and outside student advisor, which includes guiding students as they develop research topics in regulatory analysis. Johnson has also taught classes in economics at George Mason.

Assistant Chief Counsel Keith Holman has offered several courses at the University of Maryland School of Law, including “Environmental Issues in Business Transactions” in 2005 and a course on the Clean Air Act in 2004. He has also taught at Georgetown University Law School.

All three have also been part of Advocacy's training program for federal agencies on the Regulatory Flexibility Act, and their professionalism carries over in both roles.

As Advocacy's expert staff take on the challenge of educating others, they hone their own skills, enhance the office's reputation, and improve their effectiveness as small business advocates.

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### **Beryllium Panel Report,** *from page 2*

relying on insufficient health data and would impose an overly broad regulation on American companies in the face of stiff foreign competition. Most of the small businesses reported having very low levels of exposure to beryllium in their workplaces; those with higher levels said they already had sophisticated exposure control and medical programs in place. One of the most controversial aspects of the proposal dealt with medical monitoring and the use of a BePLT (beryllium lymphocyte proliferation test), which tests for beryllium sensitiza-

tion, but which has been criticized as unreliable.

The report recommends that OSHA review and clarify several key provisions in the draft proposal before proceeding. A copy of the full report is available on Advocacy's website at [www.sba.gov/advo/laws/is\\_beryllium.html](http://www.sba.gov/advo/laws/is_beryllium.html).

Please contact Assistant Chief Counsel Bruce Lundegren at (202) 205-6144 or [bruce.lundegren@sba.gov](mailto:bruce.lundegren@sba.gov) if you require additional information.

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### **Business.gov, from page 1**

Business.gov's expansion follows the recent addition of a new “Permit Me” feature, providing a single source for information on federal, state, and local permits, business licenses, and registrations.

Originally launched in 2004, Business.gov is the official business link to the U.S. government. Business.gov is managed by the Small Business Administration in a partnership with 21 other federal agencies. This partnership, known as Business Gateway, is a Presidential eGovernment initiative that gives businesses a single access point to government services and information.

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## Research Notes

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### Two New Research Publications from Advocacy

by Chad Moutray, Chief Economist

Advocacy awarded its fifth annual “Best Doctoral Paper” to two researchers at the University of Louisville, Pankaj Patel and Rodney D’Souza. The award was given at the annual meeting of United States Association for Small Business and Entrepreneurship (USASBE). It recognizes excellence in graduate-level papers that analyze issues that are relevant to small businesses and entrepreneurs.

Their paper, *Uncovering Knowledge Structures of Venture Capital Investment Decision Making*, challenges the conventional wisdom that the makeup of entrepreneurial teams is more important in venture capital funding decisions than is the inherent business potential of the new venture. The authors find that

while team composition is a major factor in explaining why a business plan is rejected, it is not significant in explaining why a business plan is funded.

The full paper is available on the economic working papers page of the Office of Advocacy website at [www.sba.gov/advo/research/wkpapers.html](http://www.sba.gov/advo/research/wkpapers.html). The working papers page features in-depth analyses of economic issues by Advocacy economists and others in pre-publication form. Advocacy encourages academic critiques and comments on all of our working papers.

Advocacy also released its annual catalog of economic research, *Research Publications 2007*, in January. As part of the office’s mission, Advocacy documents the

importance of entrepreneurship to the American economy and analyzes policy issues that are relevant to small firms. Many of these reports affirm the significance of the small business owner in the American economy. Along those lines, the Office of Advocacy released several studies that examined regional economic development issues, while other reports dealt with owner demographics.

To access this compendium on the web, visit [www.sba.gov/advo/research/res\\_pub07.pdf](http://www.sba.gov/advo/research/res_pub07.pdf). The document contains links to all of the publications listed in it.

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