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# New bill should reduce mountain of paperwork

### By Jim Garrett

Congress passed and the President signed into law on Sept. 15, Senate Bill 299a bill that should reduce the mountain of federal paperwork required of small businesses.

The passing of the Small Business Regulatory Flexibility Act will turn the tide on the increasing wave of regulations generated by various government agencies in the executive branch, Jack Barnhart of Barnhart Press said.

Barnhart, a January 1980 delegate to the White House Conference on Small Businesses, said the federal government has finally taken a step in the right direction. He said this will not eliminate the massive burden of paperwork required of small businesses, but at least would slow it from getting any bigger.

Barnhart said Nebraska businesses are 95 percent small businesses.

He said the large multi-national and national corporations have large legal staffs that watch out for rules, regulations and policies that go into effect when a bill becomes law.

The small business man, however, has a hard time meeting payrolls and getting products out, and doesn't have time to watch out for all the federal agencies' new regulations, Barnhart said.

Barnhart said the usual process for new regulatory policy creation and implementation occurs in the agencies where the new law is enforced.

### 500 pages

Barnhart said a half-page bill signed into law, sometimes will end with 500 pages of guidelines can become rather bizarre. He cited an example in which one agency implimented a guideline requiring all U.S. farmers to have an outhouse within reasonable distance at all times. He said it may seem justifiable back in Washington, but when put into effect it becomes ridiculous.

Barnhart said when 58 percent of the small business in America account for 48 percent of the gross national product, and a burden of paperwork from federal agencies begins to bite into a small business' success margin, someone has to pay for the increased cost. Often the cost of the paperwork is transferred directly to the consumer, he said.

He said the new act will slow down the cost to the consumer some but not eradicate it.

Barnhart said some regulations come into being because "one guy down the road laid a rotten egg and the fed's are going to make sure this doesn't happen again." Because of one incident, an agency will produce a mountain of regulation that literally amounts to killing not only the good eggs, but the "golden goose" as well, he said.

Barnhart stated that the elections are an incentive to this type of legislation. He said there has been a drive behind agency reform for some time to satisfy the need of small businesses across the United States, but the election is a good catalyst.

Barnhart said there are some who think that more law and regulation can solve anything. This has got to be turned around, he said.

#### Burden hours

Barnhart said one type of legislation, dealt with an area called "burden hours." He said the passage of the act establishes through the Office of Management and Budget specific "burden hour" ceilings by which each executive agency must abide by. He said the burden hours are defined as the amount of time required to fill out federal forms by small businesses. So far all agencies except the Environmental Protection Agency have responded favorably to the Act.

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enforcement policy before it's finished. He said the agencies that write the guidelines must publish them in the Federal Register for 30 uncontested days before they can go into effect. Then, he said, they are just as valid a law as the original bill that may have taken years to get through Congress.

Barnhart said in the case of the Flexibility Act, new guidelines for small businesses will not be formed but rather policies set up for the agencies that create policy.

Barnhart said 99 percent of all federal tax dollars are spent in the 92 executive agencies under the president. But of these 92, the president has direct control on only 17.

He said the other 72 so-called "congressional sacred cows," operate without any real check, except continued appropriations by congress.

Barnhart said people in these agencies create and administer guidelines for laws that will cover business and operations that they have never seen or are even familiar with. He said when there is no check on the directors and their agencies, bureaucracy runs rampant.

Bizarre guidelines Barnhart said some of the imposed Dave Wolvin, director of industrial development for Lincoln's Chamber of Commerce, said the passage of the act is a benefit not only to the small businessman but to the consumer as well.

Nebraska Representative Doug Bereuter who attended the signing ceremony at the White House, was pleased, according to Bereuter's press secretary, Rebecca Mott.

Mott said Bereuter played a key role in formulating the act. She said this act is the most comprehensive piece of reform legislation since 1946.

Mott said similar additional legislation has been started that would require all federal agencies to cost analyze the benefits of each new proposed rule. She said the agency would have to publish the results of the analysis at the time the regulation goes into effect.

Mott said special consideration must be given in the analysis to the impact of the proposed rule upon small businesses. Also that each agency would also be required to formulate and publish a semi-annual agenda of important new regulations under their regulation.

