

Report on the Regulatory Flexibility Act, FY 2009

Office of Advocacy, January 2010 [72 pages]

Background

Under the Regulatory Flexibility Act (RFA) and Executive Order 13272, federal agencies consider the effects of their proposed and existing regulations on small firms and other small entities and examine alternatives that would minimize the small entity impacts while still meeting the regulations' purposes. Since the enactment of the RFA in 1980, the Office of Advocacy has been working with agencies to examine how agencies' proposed regulations affect small entities. Advocacy is required by the RFA and E.O. 13272 to report annually on agency compliance with the RFA and the executive order. *The Report on the Regulatory Flexibility Act, FY 2009* covers agency compliance over the October 2008 through September 2009 period.

Highlights

In fiscal year 2009, the Office of Advocacy:

- Reviewed hundreds of regulations to assess RFA compliance,
- Convened numerous roundtables to solicit the opinions, views, priorities, and comments of small entity stakeholders on regulatory proposals,
- Submitted more than 30 public comment letters to federal agencies on regulatory proposals, and
- Identified \$7 billion in FY 2009 first-year cost savings and \$745 million in annually recurring savings reflected in final agency regulatory actions as a result of efforts to help agencies comply with the RFA's requirements to review the small-entity effects of proposed regulations.

The sum total of Advocacy's involvement in the regulatory process is not easily calculated. The count of Advocacy's public activities and descriptions of the office's involvement in this report should provide an accurate account of how Advocacy worked to achieve

cost savings for small entities in FY 2009 and helped agencies comply with the RFA and E.O. 13272.

Scope and Methodology

The Office of Advocacy bases its cost savings estimates on agency estimates. Cost savings for a given rule as a result of Advocacy's intervention are captured in the fiscal year in which the agency agrees to changes in the rule. Where possible, savings are limited to those attributable to small businesses. First-year and recurring annual cost savings are listed where applicable. Where cost savings have accrued during the prepublication draft stages of the rule, they are not publicly available.

This report was peer-reviewed consistent with Advocacy's data quality guidelines. More information on this process can be obtained by contacting the director of economic research at advocacy@sba.gov or (202) 205-6533.

Ordering Information

The full text of this report and summaries of other studies performed under contract with the U.S. Small Business Administration's Office of Advocacy are available on the Internet at www.sba.gov/advo/research. Copies are available for purchase from:

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