

OVERSIGHT PLAN OF THE COMMITTEE ON SMALL BUSINESS FOR THE ONE  
HUNDRED ELEVENTH CONGRESS

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JANUARY 28, 2009. Approved by the Committee on Small Business.

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Ms. VELAZQUEZ, from the Committee on Small Business, submitted to the Committee on Oversight and Government Reform and the Committee on House Administration the following

## **REPORT**

Clause 2(d)(1) of rule X of the Rules of the House of Representatives for the 111th Congress requires each standing committee, not later than February 15<sup>th</sup> of the first session to adopt an oversight plan for the 111th Congress. The oversight plan must be submitted simultaneously to the Committee on Oversight and Government Reform and the Committee on House Administration.

The following agenda constitutes the oversight plan of the Committee on Small Business for the 111th Congress. It includes areas in which the Committee and its subcommittees expect to conduct oversight during this Congress, but does not preclude oversight or investigation of additional matters or programs as they arise. The Committee will consult, as appropriate, with other committees of the House that may share jurisdiction over any of the subjects listed below.

### **I. Oversight of the Small Business Administration.**

- A. Agency Management. Given the challenges facing the economy, the Committee will review the adequacy of the management structure, staffing levels, and financial resources of the agency's programs. The Committee will review new initiatives that have been implemented to respond to the economic slowdown and determine if further action or modification is warranted. With the decrease in SBA lending activity, the Committee will examine the role that the centralization of loan processes played, including the role that the facilities in Herndon, Virginia; Hazard, Kentucky; and Citrus Heights, California facilities have played. The Committee will also consider whether the commercial loan centers in Fresno, California and Little Rock, Arkansas are accomplishing their mission. The Committee will examine the role of SBA District Offices and whether they are meeting the needs of the local community. The Committee will review human resources polices and employee training programs, including SBA University, to determine their effect on agency morale and preparedness. The Committee will review the agency's cooperative agreements, partnerships and co-sponsorships. The Committee will continue to assess the adequacy of the agency's budgetary requests, financial management, and reporting goals.

- B. Lending Programs. With loan volumes declining substantially across SBA's lending programs, the Committee will review measures to reverse these trends. This will include examining alternatives to existing programs, as well as changing existing initiatives' structure. The Committee also will analyze the government's response to the recent economic downturn and financial crisis. This will include an evaluation of the impact of the Troubled Assets Relief Program (TARP) and the Capital Purchase Program (CPP) on SBA lending. In addition, the Committee will assess whether the Federal Reserve's Term Asset- Backed Securities Loan Facility (TALF) has assisted the secondary market for SBA loans. The Committee will also consider enhancing the 7(a) and Certified Development Company programs so that they are more effective in reaching borrowers unable to secure conventional loans. Additionally, the Committee will review the Microloan program with the intent of making it more affordable for borrowers and reducing barriers to its growth.
- C. Lender Oversight. The Committee will conduct hearings regarding the effectiveness of SBA's Office of Lender Oversight. This will include an assessment of the SBA's ability to monitor risk in its loan portfolio and the corrective actions it has taken to address undue risk. In addition, the Committee will also review the sufficiency of the budgetary resources for the lender oversight function. The Committee also will examine methods the SBA uses to manage risk in its loan portfolio and review the agency's policies and practices regarding its lending partners. Finally, the Committee will review the procedures to monitor the SBA's investment programs, including an assessment of actions taken to protect the government from loss due to capital impairment in these programs.
- D. Investment Programs. The Committee will conduct hearings regarding the availability of equity capital for small firms in the current economic environment. The Committee will consider proposals to modify and reestablish the SBIC participating securities program, with a focus on broadening early-stage investment in high-growth, job-creating industries. The Committee will continue to consider policy changes that will increase angel investment. Finally, the Committee will assess the New Markets Venture Capital program and how it can be strengthened to better fulfill its mission of making equity capital more available to low-income in urban and rural communities.
- E. Disaster Programs. The Committee will review the implementation of major statutory changes to the SBA's disaster loan and response programs made during the 110<sup>th</sup> Congress. This will include an assessment of the programs that: incorporate private sector lenders into the disaster loan program; improve the agency's response during and after disasters; enhance coordination among agency's responding to disasters; and provide for improved system resiliency. In addition, the Committee will review SBA's disaster simulations, planning

and preparations for large-scale disasters, and modifications made to the disaster cadre.

- F. Entrepreneurial Development Programs. The Committee will conduct hearings into how these programs can play a greater role in current economic downturn and assist struggling businesses and unemployed workers. This will include ensuring that these initiatives are focused on stimulating economic development, providing workforce retraining, and creating new jobs. The Committee also will evaluate the sufficiency of these programs' services to make certain that the needs of small businesses are being met. The Committee will examine proposals to establish a national incubator program that will provide serve as a catalyst for entrepreneurial growth in local communities.
- G. Government Contracting and Business Development Programs. The Committee will examine the SBA's contracting and business development to ensure that the agency's efforts are meeting the needs of small businesses. In particular, the Committee will review the 8(a) program, the Small Disadvantaged Business program, and the Women's Procurement program. With regard to the Women's Procurement Program, the Committee will continue to review the agency's implementation actions. The effectiveness of SBA's role in mitigating bundled contracts, including the hiring and retention of procurement center representatives, will be assessed. In light of reports raised by the SBA's Inspector General, the Committee will examine the role that Alaskan Native Corporation's play in the 8(a) program and ensure that the program's rules and regulations encourage minority small business growth and development. The Committee will continue to oversee the HUBZone program, including addressing the GAO's findings of fraud and insufficient program controls. The Committee will assess the Service-Disabled Veteran-Owned Procurement Program to ensure that it is being properly implemented. The Committee will examine recent decisions by the GAO (International Programs, Inc. B-400278; B-400308), as well as changes to the Federal Acquisition Regulations (FAR) that would effect the coordination of SBA's contracting and business development programs government-wide. The Committee will examine the SBA's Office of Size Standards to ensure that it has the resources and organization structure to effectively update size standards in a timely manner. With regard to the 7(j) program, the Committee will review the agency's process to determine awards under this authority. Finally, the Committee will review the SBA's actions to improve the accuracy of federal contracting databases that list eligibility and awards made to small businesses.
- H. Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. Building on the Committee's efforts to assess and reauthorize the SBIR and STTR programs during the 110th Congress, the Committee will consider proposals to strengthen and modernize the SBIR and

STTR programs. In order to further the most promising technologies and promote maximum job creation, the Committee will consider specific proposals to permit venture capital-backed companies to participate in the SBIR program.

- I. Office of Advocacy. The Committee will assess the policies of the Office of Advocacy and its capabilities to reduce regulatory burdens on small businesses.
- J. Veterans Corporation. The Committee will review the on-going activities of the National Veterans Business Development Corporation to determine whether the Corporation is serving as an effective advocate for veteran-owned businesses. In light of concerns that the Corporation is not meeting its obligation to veterans, the Committee will examine the Corporation's operation and performance to determine whether or not it should be replaced with a new entity. The Committee will examine the Corporation's relationship within the context of all federal programs designed to assist veterans, particularly those returning from Iraq and Afghanistan. The Committee also will evaluate the relationship between the SBA and the Corporation to identify whether the SBA is working cooperatively with the Corporation, or whether work is being unnecessarily replicated. The Committee will identify whether the Corporation's efforts at expanding and enhancing private funding options have been successful.

## II. Agriculture.

- A. Implementation of Recent Agricultural Policy. The Committee will examine the impact of federal policies on family farms, ranchers, and rural small businesses. The Committee will provide an in-depth examination of the implementation of the 2008 Farm Bill and its impact on small entities. This will include an investigation of the policies' effects on the income, production costs, and prices received by small producers.
- B. Financial and Technical Assistance. The Committee will examine the impact of access to capital issues facing rural areas, farmers and agribusinesses. The Committee will evaluate federal programs that provide training, information, and networking resources to enhance entrepreneurial activity in these regions.
- C. Program Harmonization. The Committee will examine the SBA and Department of Agriculture economic development programs to determine how the two agencies can better coordinate their missions to assist small business owners, both through program harmonization and streamlined communications.
- D. Renewable fuels. The Committee will examine the role of small businesses in renewable fuel development and production. The Committee will assess the

operational needs of small farmers seeking to produce alternative fuel products.

- E. Climate Change. The Committee will examine how farmers and small businesses can contribute to climate change mitigation, and how they can minimize their climate impact in a way that will positively affect their revenues and profitability.
- F. Food Prices. The Committee will examine how over the course of the last months of 2008, commodity prices have dramatically declined, yet retail food prices remain high. The Committee will examine further all responses to the food price issue, including their impact on American farmers, consumers and small businesses.
- G. Value Added Products. The Committee will increase oversight of financing and technical assistance programs that aid small farmers' expansion into emerging niche agricultural markets, including organic products. The Committee will evaluate the operational needs of small farmers working to add value to outputs and maintain competitiveness in the changing marketplace.
- H. Rural Economic Development. The Committee will oversee federal activities to spur economic development in rural communities. The Committee will conduct hearings on the physical and financial infrastructure needed to maintain and grow small rural businesses, including access to air transportation.
- I. Competition Problems in Rail Industry and Impact on Rural Areas. The Committee will examine competition problems facing small firms as related to the rail industry and rail rates, and identify anticompetitive barriers to entry. The Committee will identify antitrust policies that increase competition and foster market conditions, thus allowing for more competition in terms of price and availability for rural areas.

### III. Energy.

- A. Energy Bill Provisions. The 110<sup>th</sup> Congress passed sweeping energy legislation signed by the President (P.L. 110-140 December 19, 2007) that included Title XII, entitled "Small Business Energy Programs." The Committee will play an active oversight role as these provisions are implemented, especially with respect to the adequacy of the programs for small firms.

- B. Energy Efficiency. The Committee will investigate methods to increase energy efficiency and improve resource conservation practices for small businesses. The Committee will conduct oversight of federal initiatives to streamline business operations and reduce energy costs for small firms.
- C. Renewable Energy Incentives. The Committee will examine expiring renewable energy tax incentives. This will include a review of how important these policies have been in stimulating small business commerce within the sectors of renewable biofuels, wind, solar, and geothermal.
- D. Energy Prices. The Committee will conduct hearings on the effect of volatile energy and petroleum prices on small businesses, particularly fuel intensive sectors, such as farming, transportation, and those that use petroleum products as feedstock.

#### IV. Financial Services and Credit Availability.

- A. Financial Crisis. The Committee will review the impact that legislation aimed at stabilizing the U.S. financial markets has had on small financial firms and other small businesses. This will include an assessment of the Troubled Asset Relief Program (TARP) and the Capital Purchase Program (CPP). In addition, the Committee will review several actions taken by the Federal Reserve, including the establishment of the Term Asset- Backed Securities Loan Facility (TALF) and its effect on commercial lending.
- B. Emerging Economic Trends. The Committee will continue to examine ongoing economic conditions stemming from the recession that began in August of 2008, and their effect on small firms' ability to grow, create jobs, and access capital.
- C. Credit Markets. The Committee will review conditions in the national credit markets as they relate to small business lending and investment and will oversee federal efforts to ensure that those markets function properly.
- D. Secondary Market. The Committee will examine the role that the secondary market plays in small business finance. This will include a review of asset-securitization procedures and policies in place for commercial lending. The Committee will consider whether the secondary market for small business loans can be enhanced through standardization, credit enhancements, or making performance data more readily available.
- E. Costs of Sarbanes-Oxley Compliance. In 2009, the Security and Exchange Commission (SEC) will release data on the costs small public companies would face if they were required to comply with Section 404 of the Sarbanes-Oxley Act. The Committee will evaluate the findings of the SEC and will assess the affect of SOX 404 compliance costs on small firms.

- F. **Venture Capital.** The Committee will conduct oversight hearings into trends in venture capital investment, including whether start-up firms are securing such funding. The Committee also will consider declining initial public offering activity and its impact of venture capital financing.
- G. **Capital Formation.** The Committee will review barriers that impede small businesses' access to the capital markets, including obstacles to initial public offerings and the public equity markets. This will include a review of how SEC rules, regulations, and forms affect small companies and whether SEC regulation S-B is sufficiently tailored to the needs of small issuers.
- H. **Middle Market Financing.** The Committee will examine whether middle market companies are able to secure sufficient and cost-effective financial resources. These companies, which generate between \$5 and \$250 million in annual revenue, contribute approximately 70 percent toward the nation's gross national product. The financing needs of these companies are often well beyond the capacity of SBA's programs and, given the current economic downturn, many of these companies are left without access to affordable credit and capital.
- I. **Role of Small Lenders.** The Committee will assess the impact of consolidation and attrition in the financial services industry on small lenders and small business borrowers. In addition, the Committee will review industry trends and regulatory developments that may reduce the availability of financing to small firms.
- J. **Insurance.** The Committee will evaluate the use of insurance products by small businesses, including property/casualty lines. The Committee also will assess the impact of federal insurance reforms on small insurers and small businesses. Finally, the Committee will examine the impact of federal regulatory efforts on small insurance companies and insurance brokers.

## V. Health Care.

- A. **Access to Affordable Health Coverage.** The Committee will evaluate a number of health care policies designed to expand access to affordable health insurance through small employers. The Committee will look at proposed federal changes to give small employers greater options for coverage. The Committee will examine current and proposed state initiatives to promote coverage, and will evaluate the impact of these reforms on small employers in those markets. The Committee will examine the impact of these changes on the small-group health insurance market.
- B. **Expanding Available Options for Small Employers to Purchase Health Insurance.** The Committee will examine options for removing barriers to

affordable small employer coverage. The Committee will conduct hearings to review new and emerging policies to increase access to affordable health care coverage. These possible changes include, but are not limited to, increasing pooling mechanisms for small businesses, reinsurance models, and ERISA reforms.

- C. **Tax Credits to Increase Health Coverage.** The Committee will analyze the intersection of tax policy and health care in the 111<sup>th</sup> Congress as health care reform becomes not only a national but also a small business priority. The Committee will examine whether the current system, which allows an employer deduction for health insurance premiums, is the best way to make health care affordable for the millions of small business employers and small business employees that currently are without any coverage. The Committee will examine reform options, including but not limited to: capping the deduction on employer benefits, converting the deduction into a fixed refundable credit for the small business employer, converting the deduction into a fixed, refundable credit for the small business employee, or some other reform option.
- D. **Health IT Adoption.** The Committee will conduct hearings to evaluate the economic benefits derived through the adoption of a uniform, secure, interoperable health information technology infrastructure (Health IT) by small healthcare groups – i.e. physicians, vendors and other providers. In particular, the Committee will consider the degree to which Health IT creates market efficiencies and whether those advantages will exist for small groups. The Committee will evaluate the challenges of Health IT adoption.
- E. **Health Care Consolidation.** The Committee will examine the impact of consolidation in the health care industry on the cost and availability of care to small firms. The Committee will assess the effects of health insurer consolidation on healthcare providers. The Committee will examine the need to revise the FTC/DOJ Joint Health Care Guidelines to reflect increased consolidation health care markets, and to ensure that the Guidelines are not placing physicians on an unlevel playing field.
- F. **CMS Healthcare Provider Compensation.** The Committee will examine federal reimbursement of healthcare providers and the effect that such reimbursement decisions have on non-Medicare/Medicaid insurer reimbursement to physicians and other healthcare providers. This will provide a particular focus of the impact on small healthcare practices.
- G. **CMS Regulation.** The Committee will evaluate CMS regulations that affect the business operation of small healthcare providers. In particular, the Committee will examine CMS’ regulatory structure and consider how current regulations may be enhanced to improve the business environment of healthcare providers.



## VI. International Trade.

- A. Domestic and International Trade Policies. The Committee will hold hearings to identify measures for inclusion in trade agreements that reflect the interests of small domestic businesses, particularly facilitation measures and sector-specific preferences. The Committee also will work to increase the representation of small business interests in the negotiation of new trade agreements and enforcement of existing agreements and treaties. This will include an effort to expand the focus on small business interests among federal trade policymakers. Additionally, the Committee will identify domestic policies compliant with international regulations, such as export loans, which help ensure the global competitiveness of small United States businesses.
- B. Trade and Employment. The Committee will examine the impact of trade policies on job losses among small firms. This will include a review of trade agreements, regulations, and procedures that adversely effect small firms' ability to create and retain domestic jobs.
- C. Trade Promotion Programs. The Committee will hold oversight hearings to measure the performance of federal trade programs, which seek to reduce small firms' costs of expanding into international markets, including those administered by the SBA, Departments of Commerce and Agriculture, the Export-Import Bank, and the Overseas Private Investment Corporation. The Committee also will evaluate the implementation of the National Export Promotion Strategy, particularly its focus on small businesses. Further, the Committee will highlight components of the country's infrastructure that facilitate efficient cross-border trade, but are in need of improvements such as ports, roads, and airport facilities.
- D. Regulations Affecting Trade. The Committee will assess whether existing international trade sanctions effectively prevent unfair trade practices such as theft of intellectual property or dumping of products below the cost of production. This evaluation will incorporate an examination of mechanisms to increase small businesses' access to relief from unfair trade practices through trade remedy programs. Finally, the Committee will work with the Executive Branch to reduce regulations that serve as barriers to small businesses engaged in importing and exporting.
- E. Trade Data and Trends. The Committee will evaluate the availability and quality of data measuring the contributions to the nation's trade performance by small businesses, including information gathered by the Department of Commerce and the United States Trade Representative. This will include an effort to examine the data compiled by federal agencies, indicating the output by small firms receiving trade-related assistance.

## VII. Procurement.

- A. Troubled Asset Relief Program (TARP). The Committee will examine the impact of waiving certain provisions of the Federal Acquisition Regulation on small business in the implementation of the Emergency Economic Stabilization Act of 2008. The Committee will examine measures taken by the Department of Treasury to utilize small businesses, including minority-owned and women-owned businesses as asset managers, consultants, and servicers for the TARP.
- B. Omnibus Economic Stimulus. The Committee will conduct oversight of any economic stimulus legislation to determine its impact of small businesses. This will include an examination of the number and amount of federal contracts awarded to small businesses and an analysis of the job creation benefits of such procurement actions.
- C. Implementation of National Defense Authorization Act of 2008. The Committee will review the impact of the “enhanced competition” and new bid protest provisions of this Act on small firms. This will include an investigation of whether these new authorities are benefiting small firms, particularly in defense-related industries.
- D. Application of Small Business Set-Asides for Task and Delivery Orders under Multiple Award Contracts. The Committee will examine recent GAO decisions (including Delex Systems, Inc., B-400403) that determined that federal small business set-asides and “the rule of two” apply to task and delivery order under multiple award schedule contracts. The Committee will examine efforts taken by agencies to understand if such set-asides are being applied consistently government-wide.
- E. Use of Indefinite Delivery/Indefinite Quantity (ID/IQ) versus Sealed Bids for Construction Project Awards. The Committee will investigate whether federal agencies are increasingly relying on ID/IQ solicitations, instead of sealed bids, to award construction projects. The Committee will use this examination to determine whether such a trend promotes competition, particularly for smaller firms in construction and related industries.
- F. Emergency Contracting Authority. The Committee will review the federal government’s emergency contracting practices, such as the use of no-bid contracts and the raising of the micropurchase threshold, to ensure that maximum competition is achieved in such circumstances, particularly with regard to small business participation.

- G. Contract Bundling. The practice of contract bundling displaces small businesses from the federal marketplace. The Committee will continue to monitor the use of “bundled” contracts, and ensure that regulations to reduce contract bundling are being followed. The Committee will continue to work to “unbundle” contracts where appropriate.
- H. Federal Contracting Goal. The Committee will review federal agencies performance in meeting annual contracting goals. In order to foster greater small business participation in the federal marketplace, the Committee will seek to work with agencies that have historically underperformed in meeting their contracting goals.
- I. Agency Miscounting of Contracts. The Committee will investigate the sufficiency of actions taken by the SBA, the FAR Council, and the Office of Federal Procurement Policy to ensure that contract awards to small firms are accurately enumerated. The continued reliance by the Executive Branch on an inaccurate data collection system overstates agency compliance with small business contracting goals – a situation that has yet to be rectified. The Committee will continue to review whether processes, including the usage of the Federal Procurement Data System, are appropriate to provide an accurate and transparent accounting of small business participation in the federal procurement market.

#### VIII. Regulations.

- A. The Committee will examine federal agency rules and regulations, as well consider proposals to simplify them and ensure that small businesses are not subject to undue regulatory burdens.
- B. The Committee will identify regulations that impose unnecessary barriers to competitive market entry by small businesses and place small businesses at a competitive disadvantage with respect to larger competitors.
- C. The Committee will identify regulations that fail to minimize recordkeeping and reporting requirements, including the elimination of duplicative requirements as required by the Paperwork Reduction Act.
- D. The Committee will assess whether small businesses are provided sufficient compliance assistance, including small entity compliance guides issued by agencies as mandated by the Small Business Regulatory Enforcement Fairness Act.
- E. The Committee will examine the agency process for promulgating rules and regulations including: the adequacy of an agency's compliance with the Regulatory Flexibility Act; the adequacy of an agency's compliance with the Paperwork Reduction Act; whether the agency minimized burdens and

maximized benefits for small businesses while achieving its statutory and regulatory objectives; whether the agency fully considered alternatives to the regulations that would lessen burdens on small firms; and, whether small businesses have been provided sufficient opportunity to comment and provide input into the development of regulations.

- F. The Committee will examine the need to amend and further strengthen the Regulatory Flexibility Act and the Paperwork Reduction Act to improve agency compliance with the laws and ensure that small businesses are not unnecessarily burdened by regulations.

#### IX. Taxation Issues.

- A. Tax Incentives and Measures to Stimulate Economy. The Committee will hold hearings on the state of the U.S. economy and how tax policy geared towards small businesses can generate an economic recovery. The Committee will focus on tax stimulus items to mitigate the negative effects of the economic slowdown. This will include an examination of the concerns of specific industries such as housing, manufacturing, technology, travel, and retail, where small businesses play a dominant role. The Committee will highlight regulatory and legislative efforts that increase consumption, hiring, retention, and investment by and for small businesses.
- B. Current State of the Tax Code. Nearly all aspects of taxation, including the current taxation of individual income, capital gains, estate taxes, and dividends, are set to change in 2010. As such, the committee will analyze, keeping fiscal considerations in mind, whether a renewal, modification, or expiration of some or all of these tax policy items best promotes development and growth of the economy and small business. Finally, the Committee will examine if this is the appropriate time to enact fundamental tax reform that includes a rationalization of deductions, exclusion, and credits, and an integrated tax system, which would promote small business expansion.
- C. Investment in Small Businesses and Tax Policy. The Committee will study tax proposals that encourage investments from outside sources while also analyzing tax initiatives that encourage small firms to expand their businesses. This includes not only scrutiny of existing incentives, such as the Investment Tax Credit, and New Markets Tax Credit, but also new tax credits, deductions or preferences that would encourage investors to directly invest in small business start-ups. Additionally, the Committee will the examine other specific tax relief, such as Section 179 expensing provisions, accelerated bonus depreciation provisions, and hiring and retention tax credits that encourage small firms to expand their workforce and grow their businesses.
- D. Alternative Minimum Tax. The Committee will examine ways to reform the alternative minimum tax to provide tax relief for small businesses. The

Committee will review proposed changes and the budgetary costs of making such modifications.

- E. Tax Modernization. The last major reform of the tax code occurred in 1986, and changes made since have occurred in a piecemeal fashion. Therefore, the Committee will investigate obsolete provisions in the tax code that need to be modernized to help small businesses. The Committee will identify code provisions that need to be updated on account of inflation, altered business realities, or inequitable treatment due to the small business's choice of entity.
- F. Tax Simplification and Fairness. The Committee will explore the growing complexity of the United States tax system and its adverse impact on small employers. Also, because the tax system is based on voluntary compliance, the Committee will examine the myriad of complex and unclear tax rules that cause frequent errors by small businesses and exacerbate opportunities for noncompliance. Finally, the Committee also will examine inequities within the tax code that treat smaller businesses differently from their larger counterparts. The Committee will focus on proposals and make recommendations that ensure that tax policy is fair and reasonable for small businesses.
- G. Three Percent Withholding Requirement and Potential Impact on Small Businesses. A three percent withholding measure was added to the Tax Increase Prevention and Reconciliation Act of 2005. This measure, which will become effective in 2011, will require that all federal payments have three percent withheld for future taxes. The Committee will examine the potential negative impact this provision could have on the cash flow for small firms who perform federal contracts. The Committee will review whether this could hinder the competitiveness of small businesses.
- H. Retirement and Pension Benefits. The Committee will analyze tax code restructuring to enhance the ability of small businesses to offer retirement benefits through lowering their costs. Any such restructuring also will examine mechanisms to maximize employee enrollment. In performing this assessment, the Committee necessarily will investigate why such plans are outdated given current economic conditions, the morass of regulatory red-tape that prevents nearly 70 percent of small businesses from offering retirement plans. The Committee will explore what can be done to minimize the impact of burdensome pension plans and regulations so that small businesses can find and retain quality employees.

#### X. Technology and Innovation.

- A. Broadband Deployment. The Committee will assess the impact and conduct oversight of proposals to spur broadband deployment. This will include a review of the benefit from efforts to expand access to broadband services.

The Committee will review the concerns of rural areas that are “underserved” in terms of broadband coverage. It will examine the issue of how increased broadband speed affects the potential for further economic growth.

- B. Immediate Job Creation with Broadband Deployment. The Committee will investigate and oversee efforts to use public funds to encourage broadband deployment as an economic stimulus. This will include an assessment of the potential for immediate job creation with small telecommunications companies. In addition, the Committee will review how rapid deployment spurs growth.
- C. Universal Service Fund. The Committee will investigate the economic benefits of increasing the speed of broadband and proposals for reform of the Universal Service Fund. The Committee will assess whether such action could increase costs bourn by providers or consumers.
- D. Broadband Adoption. The Committee will investigate the benefits of increasing the affordability of high-speed access to the Internet. The Committee will consider an array of potential government-led incentives designed to encourage consumers, including small firms, to adopt broadband services.
- E. Openness and Networks. The Committee will seek to ensure that small firms, including device manufactures, software application providers and online service providers, have open access to the public and private networks of the Internet. The Committee will also examine proposals that limit the necessary network management that helps ensure that all consumers, including small businesses, benefit from high-speed Internet access.
- F. Patent Reform. The Committee will examine the cost and benefits of proposed reforms to the U.S. patent system. In particular, the Committee will seek to evaluate the effect of patent reform legislation on the small businesses that apply for, receive and enforce patents. It will also assess the impact of reforms on those small companies that manufacture innovative products, license patented technologies, and defend themselves in alleged patent infringement cases.
- G. Cybersecurity. The Committee will monitor any efforts to create onerous or questionable cybersecurity mandates on private industry in an attempt to monitor and protect the Internet. The Committee will ensure that the concerns of small firms are raised. It will also assess the current government-wide National Cybersecurity Initiative to ensure small technology firms have adequate contracting opportunities.
- H. Online Advertising. The Committee will examine the increasing importance of online marketing strategies to many successful small businesses and the

concerns some have raised about consumer privacy. The Committee will also consider challenges some small firms have driving traffic to their website and converting on-line advertising into sales.

- I. Proposed Changes to Internet Domains. The Committee will investigate a proposal by the Internet Corporation for Assigned Names and Numbers (ICANN) to introduce new generic top-level domains (gTLDs). The proposed change is likely to compel many small businesses to invest in defensive domain registrations but may also provide new opportunities for some small firms. ICANN is expected to release the final gTLD in 2009 and the Committee will consider the costs and benefits of the proposal.
- J. Small Business Adoption of New Technology Tools. The Committee will examine the success with which small firms are utilizing new technologies and services (including social networking, so-called “cloud computing” services) to make their companies more efficient and competitive. The Committee will consider the challenges some small businesses face with respect to the effective adoption of these technologies and services.

#### XI. Transportation and Infrastructure.

- A. The Committee will conduct oversight hearings on the impact of transportation and infrastructure legislation and associated project funding on small businesses. This will include examining how small contractors are utilized in these projects, as well as the impact on local businesses that are dependent on transportation networks.

#### XII. Veteran’s Entrepreneurship.

- A. Customized Assistance. The Committee will hold hearings to ensure federal entrepreneurial and capital assistance programs accommodate the growing veteran population. This will include evaluating the programs to ensure that services address the specialized needs of current veterans, including service disabled, women, and Reservists/Guardsman.
- B. Federal Veteran Procurement Policy. The Committee will review federal actions to assist veteran entrepreneurs and ensure that they are consistent with federal small business policy. This will include a review of regulations establishing agency-specific veteran contracting initiatives.
- C. Program Performance. The Committee will examine the effectiveness of federal programs that seek to improve veterans’ access to markets and training by monitoring the output of veterans receiving entrepreneurial assistance. The Committee also will work with Executive Branch officials to ensure veterans have improved access to local business development facilities.

- D. Transition Services. The Committee will identify current transition assistance needs of separating service members and those experiencing ongoing deployments, such as Reservists, to help them apply skills gained in the service to the private sector. This will include working with administration officials to ensure that federal agencies, including, but not limited to, the SBA, and the Departments of Defense and Veterans Affairs, prepare service members with resources to initiate entrepreneurial enterprises upon separation from the military.
- E. Federal Coordination and Centralization. The Committee will examine whether the federal government is sufficiently coordinating activities and allocating resources appropriately with regard to veteran entrepreneurship activities and initiatives. In addition, the Committee will investigate whether a government-wide office should be established to better facilitate the provision of services to veteran entrepreneur.

### XIII. Workforce Issues.

- A. Green Jobs. As small firms combat climate change by implementing renewable energy strategies from wind, solar, and geothermal to the development of more energy efficient heating systems, the Committee will have the opportunity to consider and evaluate green jobs and public policies that affect potential growth. The Committee also will evaluate needs for more workforce training.
- B. Technology Workforce. The Committee will investigate the impact of government programs and initiatives on small technology companies' ability to hire and retain the scientists, researchers and engineers these companies need to succeed. The Committee will examine the efficacy of public-private partnerships aimed at strengthening education and training for American students and workers in subjects related to science, technology, engineering and math and will consider mechanisms that increase small firm participation in such initiatives. The Committee also will investigate the potential benefits to small firms associated with increasing the annual cap on H-1B visas, reforming the process by which employment visas are awarded, and permitting the recapture of used green cards.
- C. Visa System. The Committee will assess whether the existing visa system is meeting the workforce needs of small firms, and how it is affecting their ability to compete in a global marketplace. The Committee will examine suggestions to improve the visa system that benefits small firms.