

110TH CONGRESS  
1ST SESSION

# S. 281

To amend title 44 of the United States Code, to provide for the suspension of fines under certain circumstances for first-time paperwork violations by small business concerns.

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## IN THE SENATE OF THE UNITED STATES

JANUARY 12, 2007

Mr. VITTER introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

To amend title 44 of the United States Code, to provide for the suspension of fines under certain circumstances for first-time paperwork violations by small business concerns.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Paper-  
5 work Relief Act of 2007”.

1 **SEC. 2. SUSPENSION OF FINES FOR FIRST-TIME PAPER-**  
 2 **WORK VIOLATIONS BY SMALL BUSINESS CON-**  
 3 **CERNS.**

4 Section 3506 of title 44, United States Code (com-  
 5 monly referred to as the “Paperwork Reduction Act”), is  
 6 amended by adding at the end the following:

7 “(j) SMALL BUSINESSES.—

8 “(1) SMALL BUSINESS CONCERN.—In this sub-  
 9 section, the term ‘small business concern’ means a  
 10 business concern that meets the requirements of sec-  
 11 tion 3(a) of the Small Business Act (15 U.S.C.  
 12 632(a)) and the regulations promulgated under that  
 13 section.

14 “(2) IN GENERAL.—In the case of a first-time  
 15 violation by a small business concern of a require-  
 16 ment regarding the collection of information by an  
 17 agency, the head of that agency shall not impose a  
 18 civil fine on the small business concern unless the  
 19 head of the agency determines that—

20 “(A) the violation has the potential to  
 21 cause serious harm to the public interest;

22 “(B) failure to impose a civil fine would  
 23 impede or interfere with the detection of crimi-  
 24 nal activity;

25 “(C) the violation is a violation of an inter-  
 26 nal revenue law or a law concerning the assess-

1           ment or collection of any tax, debt, revenue, or  
2           receipt;

3           “(D) the violation was not corrected on or  
4           before the date that is 6 months after the date  
5           of receipt by the small business concern of noti-  
6           fication of the violation in writing from the  
7           agency; or

8           “(E) except as provided in paragraph (3),  
9           the violation presents a danger to the public  
10          health or safety.

11          “(3) DANGER TO PUBLIC HEALTH OR SAFE-  
12          TY.—

13                 “(A) IN GENERAL.—In any case in which  
14                 the head of an agency determines under para-  
15                 graph (2)(E) that a violation presents a danger  
16                 to the public health or safety, the head of the  
17                 agency may, notwithstanding paragraph (2)(E),  
18                 determine not to impose a civil fine on the  
19                 small business concern if the violation is cor-  
20                 rected not later than 24 hours after receipt by  
21                 the small business owner of notification of the  
22                 violation in writing.

23                 “(B) CONSIDERATIONS.—In determining  
24                 whether to provide a small business concern  
25                 with 24 hours to correct a violation under sub-

1 paragraph (A), the head of an agency shall take  
2 into account all of the facts and circumstances  
3 regarding the violation, including—

4 “(i) the nature and seriousness of the  
5 violation, including whether the violation is  
6 technical or inadvertent or involves willful  
7 or criminal conduct;

8 “(ii) whether the small business con-  
9 cern has made a good faith effort to com-  
10 ply with applicable laws and to remedy the  
11 violation within the shortest practicable pe-  
12 riod of time; and

13 “(iii) whether the small business con-  
14 cern has obtained a significant economic  
15 benefit from the violation.

16 “(C) NOTICE TO CONGRESS.—In any case  
17 in which the head of an agency imposes a civil  
18 fine on a small business concern for a violation  
19 that presents a danger to the public health or  
20 safety and does not provide the small business  
21 concern with 24 hours to correct the violation  
22 under subparagraph (A), the head of that agen-  
23 cy shall notify Congress regarding that deter-  
24 mination not later than the date that is 60 days

1 after the date that the civil fine is imposed by  
2 that agency.

3 “(4) LIMITED TO FIRST-TIME VIOLATIONS.—

4 “(A) IN GENERAL.—This subsection shall  
5 not apply to any violation by a small business  
6 concern of a requirement regarding collection of  
7 information by an agency if that small business  
8 concern previously violated any requirement re-  
9 garding collection of information by that agen-  
10 cy.

11 “(B) OTHER AGENCIES.—For purposes of  
12 making a determination under subparagraph  
13 (A), the head of an agency shall not take into  
14 account any violation of a requirement regard-  
15 ing collection of information by another agen-  
16 cy.”.

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