



## **Office of Small Business Advocate**

A Report to the Tennessee General Assembly

July 1, 2013

## **INTRODUCTION TO THE AGENCY QUESTIONNAIRE**

Over the past year, each state agency that has regulatory authority over small business was provided with a questionnaire. The goal of the Agency Questionnaire is to ensure state government is responsive to small business owners by encouraging polite, easy to understand, customer-focused actions when possible and ensuring that small business owners have the information they need to comply with state law and regulation in the least burdensome way. The Office of Small Business Advocate provide each agency that reports regulatory authority over business the following questions. The complete response has been filed with the Commerce and Labor Committee of the Senate and the Business and Utilities Committee of the House of Representatives. To view the complete annual report, including agency responses, please visit [www.comptroller.tn.gov/OSBA/reports.asp](http://www.comptroller.tn.gov/OSBA/reports.asp)

1. Does your agency have regulatory compliance assistance available on your website or any published or education information available for small business owners?
2. Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?
3. Does your agency currently conduct a regulatory flexibility analysis as required by Tennessee Code Annotated Section 4-5-402, the Regulatory Flexibility Act of 2007, as part of your agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?
4. Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tennessee Code Annotated Section 4-5-403, the Regulatory Flexibility Act of 2007?
5. Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.
6. Does your agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?
7. Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

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**State Agency Responding: Tennessee Alcoholic Beverages Commission**  
**Official Agency Contact: Keith Bell, Director**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE**

**Yes, we have packets that we distribute to individuals who wish to start a liquor-by-the-drink establishment or a retail package store.**

**Our website also provides step-by-step guides to obtaining our different licenses. These guides include a list of all required forms, as well as information on where to obtain some of the requirements (i.e. codes departments of municipalities for Certificates of Occupancy, etc.)**

**<http://www.tn.gov/abc/for%20LICENSING%20lead%20page.html>**

**<http://www.tn.gov/abc/licensing%20-%20lead%20page.shtml>**

**For example, here is a link to our Step-by-Step guide to obtaining a liquor-by-the-drink license. This license is our most frequently issued license. As such, we have approximately 3,100 active liquor-by-the-drink licenses throughout the state, many of which are small businesses.**

**<http://www.tn.gov/abc/licensing%20-%20LBD%20step-by-step%20guide%20for%20license.shtml>**

**Most of our forms are online:**

<http://www.tn.gov/abc/public%20forms%20-%20lead%20page.shtml>

We also have a link to Title 57 of the Tennessee Code Annotated, which contains all the laws relating to alcoholic beverages and intoxicating liquors, as well as, the TABC Rules and Regulations.

<http://www.tn.gov/abc/TN%20Laws%20&%20Regulations%20lead%20page.shtml>

QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE

**Most of our licensees are small business owners; therefore, we have an open door policy with all of our clients. Our staff meets individually with current and prospective licensees and provides comprehensive feedback to our licensees. Currently, Interim Director Keith Bell and Staff Attorney Ginna Winfree often meet with prospective licensees to review business plans, blue prints, and any other documents that the prospective licensee requests. We provide feedback on how to structure businesses so that they are in compliance with all statutory requirements, as well as TABC Rules and Regulations.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE

**Yes. Most of our rules are created in response to ambiguity or lack of clarity from the statutes. When a proposed rule is drafted, it is often times at the request of clients. We also request feedback from many of our client's advocates, including but not limited to, attorneys and directors of associations that represent our clients. When**

**drafting rules, it is usually to streamline a process that may be time consuming or cost prohibitive to our clients, as well as reduce to duplicitous and time consuming paper work for our staff. We are currently installing a new software system that will be beneficial to our clients and staff.**

Question 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE

**The most recent complete revision of TABC Rules and Regulations occurred in 2010. It is unknown by the preparer, as to whether or not an economic impact statement was prepared. There was a slight rule revision that occurred in 2013. The process outlined in TCA § 4-5-201 was followed. There was a public hearing held on February 27, 2013. None of these rule revisions had any significant economic impact. Most were procedural. The only rule that added any additional cost was a requirement that an entity provide the TABC with a current Certificate of Existence or Certificate of Authorization from the Tennessee Secretary of State. The cost of this Certificate is \$20.00.**

Question 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**See questions one and two above.**

**Part 2**

Question 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?

- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**We have links to Federal, State, Municipality sites, as well as industry related organizations. Currently, the Office of the Small Business Advocate does not have a link; however, the TABC plans to add a link for it.**

**[http://www.tn.gov/abc/links%20-%20lead%20page.shtml#tn\\_state](http://www.tn.gov/abc/links%20-%20lead%20page.shtml#tn_state)**

Question 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE

**No additional information available.**

**State Agency Responding: Tennessee Department of Agriculture**  
**Official Agency Contact: Randy Jennings, Director of Program Operations**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes. The Department of Agriculture strives to be a resource for small business operators that are required to be licensed or permitted by the department. The department maintains a website ( <http://tn.gov/agriculture> ) and published information that assists small business owners in compliance with regulatory programs.**

***Examples:***

**1. Link to a listing of all licenses and permits required by the department with an individual contact person to provide assistance at**

**<http://www.tn.gov/agriculture/regulatory/permits.shtml>**

**2. Link to all forms needed to comply with the programs of the department at**

**<http://www.tn.gov/agriculture/regulatory/forms.shtml>**

**3. As an example of an individual program that maintains a website that is a resource to business operators in grain production see <http://www.tn.gov/agriculture/grain/>**

**Question 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.

- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**Yes. The Department of Agriculture strives to be a resource for small business operators that desire to market their products locally, nationally and internationally. The department maintains website and published information that assists small business owners in marketing their products while meeting all regulatory standards under the jurisdiction of the agency.**

***Examples:***

**1. Link to Domestic Kitchen Rules at**

**<http://www.tn.gov/agriculture/regulatory/foodanddairy.shtml>**

**2. Information for Management and Vendors at Flea Markets, Farmers Markets, Trade Days, Sales and Auctions at**

**<http://www.tn.gov/agriculture/publications/regulatory/DOC062909.pdf>**

**3. Marketing Information to benefit Tennessee small business at**

**<http://www.picktnproducts.org>**

**Below please find a sampling of detailed information that demonstrates our commitment to small business owners in Tennessee.**

**Market Development – Activities that reflect this division's commitment to small business owners' concerns are numerous.**

- a. **Agritourism Tourist Oriented Direction Signs (TODS). - The TODS program is for tourist related businesses in rural areas. The signs are installed at the nearest intersection with a state route in order to direct motorists off the main route to the local streets. TODS are an inexpensive option to direct travelers to your business.**

**<http://www.tn.gov/agriculture/marketing/sigtour.shtml>**

- b. **Branding Workshop Resources - The Tennessee Department of Agriculture conducted workshops across the state in the Fall of 2011. The workshops featured sessions on branding, creating logo and writing press releases. Assistance information remains on our**

website at

<http://www.tn.gov/agriculture/marketing/branding.shtml>.

- c. **Pick Your Own Program - Pick Your Own** fruits and vegetables is another sector of Agritourism. Inviting consumers to a farm can help add extra income to the farm. The Tennessee Department of Agriculture offers educational and marketing resources for established or developing a Pick your Own operation. The Pick Tennessee Products campaign and website are valuable FREE marketing tools provided by the Market Development Division.  
<http://www.tn.gov/agriculture/marketing/pickyourown.shtml> and <http://picktnproducts.org/>.
- d. **Tennessee Agricultural Enhancement Program (TAEP) -** TAEP was established to help farmers and agribusinesses make strategic, long term investments to increase farm efficiency and profitability. TAEP is a cost share program. Participation allows producers to maximize farm profits, adapt to changing market situations, improve operation safety, increase farm efficiency and make a positive economic impact in their communities. Although this program may benefit small businesses, the program is open to all Tennessee landowners over the age of 18.  
<http://www.tn.gov/agriculture/enhancement/index.shtml>.

**Regulatory Services -** Activities that reflect this division's commitment to small business owners' include:

- a. **Agricultural Pesticide Waste Collection Program -** The Tennessee Department of Agriculture, in cooperation with TVA, EPA, the U.T. Agricultural Extension Service, and others, has initiated the Tennessee Agricultural Pesticide Waste Collection Program as part of Tennessee's State Management Plan for Protection of Groundwater from Pesticides.

The waste collection program started in spring 1998 in targeted counties across the state. The counties were selected based on their high sale and usage rates. More than 100,000 pounds of pesticide wastes were collected in the first year. There will be opportunities for every farmer in Tennessee to participate as collection events are held across the state. A fully trained Department of Agriculture representative will be present, and a commercial, licensed pesticide disposal company will be on hand to receive chemical wastes safely.

<http://www.tn.gov/agriculture/regulatory/pesticidecollection.shtml> .

- b. **Apiary Program** - The honey bee is the official state agricultural insect. Honey bees perform a pollination function that is essential to the propagation of many species of plants in Tennessee. The mission of the Apiary program is to protect this valuable resource. The Tennessee Department of Agriculture maintains beekeeper registration files, works through the Tennessee Agricultural Enhancement Program to offer cost share opportunities and performs collaborative research and educational seminars with the University of Tennessee. The Department provides a list of local honey producers for consumers and retail outlets looking for sources of local honey.

<http://www.tn.gov/agriculture/regulatory/apiary.shtml>

- c. **Phytosanitary Certificate Program** - A positive working relationship with the state's plant industry is vital to that industry's success. Regulatory Services has had great success with support inspections of plant materials destined for out of state delivery whereby we issue the appropriate phytosanitary certificates "on the spot" that allows the shipper to immediately market both out of state and out of the country.

- d. **C.E. Kord Animal Health Diagnostic Laboratory (KADHL)** - The mission of KADHL is to provide accurate and timely diagnostic services to Tennessee veterinarians. KADHL

is strictly a diagnostic service that works in concert with local veterinarians, who are best able to evaluate the client or producer's problems and recommend appropriate actions/treatment. The KADHL provides a variety of services in support of animal disease diagnosis and regulatory activities within the state of Tennessee. Veterinarians and animal owners may submit dead animals to the laboratory for examination. Additionally, tissues removed from live animals, such as surgical biopsies, are also submitted to the laboratory to define disease within the live animal.

<http://www.tn.gov/agriculture/regulatory/kord.shtml>

- e. **Metrology Laboratory - As part of the Regulatory Services Division, the Tennessee Weights and Measures Metrology Laboratory (TWMML) maintains and houses the primary standards of mass, volume and length for the State of Tennessee. TWMML is the sole source for legal metrology in the State of Tennessee. This laboratory provides a calibration service to all licensed servicepersons, and industry in the State of Tennessee.** <http://www.tn.gov/agriculture/regulatory/metrology.shtml>
- f. **Worker Protection Trainer Certification – The WPS (Worker Protection Standard Program) targets those that operate greenhouses and nurseries for the purpose of producing agricultural commodities and employ migrant workers.**

**Forestry Division - Activities that reflect this division's commitment to small business owners' include:**

- a. **Provides assistance in timber sales.** <http://www.tn.gov/agriculture/publications/forestry/economics.pdf>
- b. **Assists Forestry Consultants by maintaining a Directory of Consulting Foresters in Tennessee via a Cooperating Consulting Forester Program in cooperation with the Tennessee Chapter of the Association of Consulting Foresters. The purpose of the program is to promote**

**adoption of sound forest management practices on private forest lands in Tennessee and to encourage landowners to utilize private consultants in the ongoing management of their woodland acres. Division personnel are available to furnish information, advice, and limited assistance about forest protection, management, and reforestation. However, as a public agency, the Division's role is to assist with forest management planning, but not one of managing private lands or providing comprehensive forest land management services. Management of private forest lands is largely the role of the private sector. Consulting foresters are private businessmen who are educated and experienced in the forestry profession. They offer a wide variety of forest management services to landowners on a fee or contract basis. As such, consulting foresters function as both technical advisors and legal agents in representing landowners.**

**[http://www.tn.gov/agriculture/publications/forestry/cf\\_directory.pdf](http://www.tn.gov/agriculture/publications/forestry/cf_directory.pdf)** .

**QUESTION 3:**

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

**AGENCY RESPONSE:**

**Yes. A regulatory flexibility analysis is performed before all rules are proposed by the department and is reflected in the summary statement included in the filing of rules as required by the Secretary of State's office.**

**QUESTION 4:**

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

**AGENCY RESPONSE:**

**Yes. An analysis of the economic impact on small business is performed before all rules are proposed by the department and is reflected in the addendum statement attached to the filing of rules as required by the Secretary of State's office.**

**QUESTION 5:**

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

**AGENCY RESPONSE:**

**The individual contact persons listed in the link provided in the response to question 1. Part 1 are aware of the existence of the Office of Small Business Advocate and are encouraged to refer small business operators to contact the office if they have any questions or concerns that the department is not able to address.**

**Part 2**

**QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

**AGENCY RESPONSE:**

**A link to the Office of Small Business is provided prominently on the department's webpage.**

**QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

**AGENCY RESPONSE:**

**The individual contact persons listed in the link provided in the response to question 1. Part 1 are aware of the existence of the Office of Small Business Advocate and are encouraged to refer small business operators to contact the office if they have any questions or concerns that the department is not able to address.**

**State Agency Responding: Tennessee Department of Children’s Services**  
**Official Agency Contact: Rick Osgood, Interim Executive Director**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**The Department of Children’s Services has considerable interactions with providers on an ongoing basis. DCS contracts with these providers for services for our clients, at risk children and their families. Many of these providers are small business as defined by the statute. The department has licensing function that interacts on a daily basis with providers, many of whom are small businesses. In addition to these activities DCS has a Provider Quality group that works with providers, assisting them with becoming an approved provider for the department.**

**Our website has a significant amount of information for potential providers on all aspects of contracting with DCS under the “Providers” tab, including an extensive Private Provider Manual. A sample of the information on our website is the section on how to contract with the department (copy attached). We encourage you to visit our website at <http://www.tn.gov/youth/>.**

**While the department does have information on its website as to the types of services DCS contracts for, and how to contract with the department, we have nothing on the website specifically dealing with regulatory compliance assistance for small business owners. The department plans to address this issue in FY2014 with the addition of information on how to contact the department’s Small Business Advocate and what services the Advocate provides.**

QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**The Department of Children's Services does not have any assistance programs, policies, or procedures in place specifically related to dealing with small business owners' concerns. The activities outlined in our answer to question 1 do impact small business owners in their work with the department.**

**DCS plans to develop a Small Business assistance program during FY2014. The program will include pertinent policies and procedures that reflect the department's commitment to the concerns of small business owners. As part of this program, a communications plan will be developed to assure that all interested small business owners are aware of the department's commitment to developing business relationships with small businesses.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**The Department of Children's Services has not issued any rules during the last fiscal year. However, in compliance with the Regulatory Flexibility Act of 2007 the department will prepare a regulatory flexibility analysis on any proposed rule to determine whether the rule affects small businesses.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**The Department of Children's Services has not issued any rules during the last fiscal year. However, in compliance with the Regulatory Flexibility Act of 2007 the department will prepare an economic impact statement and submit it as an addendum to any rule that is deemed to affect small businesses.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**We encourage you to visit our website. The section for Providers contains a great deal of useful information on what kinds of services we contract for, how to contract with DCS and how the department administers its Private Provider program.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**The Department will develop a communications plan to assure that all interested small business owners are aware of the department's commitment to developing business relationships with small businesses and how the Small Business Advocate can assist the small business owner with any concerns that they may have due to their involvement with DCS. The plan will include information on the department's website, information included with solicitation of RFP's and promotional materials located in the twelve regional offices.**

**QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

**AGENCY RESPONSE:**

**We have nothing more to add at this time.**

**State Agency Responding: Tennessee Department of Commerce and Insurance**

**Official Agency Contact: Steve Majchrzak, Deputy Commissioner**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes, the Department of Commerce and Insurance offers information regarding regulatory compliance within several of our Divisions.**

**The Fire Prevention Division's website located at [www.tn.gov/commerce/sfm](http://www.tn.gov/commerce/sfm) contains an FAQ, application instructions, and education requirements, study materials and contact info so that they can speak to a licensing tech if needed. Our Codes Enforcement section provides guidance for submitting plans and the checklists their office uses for plan review. By visiting <http://www.tn.gov/fire/manufactHouse.shtml> manufactured home manufacturers, retailers, and installers can access licensing information and forms specific to their profession under "Valuable Resources". Under "Useful Links" one can find all federal and state standards, laws, and rules that govern the manufactured housing industry.**

**The Securities Division maintains information targeted to small business owners on its website and through its Investor Education Program. The website <http://tn.gov/securities/secreg.shtml> provides information including a narrative description of exemptions and registration options that support an issuers' decision whether to raise funds privately or publicly to grow a business. This division also led the writing of two state securities educational alerts: the Small Business Advisory: Crowd funding for small business owners and entrepreneurs and a second, Informed Investor Advisory: Crowd funding - for investors both of which can be found at <http://www.nasaa.org/category/investor-education/investor-alerts-tips/>. Both alerts**

explain how this online fundraising strategy works and delineate the concerns entrepreneurs and investors should have.

TennCare Oversight's website <http://www.tn.gov/tncoversight/PCIR.shtml> provides an explanation of both the provider complaint and independent review processes and links to forms and information packets. The website also contains contact information so providers can call or email this office if they have questions about these processes.

Each of Regulatory Board's individual programs' has a website which provides compliance assistance, guidance and education information that can be accessed at <http://www.tn.gov/regboards/>. This includes but is not limited to the following: laws, rules, forms, frequently asked questions, public meeting information and links to program specific resources. In addition to the information on the website, each licensee is notified when they receive their license that they can sign-up for email notifications related the following located at [www.tn.gov/notify-app/sign\\_up](http://www.tn.gov/notify-app/sign_up). These notifications include new and amended statutes, new and updated rules, changes to fees, rulemaking hearings related to fees, significant changes that impact licensees and changes to policies.

The Insurance Division has regulatory compliance assistance available on its website for small business owners in various insurance capacities. The Agent Licensing Section has information on its website located at <http://www.tn.gov/insurance/agentsRes.shtml> related to insurance producer and business entity licensing, as well as materials required for licensure as a public adjuster or a title insurance agency, among other licensed lines of business. The website also links to a National Insurance Producer Registry (NIPR) for electronic licensing purposes. The Division's Analytical Section has a website located at <http://www.tn.gov/regboards/employee/index.shtml> houses important information for employee leasing entities, which are often small businesses, including a frequently asked questions section and links that provide licensing forms for download. The Division plans to provide additional regulatory compliance assistance in the form of a link on its Health Insurance Information website that will direct small business owners to a U.S. Department of Health and Human Services website dedicated to the impact federal healthcare reform may have on small business owners.

#### QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**Yes, the Department of Commerce and Insurance has implemented policies and procedures that demonstrate our commitment to the concerns of small business owners.**

**The Securities Division has established a policy for providing consultations and pre-filing conference by telephone, live meetings and email to provide guidance on the securities registration process, exemption availability, or interpretation of the Act and Rules. These conversations are instructive to the process the issuer will face in a complicated undertaking. It also helps the small business owner avoid difficult compliance issues related to books and records, conflicts of interest, management experience and other merit issues. Future plans may include expanding the division's current efforts and formalize a program dedicated to small business concerns.**

**TennCare Oversight has established procedures for providers to submit complaints/independent review requests and receive correspondence back electronically. This procedure provides for better efficiency and lower costs to the provider. The Division's staff proactively reaches out to providers who send hard copy complaints to notify them of this option.**

**It is a policy of the Regulatory Boards division for all program areas to conduct a regulatory flexibility analysis as part of the rulemaking process. This is a method of reducing undue regulatory impact on small businesses.**

**Our Fiscal Section's Small Business Liaison to the Governor's Office of Diversity Business Enterprises, a newly created designation, is in the process of creating an agency policy and procedure for attracting participation by small, diversity, and service disabled veteran owned businesses to agency procurements. The policies and procedures will also include assisting businesses who make contact with the agency regarding sales opportunities becoming registered as a Sourcing Bidder, an eSupplier, and a Certified Diversity Enterprise, if applicable. Existing contractors who qualify but have not been certified will be contacted as well.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Yes. The analyses conducted by the various divisions of the Department of Commerce & Insurance during the rulemaking process include:**

- 1. Researching and reviewing similar rules in other states and at the federal level in order to be as consistent as possible with regulatory expectations, while at the same time ensuring that the State of Tennessee's regulatory interests are accomplished. This process helps to reduce compliance costs for businesses.**
- 2. Reviewing and utilizing any model rules developed by national organizations for state regulators.**
- 3. Providing state resident industry members and national industry groups with copies of proposed rules in order to solicit comments.**

**QUESTION 4:**

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

**AGENCY RESPONSE:**

**Yes.**

**QUESTION 5:**

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

**AGENCY RESPONSE:**

**It is the mission of our consumer affairs division to work to protect both consumers and businesses from unfair business practices. They work to enforce the state Consumer Protection Act and assist both consumers and business owners (regardless of size) who are victims of unfair business practices.**

**Our Fiscals Section's Small Business Liaison to the Governor's Office of Diversity Business Enterprises (GO-DBE) and the Section's Procurement Staff actively encourage businesses to apply for Diversity Certification through the Tennessee GO-DBE System. Procurement also advises new businesses regarding the benefits of registering as a Sourcing Bidder, an eSupplier, and a Certified Diversity Enterprise, if**

applicable. Though a policy and procedure has not been established at this time, the staff is already providing the information and support to small, diversity, and service disabled veteran owned businesses.

The Regulatory Boards Division strives to provide all licensees and consumers with the ability to comment on services provided via a survey which is attached to emails and posted on the website. In addition, while not related directly to small business owners' concerns each program has established an email where anyone can submit any inquiry for response. We strive to respond to all inquiries within 24 hours of receipt.

The Securities Division participates in a registration protocol – coordinated equity review – with a majority of states in the application of uniform review standards. It is voluntary to issuers who seek to undertake a multi-state registration of its securities, especially in merit review states such as Tennessee. The protocol requires the lead state to coordinate the comments of all other participating states to provide the issuer with comments that reflect the concerns of all other states. Thereby the issuer may satisfy the concerns of all states in a single response. Coordinated review is designed to streamline the review process and provide issuers with comments that reflect the position of all participating states. It further expedites the registration process, saving the small business owner/issuer time and money.

For Tennessee based, small business owners of investment advisory firms, the Securities Division sponsored last fall a workshop entitled “Navigating the Dodd-Frank Act’s New Regulatory Requirements for Investment Advisers” to explain the Act to advisers with \$100 million and less in assets under management. The Dodd Frank legislation re-drew the line between investment advisers that register with the SEC and those that register with the states. States assumed responsibility for advisers that have up to \$100 million dollars in assets under management. The purpose of the workshop was to strengthen firm compliance to help them better serve their clients. It was successful and has since drawn an invitation from a local firm for a mini-workshop on the same topics. It has also increased communication with the regulated industry members who function as broker-dealers and investment advisers.

The Codes Enforcement Section deals with many architects, engineers and contractors that are small business owners. The Section has responded to the needs of its customer’s by creating an online plan submission portal to submit plans electronically (saving postage and printing expenses). Each year we listen to our customer’s issues with the portal and implement improvements that ease the process, and reduce mistakes.

## **Part 2**

### **QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**On our departmental webpage we maintain a prominent link, just below the listing of each of the department's divisions, linking to the Office of Small Business Advocate. The preview of the link provides the following information: "The Small Business Advocate is part of the Comptroller of the Treasury and was established to make state government more responsive to Tennessee's small businesses." The link also appears on each division's webpage.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**The Department is working collaboratively with the Office of Small Business Advocate on an initiative to create a one-stop information and licensing portal for potential businesses in Tennessee as part of the Governor's Customer Focus Government initiative. The collaboration is bringing together the work developed by the Office of Small Business Advocate to meet the requirements of Public Chapter 810 and work of the Governor's Customer Focus Government group.**

**State Agency Responding: Tennessee Department of Correction**  
**Official Agency Contact: Emily Gibson, Director of Budget and Fiscal Services**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Not currently. However, given the addition of Field Services to TDOC as of July 1, 2012, as a result of Public Chapter 727, TDOC recognizes a greater potential for small business impact and is actively seeking enhancements to better educate small business owners.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**Currently, TDOC does not have any assistance programs, policies, or procedures in place that reflect TDOC's commitment to small business owners' concerns.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**TDOC has only enacted two rules since the enactment of § 4-5-402, the Regulatory Flexibility Act of 2007. After review, it was determined that there was no affect to small business owners. Therefore, no Regulatory Flexibility Addendum was added to the Proposed Rule.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**TDOC has only enacted two rules since the enactment of § 4-5-402, the Regulatory Flexibility Act of 2007. After review, it was determined that there was no affect to small business owners. Therefore, no Regulatory Flexibility Addendum was added to the Proposed Rule.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**TDOC utilizes the standardized State RFP with its included language in reference to small businesses and minority and women-owned businesses, although TDOC must seek economies of scale in order to obtain the lowest cost available. However, TDOC recognizes that certain areas, primarily as a result of the addition of Field Services to TDOC as of July 1, 2012, could allow for greater small business involvement. Potential**

areas for increased small business involvement are in the areas of transitional housing, half-way houses, various levels of treatment services for probationers, parolees, and released inmates.

## **Part 2**

### **QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

### **AGENCY RESPONSE:**

**Currently there is no mechanism to. TDOC has made additions to the Department website to inform small business owners about the availability of the Office of Small Business Advocate and make such disclosures to the public. You can view it at this link: <http://www.tn.gov/correction/businessopportunities/smallbusinesses.shtml>. We have also attached a screenshot of the website.**

### **QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

### **AGENCY RESPONSE:**

**TDOC added information to the Department's website to inform small business owners of potential areas that may be of interest. See above.**

**State Agency Responding: Tennessee Department of Economic and Community Development**

**Official Agency Contact: Josh Helton, Senior Advisor for Corporate Outreach and Special Projects**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**ECD is not a regulatory agency. ECD works with a variety of programs, and in some cases provides compliance information on its website via links and PDFs that correspond to the rules and regulations of our respective resource partners. See Question 2 for additional information.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**ECD manages both directly and indirectly, various programs targeted at the creation, growth and expansion of small business. The two main categories are fall into (1) business assistance and (2) access to capital.**

## **A. Business Assistance**

### **A.1. Direct company assistance**

#### **A.1.1. ECD's Website(s):**

ECD maintains a broad range of information related to its programs as well as data and publications including state profiles, economic data, infrastructure, demographics, quality of life, education and key labor Indicators. The following items are specific to direct company assistance. ([www.tn.gov/ecd](http://www.tn.gov/ecd))

**A.1.1.1. Information requests:** Individuals and companies can submit requests for business information at [http://www.tn.gov/ecd/BD\\_request\\_info.html](http://www.tn.gov/ecd/BD_request_info.html). The requests are directed to the applicable party for response.

**A.1.1.2. OpenECD:** public information and documents pertaining to ECD grants and incentives.

**A.1.1.3. In accordance with federal regulation ECD provides Information on Title VI of the Civil Rights Act of 1964 Compliance ([http://tn.gov/ecd/AP\\_title\\_compliance.html](http://tn.gov/ecd/AP_title_compliance.html)). A complaint alleging discrimination can be filed [http://tn.gov/ecd/AP\\_file\\_complaint.html](http://tn.gov/ecd/AP_file_complaint.html).**

#### **A.1.2. Tennessee Smart Start Guide:**

This is a startup guide and resource, which is produced by BERO and made available online and in hard copy. The guide and related postcard are distributed across the state via the nine regional offices, county and city officials, chambers of commerce and other resource partners, and through events and inquiries (email, phone, etc.). The guide is linked to on many websites - a button, link and PDF are provided to chambers of commerce and other resource partners upon request. The last guide was promulgated in December 2011 for 3,000 copies at \$1.24 per copy, and postcard in March 2012 for 5,000 copies at \$0.08 per copy. ([www.tn.gov/ecd/bero](http://www.tn.gov/ecd/bero))

#### **A.1.3. Telephonic, email and other means**

ECD also responds to requests for business information and assistance made through telephone, email, postal service and referrals from communities, elected officials, chamber of commerce, other businesses, etc.

### **A.2. Indirect company assistance**

#### **A.2.1. Access to Technical Assistance in Business Formation (Accelerators):**

In FY2012, an accelerator was selected in each of the nine Jobs4TN Jobs Base Camp regions to assist area entrepreneurs as they develop business plans and launch companies that have the potential to create new jobs. The goal for the accelerators is to become a foundational component of each region's economic development strategy while creating a network of partnerships and mentors within the local business community, the statewide investor base, higher education, non-profits and government. A \$250,000 grant was awarded to each accelerator through a competitive grant application process. The grant funding is a combination of state and federal dollars and contingent upon each accelerator providing at minimum an additional \$250,000 in local matching support. The accelerator program was developed by ECD and is managed by LaunchTN. The FY2013 report will highlight their progress. ([www.launchtn.org](http://www.launchtn.org))

#### **A.2.2. Business Enterprise Resource Office**

The Business Enterprise Resource Office (BERO) is housed within the Department of Economic and Community Development (ECD). BERO serves as a voice for and advocate of disadvantaged businesses (DBE); analyzes, disseminates and promotes best practices and access to capital to service providers; and reports on the status of DBEs statewide. For the purposes of BERO, DBE refers to businesses owned by women, minorities and veterans. It also refers to businesses operating in remote or rural areas of the state.

### **B. Access to Capital**

Access to a robust capital ecosystem is critical to the success of Tennessee's small businesses. Finance programs that meet their needs ensure the best possible opportunities for startup and growth.

#### **B.1. Access to Capital - Programs Managed within ECD**

Applications, eligibility guidelines and contact information are available online for each of the following programs.

##### **B.1.1. Direct to Access Companies**

###### **B.1.1.1. Rural Small Business and Entrepreneur Loan Fund:**

In an effort to provide a greater level of service to rural communities, BERO started the ECD-BERO Revolving Microloan Program (a.k.a. Rural Small Business and Entrepreneur Loan Fund). This program was established with seed funding from USDA Rural Development with the goal to expand economic opportunities in rural Tennessee through

entrepreneurship and small business growth. The loan program is for entrepreneurs and small businesses in rural Tennessee. Small loans, or microloans, of \$500 - \$20,000 (as of July 1, 2012) are available for purchasing equipment, inventory, working capital and/or fixed asset purchases. Loans are below market interest rates and collateral is required on loans of \$5,000 or more. To qualify, applicants must operate their business in a rural area and have fewer than 10 employees. Applicants agree to technical assistance from resource providers during the term of the loan.

As of January 1, 2013, ECD approved a total of \$258,000 in microloan projects and closed \$224,805.84 of the loans. The \$33,194.16 variance in approved loans will not be closed as certain conditions of the loan agreement(s) were not met by the borrowers and/or adjustments related to modification of loans. The \$250,500 in microloan projects were funded/allocated by the original \$125,000 USDA RBEG, \$30,000 in state funding, the \$100,000 USDA ARRA-RBEG and program income. Five (5) loans totaling \$40,500 in principal were completed successfully. ([www.tn.gov/e cd/bero/loan.html](http://www.tn.gov/e cd/bero/loan.html))

#### B.1.1.2. Tax Incentives

Tennessee's incentives for companies expanding within the state or relocating to the state include a combination of tax credits, job training reimbursement grants and public infrastructure development around a project site. The amount and duration of the incentives depends on the type of company, number of jobs created and the amount of capital invested.

Tennessee's incentives are limited to the following types of companies:

- Headquarters – Administrative, research and development, planning, marketing, personnel, legal not manufacturing, distribution, wholesaling or call centers
- Manufacturing – Principle business is fabricating or processing of tangible property for resale
- Data Centers – Building or buildings, either newly constructed or remodeled, housing high-tech computer systems and related equipment
- Warehousing and Distribution – Storage or distribution of finished tangible personal property. Does not include a location where tangible personal property is processed, manufactured, sold to customers or assembled

- **Call Centers** – Uses telecommunications in customer service, soliciting sales, reactivating accounts, surveys or research, fundraising, collecting receivables, reservations, taking or receiving orders  
(<http://www.tn.gov/e cd/BD tax incentives.html>)

## **B.1.2. Indirect Access to Companies**

### **B.1.2.1. TNInvestco:**

This fund is a state-sponsored, venture capital program that provides capital to high-growth transformational businesses in Tennessee. The goals are to develop entrepreneurial infrastructure, bring additional capital into the state and diversify the state's economy. The TNInvestcos are authorized to invest funds in qualifying Tennessee businesses. As of January 1, 2012 the 10 TNInvestcos had funded 76 companies, deploying more than \$55 million. The funded companies employed 751.5 full-time employees of which 270 were filled by women and minorities.

([www.tn.gov/e cd/tninvestco](http://www.tn.gov/e cd/tninvestco))

### **B.1.2.2. FastTrack**

This program assists Tennessee communities in attracting companies, jobs and capital investment. FastTrack assists companies with relocation and training of new employees as well as helps communities develop public infrastructure to assist expanding or relocating companies. There are three FastTrack programs: FastTrack Job Training Assistance, FastTrack Infrastructure Development and the FastTrack Economic Development Fund. Under Tennessee law, ECD is required to post quarterly FastTrack reports that include the name of the company or entity receiving FastTrack funds, the amount of the FastTrack funds received, the number of jobs to be created by the project funded by FastTrack funds and the location of a project funded by FastTrack funds.

([www.openecd.tn.gov/fasttrack.html](http://www.openecd.tn.gov/fasttrack.html))

### **B.1.2.3. Community Development Block Grants**

Administered by ECD, Community Development Block Grant (CDBG) dollars are available to communities with a population of fewer than 50,000 residents for the purpose of attracting new or expanding existing companies. The funds were allocated under a procedure authorized by the Tennessee General Assembly.

(<http://tn.gov/e cd/CDBG/index.shtml>)

## **B.2. Access to Capital - ECD Affiliate Programs Managed Outside of ECD**

**B.2.1. Innovation, Commercialization, Investment, Technology and Entrepreneurship (INCITE) Co-Investment Fund:**

Developed by ECD and managed by LaunchTN, the INCITE Co-Investment Fund is backed entirely by a \$29.7 million award through the U.S. Department of Treasury's State Small Business Credit Initiative. The fund is a key component of Gov. Haslam's \$50 million INCITE initiative to raise Tennessee's profile in innovation-based economic development and increase the number of knowledge-based jobs by assisting companies with access to early-stage capital. The INCITE Fund provides funding to supplement investments (or a co-investment) in Tennessee companies made by venture capital funds and investors from across Tennessee and around the country. As of June 30, 2012, the fund co-invested approximately \$4 million in 10 companies. These companies employ 44 women and minorities.

[www.launchtn.org](http://www.launchtn.org)

**B.2.2. Tennessee Rural Opportunity Fund and Small Business Jobs Opportunity Fund:**

In 2008, the Tennessee Rural Opportunity Fund (ROF), a rural economic development fund, was launched; and in 2010 the Small Business Jobs Opportunity Fund (SBJOF) was launched. The funds were created through a partnership between the state of Tennessee, the Tennessee Bankers Association and Pathway Lending, a not-for-profit community development financial institution. ROF provides loans and technical assistance to small, disadvantaged and early-stage businesses in rural Tennessee and the SBJOF provides loans of up to \$2.5 million to small businesses statewide. The legislature approved a \$1.25 million appropriation through ECD for the \$10 million ROF and \$10 million for \$25 million for the SBJOF.

[www.pathwaylending.org](http://www.pathwaylending.org)

**C. TNTrade Trade Missions and Export Activities**

The TNTrade, launched in January 2012, was a reimbursement is designed to enhance export readiness, promotion and sales activities in foreign markets for Tennessee's small- to mid-sized companies. The program is funded through a grant awarded by the U.S. Small Business Administration and managed by ECD.

In FY2012, two trade missions were planned with the second occurring in FY2013. The first trade mission, in April 2012, visited Asia (China and South Korea) and focused on medical equipment and healthcare companies. The

**second trade mission, in July 2012, visited Mexico with a focus on the automotive industry. Both trade missions encompassed a variety of activities including trade shows, Gold Key business meetings through the U.S. Commercial Service and networking events and activities. Eleven companies participated on the Asia trade mission; and of those companies, eight were full participants covered by STEP funds, and four were self-pay. All businesses were small business enterprises, and of those, woman- and minority-owned businesses comprised 37.5 percent of company participation. Of the 12 individual participants, minority participants comprised over one-third the total and women one-quarter. Additional trade mission and educational activities are planned for FY2013.  
([www.tn.gov/e cd/tntrade](http://www.tn.gov/e cd/tntrade))**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**ECD has not promulgated new rules since T.C.A. § 4-5-402 was enacted. The administrative history of ECD rules can be found at <http://www.tn.gov/sos/rules/0500/0500-history.pdf>.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Not applicable to date as ECD has not made any rules since this act has been in effect; however our general counsel is aware of this act and can advise accordingly.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**In addition to the programs and services mentioned, ECD has nine (9) regional directors and field staff who regularly call on small businesses in their region to make sure that they are getting all the support they require from ECD and other state departments and agencies.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**ECD informs small business owners of the Office of the Small Business Advocate through these methods:**

- A. The Tennessee Smart Start Guide available online and in hard copy. ([http://tn.gov/e cd/bero/pdf/SGB\\_smart\\_guide2011.pdf](http://tn.gov/e cd/bero/pdf/SGB_smart_guide2011.pdf))**
- B. By phone, postal service and email as requested.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**No comment.**

**State Agency Responding: Tennessee Department of Education**  
**Official Agency Contact: Stephen Smith, Assistant Commissioner**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes. The Tennessee Department of Education's (TDOE) main mission is to provide technical assistance, state and local funding and limited regulation to Tennessee public schools. Therefore, most questions in this questionnaire are not applicable to the TDOE. However, the TDOE does play a role in monitoring and regulating all public and private school administered infant/toddler, preschool, before and after school programs, as well as, approved Montessori programs, Tennessee early intervention programs and school-based and community-based Lottery Education Afterschool programs. The TDOE also provides technical assistance to private schools in meeting the requirements for operation in Tennessee. Some of the private operated programs mentioned above could fit the statutory definition of small businesses.**

**Here is the link to the webpage for school-based support services:**

**<http://www.tn.gov/education/earlylearning/sbss.shtml>**

**Jan Bushing is the program director and contact for questions about this program. She may be reached at [Jan.Bushing@tn.gov](mailto:Jan.Bushing@tn.gov) or (615)741-0345. Ms. Bushing regularly sends information related to changes in the administrative regulations and laws to all entities monitored by her office.**

**Here is the link to the webpage for non-public schools and home schooling:**

**<http://www.tn.gov/education/nonpublic/index.shtml>**

**Marcy Tidwell is the director for non-public and home schools and may be reached at [Marcy.Tidwell@tn.gov](mailto:Marcy.Tidwell@tn.gov) or (615)532-6274. Ms. Tidwell regularly sends information related to**

**changes in the administrative regulations and laws to her non-public school contacts and speaks regularly at non-public school conferences and meetings.**

QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**None other than the information listed in the answer to question 1.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**The Tennessee State Board of Education is the governing body that promulgates education rules for public and private schools in Tennessee. TDOE does not promulgate administrative rules.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**No. See the answer to question 3 above.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**The TDOE General Counsel, Christy Ballard, is always available at [Christy.Ballard@tn.gov](mailto:Christy.Ballard@tn.gov) or (615)741-2921 to answer general questions about the TDOE and its operations.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**If advised it was appropriate and necessary, the TDOE could place a link to the Office of Small Business Advocate webpage on the above referenced webpages.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**None**

**State Agency Responding: Tennessee Department of Environment and Conservation**

**Official Agency Contact: Meredith Sullivan Benton, Regional Director of External Affairs**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes. The Tennessee Department of Environment and Conservation (TDEC or the Department) makes a variety of small business owner compliance assistance resources available on *its* website and via hardcopy. Additional compliance assistance resources that are relevant (but not specific) to small business owner concerns are also available. Brief descriptions and electronic access locations have been provided below for your reference. Additional detail regarding many of these programs has also been provided in our response to question two.**

- **The Division of Air Pollution Control Small Business Environmental Assistance Program (SBEAP) is a federally required program under the Clean Air Act that provides technical, administrative, and regulatory support for small businesses. The SBEAP webpage at <http://www.tn.gov/environmentlapc/sbeap/> links to numerous rule and topic-specific resources for small businesses relevant to air quality issues.**
- **The Division of Water Resources manages the Department's Fleming Training Center (FTC). The FTC webpage at <http://www.tn.gov/environmentfleming> describes the variety of**

water and wastewater-related technical assistance, certifications, and training courses available through the Department to assist with water management and treatment.

- The Division of Underground Storage Tanks has various materials and resources, including information and guidance for operator training assistance and on responding and cleaning up a release as well as what to expect during an inspection, for small business owners located on its website page at <http://www.tn.gov/environment/ust/>.
- The Division of Solid and Hazardous Waste has various programs that work with regulated business, some of whom may be small businesses. The Solid Waste Program processes special waste approvals and permit-by-rule applications that may involve small businesses. Information regarding both of these is available at <http://www.tn.gov/environment/permits/specwste.shtml> and <http://www.tn.gov/environment/permits/permrule.shtml>. The Toxics Substances Program works to provide information and guidance, available at <http://www.tn.gov/environment/swm/toxicsubstancesprg/>, to businesses under its Regulatory authority, as many are small businesses. The Lead-based Paint Abatement Program works to ensure that individuals are properly trained and certified to conduct lead-based paint activities in buildings and information is available at <http://www.tn.gov/environment/swm/leadpaint/>. The Hazardous Waste Program also interacts with many small businesses and provides information and guidance on its website, available at <http://www.tn.gov/environment/swm/hazardous/>. The Division also provides information and guidance to businesses regarding their options for responsibly managing electronic scrap that is available at <http://www.tn.gov/environment/swm/escrap/business/index.shtml>. Finally, the Division provides waste reduction information for businesses at <http://www.tn.gov/recycle/>.
- The Division of Radiological Health works with small businesses and professionals who utilize radiological equipment or sources that are regulated by the Division. Information regarding required licenses is included on the Division's webpage at <http://www.tn.gov/environment/permits/spccrad.shtml>.

- **Permitting Requirements and Standard Operating Procedures (SOPs) by Division are published online at <http://www.tn.gov/environment/permits/whoami.shtml> and <http://www.tn.gov/environment/permits/sops.shtml>, respectively. Small business owners can utilize these resources to determine whether a permit is required for the operation of their business and what to expect during the permitting process.**
- **TDEC's Office of External Affairs is currently spearheading a survey effort to solicit feedback from small businesses to identify obstacles that they face in their attempts to comply with environmental regulations, and leverage resources to provide tools that would help small businesses understand how to achieve and maintain compliance. The Department intends to utilize responses to further evaluate changes that may help small businesses protect the environment and comply with the environmental laws that regulate them. The survey can be accessed through March 15, 2013 at <https://www.surveymonkey.com/s/GMRQ5BG>**

QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**Yes. TDEC has several programs and offices that address aspects of small business owner concerns. Descriptions and electronic access locations where established have been provided below for your reference.**

**Division of Air Pollution Control Small Business Environmental Assistance Program**

**The 1990 Clean Air Act Amendments, Title V, Section 507 required the establishment of an environmental compliance assistance program in each state to support small businesses in understanding and complying with environmental regulations. Tennessee's**

**Program provides free confidential assistance. The Small Business Environmental Assistance Program (SBEAP) services include permitting assistance, onsite visits, training, a toll free hotline, regulatory notifications, outreach, and preventing and eliminating non-compliance situations. Required program components include a State Ombudsman (Small Business Advocate), Environmental Technical Assistance, and a Compliance Advisory Panel (CAP). SBEAP's website can be accessed at <http://www.tn.gov/environment>**

**Tennessee's SBEAP was recently highlighted in the EPA 20 year report on Small Business Environmental Assistance Programs, and the Small Business Advocate/Ombudsman served as the Regional Representative of Small Business Environmental Assistance Programs in Region IV and on the National Steering Committee of the Programs from July 2011 -June 2012. Additionally, the Small Business Advocate has traditionally served as the**

contact for the Comptroller of the Treasury's Small Business Advocate, facilitating resolution of small business environmental questions/concerns/assurances received by the Comptroller's Office.

From July 2011-June 2012, SBEAP staff conducted training for 268 individuals, participating in two events with 183 contacts, and provided permitting and compliance assistance to over 234 individuals via assistance with form(s) completion, understanding rule requirements, identifying steps needed to comply with regulations and steps needed to remedy potential non-compliance.

### Division of Water Resources

The Fleming Training Center (FTC) provides training, certification, and technical assistance to water and wastewater operators across Tennessee, some of whom qualify as small businesses. The center has responsibilities in four main areas: conducting training classes and continuing education seminars for water distributors and wastewater collection system operators; administering the Operator Certification Program; conducting basic training and testing backflow prevention devices; and providing technical assistance statewide to water and wastewater operators and facilities. Often times, other interested parties, including those that own and operate small businesses

utilize FTC for the services.

In the course of its activities, the Division of Water Resources regularly attends Tennessee Onsite Wastewater Association (TOWA) meetings to speak on permitting, compliance, maintenance and operations topics and provides occasional newsletter articles on the same topics. TOWA is a professional organization of wastewater industry professionals, many of whom own and operate small businesses.

### Division of Underground Storage Tanks

The Division of Underground Storage Tanks (UST) has created a free, web-based interactive application called Tennessee Tank Helper, which allows tank owners to select their designated operators and allow operators to sign up and take training. The system is designed to be flexible for the different types of owners, including small business owners. Tennessee Tank Helper can be accessed at [http://www.tn.gov/environment/ust/operator\\_training.shtml](http://www.tn.gov/environment/ust/operator_training.shtml). Other states, such as Georgia, Alabama, Florida and Virginia grant reciprocity to tank owners in their states that complete the Division's Tank Helper. This innovative application has been applauded by the Tennessee Fuel and Convenience Store Association's Executive Director, Emily LeRoy. Ms. LeRoy commented, "I'm not sure if you even recognize the economic impact that this program will have. Compared to what some other states are doing: charging for the training, requiring folks to travel to the training sessions and requiring multiple retraining sessions, the Tennessee program is saving businesses and government agencies hundreds of thousands of dollars annually. In this economy, that means you are saving jobs." The Division also issues an annual Compliance Toolbox in a CD format to every active Tennessee tank owner. We have included a copy of the 2013 CD for our reference. Tank owners can also download the Compliance Toolbox on the Division's website at <http://www.tn.gov/environment/>. The Compliance Toolbox includes a copy of the Division's Tank School Seminar, which is also available at no cost in an on-site, live training format. The Division is in the process of making short informational videos on specific compliance topics for tank owners and environmental investigation techniques for consultants and anticipates posting them on its website. Finally the Division manages the Tennessee UST Fund, which reimburses tank owners for cleanup expenses up to 1 million dollars and third party claims up to 1 million dollars. The Department believes the existence and management of this Fund allows

small businesses to operate in this industry that may not otherwise be able to afford private insurance.

### Division of Solid Waste and Hazardous Waste Management

The Division of Solid Waste and Hazardous Waste Management's Solid Waste Assistance Program provides technical and financial support to reduce the amount of materials destined for landfills and proper management of problem wastes in the State of Tennessee. Two resources in particular have been developed and are promoted to assist businesses, including small businesses:

The Tennessee Material Exchange, operated by the University Of Tennessee Center for Industrial Services, helps Tennessee businesses find markets for industrial by-products, surplus materials and wastes. The free service can be accessed through TDEC's webpage and is available directly at <https://cis.tennessee.edu/consulting/recycle/Pages/exchange.aspx>.

The Tennessee Recycling Markets Directory, maintained by TDEC, allows businesses of any size to identify collection sites, materials recovery facilities, and processors accepting particular materials for recycling in a defined geographic area. The Recycling Markets Directory can be accessed at <http://www.tn.gov/environment/recycle/rmd.shtml>.

The Division annually provides free workshops for hazardous waste generators, many of whom are small businesses. Information on the workshops is available at [http://www.tn.gov/environment/swrnl/docs/annual\\_hw\\_workshop\\_schedule.pdf](http://www.tn.gov/environment/swrnl/docs/annual_hw_workshop_schedule.pdf). The Division also periodically offers Used Oil Recycling Grants to support Do It Yourselfers used oil collection, which has historically funded some heaters and collection systems for private businesses. Recycling equipment grants are also available annually to non-profit recyclers to establish or expand their recycling operation and information can be obtained at <http://www.tn.gov/environment/swrnlgrants/regrant.shtml>.

### Division of Remediation

TDEC's Division of Remediation (DOR) operates the Drycleaner Environmental Cleanup Response Program (DCERP), a fund that owners and operators contribute to for the reimbursement of expenditures for investigation and remediation (cleanup) of sites impacted by a release of dry

cleaning solvent. More information and guidance concerning annual registration and the DCERP is available at <http://www.tn.gov/environment/permits/dcerp.shtml>.

DOR's Voluntary Cleanup Oversight and Assistance Program (VOAP) offers individuals and businesses the opportunity to work with state government to address necessary cleanup of a property to return it to productive use. The VOAP is participating as part of Tennessee's state response program under the Small Business Liability Relief and Brownfields Revitalization Act. As a result, program participants may receive protection from intervention by U.S. EPA at eligible sites. More information about VOAP can be found at <http://www.tn.gov/environment/dor/voap/>.

### Office of External Affairs

The Office of External Affairs (OEA) aims to improve the customer service delivery, coordination and overall responsiveness between TDEC and local governments and municipalities, citizens, environmental groups, development districts, existing business and industry, potential new business and industry, and economic and community development representatives. A dedicated position in each field office, Regional Director for External Affairs, now serves as a primary point of contact for the public and stakeholders in that particular TDEC region, promoting front-end compliance with regulations, environmental stewardship and economic development, and Tennessee State Parks and Natural Areas. As mentioned in response to question one, OEA is currently leading a survey effort to solicit feedback from small businesses to identify obstacles that they face in their attempts to comply with environmental regulations and identify resources to provide tools that would help small businesses understand how to achieve and maintain compliance.

OEA also regularly communicates with the Tennessee Chapter of the National Federation of Independent Businesses, most recently meeting with NFIB's leadership council on March 4, 2013. OEA aims to provide ongoing communication opportunities between TDEC and NFIB as well as its members.

### Office of Sustainable Practices

The Office of Sustainable Practices (OSP) works to advance a culture of

sustainability at TDEC, in state government and across Tennessee through an action-based approach. OSP provides critical work with local governments, businesses, and communities on real world issues, including energy efficiency, energy conservation and cost saving ideas that promote reuse and recycling while producing less pollution and lighter resource consumption. Key program areas include Green Initiatives; Leadership and Excellence; Sustainable Communities; and Sustainable State Government. More information regarding OSP is available at <http://www.tn.gov/environment/osp/>. OSP's Green Star Partnership seeks to recognize businesses and organizations of all sizes and types that are strongly committed to sustainable practices throughout their entire operation. The partnership is divided into two tracks. The Sustainable Business track is designed for smaller businesses, including such companies as hospitality businesses, small agricultural entities or non-governmental organizations. Current benefits of the program include: inclusion in a "Green Business Directory" that will appear on OSP's website in late 2013; proactive promotion of the business by OSP; use of the Tennessee Green Star Partnership logo on the business's website and promotional materials, as well as logoed displays, such as storefront identification or a flag; and educational opportunities, such as webinars and workshops at a discounted or free rate.

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Yes. TDEC has a "Rule Making Coordinator" to facilitate rule making that is carried out by the various divisions of the Department. This position serves to assure that all proposed rules are necessary and consistent with the needs of the program and ensures clarity, conciseness and lack of ambiguity as specifically required by Tenn. Code Ann. §4-5-402(b)(2). The Rulemaking Coordinator has almost completed a renumbering and grouping of all of the Department's rules in order to make the organization of them more logical and user friendly. Since the creation of the Department in 1991, some of the rules had been in the 1200 series and some in the 400.**

**As a part of the conceptual stage of rulemaking, TDEC Divisions developing rule proposals are directed to carefully consider the impact of the proposed rule on the regulated community in general and particularly, any impact the proposed rule might have on small businesses. For example, during the past fiscal year the Division of Underground Storage Tanks amended its rules to reduce fees on tank owners. Many of these tank owners are small business owners.**

**When the rulemaking is ready for public notice, the Department reviews the proposed rules in consideration of the factors outlined in Tenn. Code Ann. § 4-5-402(b)(1) through (7). To the extent a commenter, including small businesses, suggests a better way to accomplish the goal of the rulemaking, it is given full consideration. It should be noted that many of the Department's rulemakings are federally mandated or substantially codify state laws or federal environmental laws or rules, to which the requirements of Regulatory Flexibility Act are not applicable under Tenn. Code Ann. § 4-5-404.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Yes. All of the final rulemakings filed with the Secretary of State have, as a part of the filing, the Regulatory Flexibility Addendum. The Department either includes a justification explaining why the rulemaking is exempt in accordance with Tenn. Code Ann. § 4-5-404, or answers the six statements required by Tenn. Code Ann. § 4-5-403.**

**The attached file serves as an example of a recent filing. The Regulatory Flexibility Addendum can be found on page 15.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**As the regulatory authority for many small businesses across Tennessee, TDEC often interacts with interest groups, business associations, and stakeholders when considering regulatory and/or policy changes. The Department is committed to involving all stakeholders early in our decision-making process. TDEC is also committed to providing opportunities for small businesses to connect with others in their industry, network, and learn about innovations that will not only enhance their business, but also protect the environment. The Department does this by sponsoring or partnering to sponsor three environmental conferences a year. Information about these conferences is available at**

**<http://events.r20.constantcontact.com/register/event?oeidk=a07e64jfvn29bafcd1d&llr=6p>**

**81j9gab (2013 information pending),**

**<http://www.tn.gov/environment/swm/conference/>,**

**and <http://www.tnenvironment.com/home.aspx>.**

Due to their unique location in many rural parts of the state, Tennessee State Parks actively works with several chambers and tourism associations, including the Mississippi River Corridor Association, Union County Chamber of Commerce, Alliance of the Cumberland, Paris/Henry County Chamber, and Sumner County Tourism regarding tourism related economic growth that may benefit numerous small businesses located near Tennessee State Parks.

Through use of a Storm water Innovation Grant by the U.S. Environmental Protection Agency, TDEC's Division of Water Resources is piloting the Tennessee Qualifying Local Program (QLP) under which five pilot participants (the cities of Bristol, Cookeville and Knoxville; Knox and Washington counties), having demonstrated that their construction storm water program meets or exceeds the provisions of the state's Construction General Permit, are able to administer their own storm water construction permitting program at the local level without duplicating the review and approval process at the state level. Site owners or operators of new construction activities within the jurisdiction of the qualifying MS4, many of whom may be small businesses, then submit paperwork and any fees only at the local level, potentially saving up to \$7,500 in state fees and taking less time by eliminating the additional effort at the state level. Permit coverage through the QLP program will authorize the operator of the construction activity to discharge storm water associated with construction activity under both the state's Construction General Permit and the QLP's construction storm water program. More information on the QLP can be found at <http://www.tn.gov/environment/wpc/stormh2o/glp.shtml>.

## **Part 2**

### **QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?
- 

### **AGENCY RESPONSE:**

**TDEC does not currently inform small businesses about the Office of Small Business Advocate in a formal manner. As we receive the responses from small businesses to the above-mentioned survey, OEA and TDEC leadership will evaluate opportunities to**

**share information about the Office of Small Business Advocate with our customers. Additionally, we are currently in redevelopment of our website, but have included a link to the Office of Small Business Advocate website on our home page at <http://www.state.tn.us/environment/> under Featured Sites.**

**QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

**AGENCY RESPONSE:**

**No response given.**

**State Agency Responding: Tennessee Department of Financial Institutions**  
**Official Agency Contact: Tina Miller, General Counsel**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes. The Department's website ([www.tn.gov/tdfi](http://www.tn.gov/tdfi)) has a link to all Tennessee Banking Laws and Regulations. It also has links to the federal regulatory agencies that have issued statutes and rules that our financial institutions must comply with. In addition, the Department's website includes a number of Bulletins the Department has issued to assist financial institutions with how we apply certain policies. The Department's website also provides information on how to obtain a bank charter or a license for the non-depository institutions we license.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

Yes. Initially, the Department would state that we have provided a link to the Small Business Advocate's website or our departmental website. In addition, for each regulatory division that charters or licenses a financial institution, all staff members (including the Commissioner) have an open door policy and are prepared to meet with any interested person or group who wants to form a business regulated by this Department. For example, recently there have been a number of federally chartered depository institutions that were interested in getting information on how to convert to a state-chartered depository institution. The Department created a team of personnel to answer questions related to applications; advantages of a state charter; costs; and, examination issues. That team met with a number of interested parties. The same can be said for the Compliance Division, where staff members are always willing to meet with a person interested in obtaining a license under the Department's regulatory jurisdiction. In addition, the Compliance Division has set up a contact email address that anyone can submit questions to and receive an answer as soon as practicable.

Beyond our website, it is the contact through visits, meetings, phone calls and e-mails that provide personal and tailored assistance. The Commissioner visits financial institutions in their own board room on a regular basis to hear what their challenges are and brings back issues for staff to consider. We set up meetings with individual institutions at the Department on a regular basis. We also meet with representatives of industry associations to discuss broad based issues. There is daily contact with the industry by phone and e-mail.

One of the things we have done to assist financial institutions is to set up meetings in the state for financial institutions to meet with federal regulators to address federal issues. A good example is bringing the head of FDIC Compliance to Nashville to discuss federal consumer compliance with Tennessee bankers. The Department continues to facilitate meetings between Tennessee institutions and the new federal Consumer Financial Protection Bureau. We also hosted the Director of FINCEN for a day of meetings with Tennessee bankers.

The Department could do a better job of training all staff about the existence of the Office of the Small Business Advocate and the services that office can provide so that they can tell interested parties where they can go for additional assistance.

### QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Yes. The Department complies with all statutory requirements. Through the Customer Focused Government Initiative, one of our primary goals is to reduce unnecessary regulatory burden. In addition, the institutions we regulate are our customers and we are continuously looking for ways to provide better customer service. This Department provides the industry, through its trade organizations, the opportunity to review a draft of any proposed regulation and provide us with feedback well in advance of promulgation of a rule. We consider all comments received. The attorney in charge of the legal review of any proposed rule would confirm compliance with Tenn. Code Ann. Section 4-5-402 before submitting the proposed rule to the Attorney General's Office for approval.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Yes. The Department complies with all statutory requirements. It has been our experience that The Financial Division of the Office of the Attorney General's Office, who reviews all of the Department's rules, requires that the answers to the Government Operations Committee questions and the economic impact statement be included with the rule they are to review for legal sufficiency. Attached to this questionnaire is a copy of a recent rule that was promulgated and includes the economic impact statement.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

A number of the entities we charter or license meet the definition of a small business. The Commissioner made it a personal goal to visit as many community banks and other institutions as possible and continues to do so on a regular basis. One of the biggest problems facing community banks is the proposed Basel Rules being promulgated by the federal government. Attached to this questionnaire is a copy of Commissioner's Gonzales comments on the proposed Basel Rules. These comments also formed the basis for some of his testimony before Congress on this issue in 2012. As noted above, this Department generally gets input from the industry before we bring any legislation, promulgate a rule or issue a Bulletin. During the examination process, our examiners are asked to provide guidance and assistance to regulated entities and to educate them about best practices. The Commissioner and other staff speak regularly at conferences and trade association meetings and are available to answer questions.

The Department has fully embraced the LEAN principles and we have included industry representatives as a part of that process. In our first LEAN event we surveyed almost all entities licensed as a Title Pledge Lender. The Bank Division participated in a LEAN event and has reduced the turnaround time on issuing bank reports of examination. During our last LEAN event, we asked a member of a federal regulatory agency (National Credit Union Administration) to participate, and they did so by phone. After that event, the regional director for the NCUA came to Nashville to meet with Department representatives and together we are now working to reduce regulatory burden on credit unions through risk focused exam scheduling.

Another one of our top to bottom goals, besides reducing regulatory burden, is to create a risk focused examination scheduling program for our non-depository entities. We want to focus our examination resources on those entities that have the most challenges to compliance and serving Tennessee consumers fairly and the examination frequency for those with a lower risk profile can be extended.

## **Part 2**

### **QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**We have placed a link for the Office of Small Business Advocate on our website. We plan to train staff about the Office of Small Business Advocate and the Commissioner will begin mentioning the Office of Small Business Advocate in his prepared remarks as he meets with entities across the state. We would also like to schedule a meeting with the Advocate.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**The Department is a member of the Conference of State Bank Supervisors. Commissioner Gonzales is the current Chairman of CSBS. CSBS has established a committee to consider what can be done to ensure the viability of the Community Bank model and we have provided input. On March 11, the Commissioner is leading a discussion with federal banking agency leadership to focus on this community bank issue. He has had similar meetings with the leadership of all federal bank regulatory agencies. He is also on the planning committee for a joint state/federal research conference on the future of community banking for this fall.**

**As mentioned, our primary mission is to find ways to put financial institutions in a good position to serve the economic interests of Tennessee and its citizens. Through our top to bottom review, we have established a variety of goals to support small business activity in the regulation of financial institutions.**

**State Agency Responding: Tennessee Department of General Services**  
**Official Agency Contact: Shelia Simpson, GO-DBE Program Director**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**The Department of General Services does not have regulatory compliance for small business owners. We do have a program designed to assist small businesses with their efforts to do business with the State of Tennessee under the Central Procurement Office. The Governor's Office of Diversity Business Enterprise website contains educational information in the way of program eligibility guidelines to assist small businesses in determining their eligibility for program assistance offered by the office. Please visit our website for a complete certification overview at: [http://state.tn.us/businessopp/cert\\_overview.html](http://state.tn.us/businessopp/cert_overview.html)**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**Yes, the Governor’s Office of Diversity Business Enterprise offers program assistance and has established policies and procedures to reflect our agency’s commitment to small business concerns. In 2010 the General Assembly amended Tenn. Code Ann. § 12-3-801, known as the “Tennessee Minority-owned, Woman owned, Service-disabled owned and Small Business Procurement and Contracting Act.” The amendment became effective April 2, 2012 and changed the definition of a Tennessee small business from maximum \$2 million dollars annually for a business in any industry to “\$10 million dollars annually averaged over a three year period that employs not more than 30 full time employees.”**

**Please see the following link for Small Business Eligibility Guidelines:**

**<http://tn.gov/businessopp/documents/SmallBusinessGuidelines2.pdf>**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency’s rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**The Department of General Services does not conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402 under the Regulatory Flexibility Act of 2007.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency’s economic impact statement.

AGENCY RESPONSE:

**The Department of General Services does not currently have an economic impact statement as required by Tenn. Code Ann. § 4-5-403.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**The Governor's Office of Diversity Business Enterprise conducts outreach activities throughout the state to educate diversity businesses about opportunities with the State of Tennessee. This outreach includes attending trade shows, seminars, workshops, Business Expo's, and Marketplace and Business Matchmakers. All outreach is strategically planned to encourage and educate small businesses about the opportunities available to them through the state's bid and proposal processes.**

**Additionally, we publish annually an acquisition forecast to be utilized by small business enterprises to identify when and where to look for specific procurement opportunities of interest. There are seven (7) partners that provide data for the publishing of the procurement forecast. The forecast can be found on the Governor's Office of Diversity Business Enterprise website under "current procurement opportunities":**

**[http://tn.gov/businessopp/procure\\_opp.html](http://tn.gov/businessopp/procure_opp.html)**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**The Governor's Office of Diversity Business Enterprise has a link on our website directly to the office of Small Business Advocate. Click on [http://state.tn.us/businessopp/program\\_elig.html](http://state.tn.us/businessopp/program_elig.html) and scroll to the bottom of the page to link to the Small Business Advocate.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**The program director for the Governor's Office of Diversity Business Enterprise works directly with the Small Business Advocate to resolve any issues and or concerns that may arise under the Department of General Services specifically under the Central Procurement Office.**

**We respond to inquiries routinely and expeditiously as we provide responses based on policies, programs and/or procedures. We believe we have an exceptional working relationship with the Small Business Advocate and would like to continue to expand our relationship with the office.**

**Please let us know of any ideas and/or suggestions or any improvements to our current practices.**

**State Agency Responding: Tennessee Department of Health**  
**Official Agency Contact: Eugene Neubert, Deputy Commissioner of Operations**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes, each of our programs that regulate individuals and entities that may operate as a small business enterprise provides on their websites the statutes, rules and interpretive guidelines or policies to assistance licensees' or permit holders' compliance.**

- **Please provide samples and/or pertinent website addresses.**

**Health Care Facilities: <http://health.state.tn.us/HCF/index.htm>**

**Emergency Medical Services: <http://health.state.tn.us/EMS/>**

**Health Related Boards General Administration:  
<http://health.state.tn.us/Boards/index.htm>**

**Listing of Board links: <http://health.state.tn.us/boards/boards.htm>**

**Animal Welfare: <http://health.state.tn.us/DAW/index.htm>**

**General and Environmental Health: <http://health.state.tn.us/GEH/index.htm>.**

QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

- **If so, please provide detailed information.**

**The programs of the DHLR interact daily with licensees whose professional or facility licensure permits a small business enterprise. Some programs offer limited training and some training videos are available on their website.**

**GEH addresses their concerns during each inspection. Also, food service training is offered monthly in every county at no charge to the businesses.**

- **If not currently, do you plan to provide regulatory compliance assistance in the future?**

Question 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**a. If so, please include information on how the analysis is conducted.**

**Yes, the Department's Office of General Counsel currently prepares a regulatory flexibility analysis as required by TCA § 4-5-402 as part of the Department's rulemaking process. The analysis is prepared by the attorney drafting the proposed rule who must respond to the following questions:**

**(1) The extents to which the proposed rule may overlap, duplicate, or conflict with other federal, state, or local government rules;**

**(2) Clarity, conciseness, and lack of ambiguity in the rule;**

**(3) The establishment of flexible compliance and reporting requirements for small businesses;**

**(4) The establishment of friendly schedules or deadlines for compliance and reporting requirements for small businesses;**

**(5) The consolidation or simplification of compliance or reporting requirements for small businesses;**

**(6) The establishment of performance standards for small businesses as opposed to design or operational standards required in the proposed rule; and**

**(7) The unnecessary creation of entry barriers or other effects in the proposed rules that stifle entrepreneurial activity, curb innovation, or increase costs.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Yes, the Department currently prepares an economic impact statement as required by TCA § 4-5-403 as part of the Department's rulemaking process. Please see attached for examples of impact statements for rules impacting a personal professional license and certain types of businesses.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**GEH personnel conduct exit interviews with business owners and/or managers at the conclusion of each inspection. Environmental Health personnel explain all issues discovered during the inspection, offer suggestions for solutions, and ask whether the business owner or manager have any questions or concerns.**

**The Department's Office of General Counsel Attorneys who prepare regulatory flexibility analyses and economic impact statements generally confer with program directors, program staff, other attorneys and the boards that the proposed rules may affect (if any). During rulemaking hearings, members of the public and affected industries also have the opportunity to address small business concerns.**

**Additionally, when developing rules, in addition to the statutorily mandated Regulatory Flexibility Analysis and Economic Impact Statement, attorneys and program directors consider the following to determine the impact of the proposed rule on businesses in Tennessee:**

- **Do the rules make it better to do business in Tennessee**
- **Do the rules make it easier to create jobs in Tennessee**
- **Is it essential and effective**
- **Who does it affect**
- **Is the rule a positive move**
- **Is the rule outcome-based**

## **Part 2**

### **QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

### **AGENCY RESPONSE:**

**Not at this time.**

**We will add a featured link to the Office of Small Business Advocate on our websites.**

### **QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**The Department routinely receives calls from individuals seeking information regarding starting a business in Tennessee specific to the professions or entities the Department of Health regulates. While the Department programs provide regulatory requirements, at times, the caller has business related questions. In the future, on these occasions, the caller will be directed to the Office of Small Business Advocate.**

**State Agency Responding: Tennessee Health Services and Development Agency**  
**Official Agency Contact: Melanie Hill, Executive Director**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**The Health Services and Development Agency (HSDA) website includes information pertinent to both small and large business owners. The information includes links to statutory and regulatory requirements, *Certificate of Need Basics* (which is a document that explains the process), the certificate of need application, and other information including an "applicant toolbox" link that provides helpful information related to the certificate of need application process.**

**Applicants are encouraged to contact Agency staff prior to filing an application. Small business owners are especially encouraged to do so because some may lack the resources to hire an attorney or consultant who is familiar with the CON process. Technical assistance can be provided which includes but is not limited to an explanation of the certificate of need process, the review of previously filed applications for similar type projects to explain the type data needed to support the project, and providing transcripts of previous meetings so the applicant will understand what to expect when the application is heard in a public meeting.**

**HSDA Statistical Staff assist small business owners filing major medical equipment registration and reporting equipment utilization. Some small business owners do not have the data systems to report utilization as requested.**

**These small business owners provide raw data that HSDA statistical staff processes into the required format.**

### **Website Links**

**HSDA Website:** <http://tn.gov/hsda>  
**Rules/Statute/ State Health Planning** [http://tn.gov/hsda/state\\_rules.html](http://tn.gov/hsda/state_rules.html)  
**CON Basics:** [http://tn.gov/hsda/Cert\\_need\\_basics.html](http://tn.gov/hsda/Cert_need_basics.html)  
**Applicant Toolbox:**  
[http://tn.gov/hsda/applicants\\_tools\\_app\\_tool\\_box.html](http://tn.gov/hsda/applicants_tools_app_tool_box.html)

### QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

### AGENCY RESPONSE:

**The HSDA does not provide monetary assistance to any business.**

**Technical assistance is provided in-person, by telephone, or email communication.**

**Agency staff will formalize its current practice of providing technical assistance by including it in policy format in the CON Operations Manual and with a statement on the HSDA website.**

### QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Yes, the Agency does conduct a regulatory flexibility analysis as required by law.**

**The General Counsel and Executive Director discuss proposed regulatory changes prior to any proposal to Agency members. The Agency reviews proposed changes during a public meeting at which initial public comment can be heard. Public comment is also accepted during the rule-making hearing.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Yes. See Attachment A.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**Small business owners are encouraged to meet in-person or via a detailed conference call prior to an application being filed. Staff is usually available to meet or speak with someone on short notice.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**The Agency's website and CON application will be updated to add a statement noting the availability of the Office of Small Business Advocate.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**No response given.**

# **ATTACHMENT A**

## HSDA Regulatory Flexibility Analysis

Proposed rule regarding the removal of diagnostic cardiac catheterization limitation

## Regulatory Flexibility Addendum

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A.

§ 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

Pursuant to § T.C.A. 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. §

4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

The proposed rule would affect health providers having a certificate of need for the initiation of cardiac catheterization services that is limited to diagnostic catheterization services, if such providers wish to add therapeutic catheterization services. There are currently a total of five (5) health care providers to whom this proposed rule would apply; but other health care providers could join this group if certificates of need limited to diagnostic catheterization services are issued in the future. These five (5) health care providers are all hospitals; which begs the question of whether they are "small businesses."

A certificate of need is required by law for the initiation of cardiac catheterization services (among other activities specified in T.C.A. §68-11-1607). The reason for this regulation of cardiac catheterization is public safety. There is a direct correlation between the volume of cardiac catheterization procedures and outcomes, due to the proficiency that comes with repetition. Also, diagnostic cardiac catheterization poses fewer safety risks than interventional cardiac catheterization. While some certificates of need for the initiation of cardiac catheterization have been issued without limitation, others have been issued with a "diagnostic only" cardiac catheterization limitation. There are presently a total of 5 hospitals subject to this limitation.

Rule 0720-10-.06(9) permits the health services and development agency to remove a condition, upon written request. The state health planning division of the department of Finance and administration's revised cardiac catheterization guidelines have encouraged some providers to seek the removal of the "diagnostic only" limitation; and several requests have been approved. However, the health planning division envisioned providers being subject to greater scrutiny and review before having the condition removed; and along with others, has urged the agency to require those with certificates of need limited to "diagnostic only" to go through the full certificate of need application process. Agency members weighed the additional burden of the application process and a \$3,000 filing fee against public safety concerns; and considered whether there were any less burdensome options. By a unanimous vote, the motion to change the rule to require the full application process for the removal of this condition passed.

Members of the health services and development agency considered the following anticipated extra costs associated with the proposed rule. Such applications would likely incur the minimum filing fee of \$3,000, because most equipment and personnel necessary for adding therapeutic catheterization services would already be in place. Publication of the required letter of intent (to file an application) in a newspaper of general circulation could cost several hundred dollars, depending upon the publication; but such is already required by rule for a request to remove a condition/limitation. The time and work of employees at these hospitals to prepare a full application beyond that which would have been necessary for the present requirement of seeking permission in writing is appreciated, but an additional burden that cannot be measured in terms of cost in dollars. An optional cost to such applicants could be the hiring of an outside consultant to present the request; but that option is one chosen by some similarly situated providers under the current, less-stringent, written request requirement. There is no right of appeal for opposing parties when the agency grants a request to remove a "diagnostic only" limitation under current rule; and there would be such a right of appeal if the removal of a condition is done via a new certificate of need, which could result in legal fees.

While members of the agency were concerned about the additional costs to hospitals, such concerns were outweighed by the public safety concerns conveyed by the director of the state health planning division of the department of finance and administration, as well as hospitals with heart programs.

**State Agency Responding: Tennessee Higher Education Commission**  
**Official Agency Contact: Julie Woodruff, Director of DPSA and Lead Attorney**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**The division of the Tennessee Higher Education Commission (THEC) that most often interacts with small businesses is the Division of Postsecondary School Authorization (DPSA). DPSA has several pages on THEC's website explaining the work of the Division and providing regulatory compliance assistance.**

**The DPSA homepage, which contains links to multiple applications and forms:**  
<http://www.tn.gov/thec/Divisions/LRA/PostsecondaryAuth/psa.html>.

**A page dedicated to an explanation of the institution authorization and program approval process:**  
[http://www.tn.gov/thec/Divisions/LRA/PostsecondaryAuth/school\\_authorization.html](http://www.tn.gov/thec/Divisions/LRA/PostsecondaryAuth/school_authorization.html).

**Links to the rules that govern postsecondary educational institutions:**  
[http://www.tn.gov/thec/Divisions/LRA/PostsecondaryAuth/school\\_authorization.html](http://www.tn.gov/thec/Divisions/LRA/PostsecondaryAuth/school_authorization.html)

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**DPSA does many things to assist postsecondary educational institutions, including those that are small businesses, with regulatory compliance. For example, DPSA provides assistance by phone and through private meetings with prospective institutions. Upon receipt of a deficient new institution or new program application, DPSA sends a detailed letter to the institution explaining the deficiencies and how to correct them. DPSA provides quarterly training to all new institutions. Whenever training occurs, DPSA discusses the differences between accredited institutions and unaccredited institutions many of which are small businesses.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**When contemplating regulatory changes THEC seeks to accomplish the objectives of our enabling legislation while minimizing any adverse impact on small businesses. At a minimum, THEC considers the factors listed in Tenn. Code Ann. §4-5-402 - (1) the extent to which the rule may overlap, duplicate, or conflict with other federal, state, and local governmental rules; (2) the clarity, conciseness, and lack of ambiguity in the rule; (3) the establishment of flexible compliance and reporting requirements for small businesses; (4) the establishment of friendly schedules or deadlines for compliance and reporting requirements for small businesses; (5) the consolidation or simplification of compliance or reporting requirements for small businesses; (6) the establishment of performance standards for small businesses as opposed to design or operational standards required in the proposed rule; and (7) the unnecessary creation of entry barriers or other effects that stifle entrepreneurial activity, curb innovation, or increase costs. Additionally, THEC always considers all comments offered in a rulemaking proceeding, but pays particular attention to those from small businesses related to regulatory flexibility.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**THEC seeks to comply with all applicable statutory requirements. To that end, THEC will conduct a regulatory flexibility analysis as necessary. The most recently completed DPSA rulemaking occurred in 2009, and THEC performed a regulatory flexibility analysis.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**THEC's regulates non-exempt postsecondary educational institutions that operate or otherwise create a physical presence in Tennessee. The regulated entities are both accredited and unaccredited. As a general proposition, most often the institutions that small businesses own or operate are unaccredited. Currently, approximately 55% of regulated institutions are unaccredited. These institutions cover a wide array of training, including religious, truck driving, dog grooming, HVAC repair, and allied health.**

**THEC through DPSA is always open to discuss any concern or problem they might have. DPSA conducts new institution training on a quarterly basis and from time-to-time conducts training that is specific to a particular type of school or segment of the regulated sector. For example, in 2010, THEC waived certain audit provisions in response to comments that audit costs were too high, and in 2011, THEC conducted a training session for all truck driver training institutions.**

**Additionally, DPSA staff members are regularly in the field visiting our institutions to conduct site visits and audits. The staff members have a good working relationship with our institutions and attempt to answer all questions in a timely manner.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

**AGENCY RESPONSE:**

**Small business owners can learn about the Office of Small Business Advocate through the Tennessee Higher Education Commission's website. Please see: [http://www.tn.gov/thec/Divisions/LRA/PostsecondaryAuth/small\\_bus\\_adv.shtml](http://www.tn.gov/thec/Divisions/LRA/PostsecondaryAuth/small_bus_adv.shtml). The webpage reads:**

**If your institution is a small business, please be aware that there is an Office of Small Business Advocate through the Tennessee Comptroller of the Treasury which serves as a point of contact to state government for owners of businesses with fifty (50) or fewer employees. The Office provides information and answers questions for Tennesseans who are starting a small business or who already own a small business and assists in the resolution of issues concerning small businesses and state departments and agencies.**

**For more information on the office please see:**

**<http://www.comptroller.tn.gov/OSBA>.**

**QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

**AGENCY RESPONSE:**

**DPSA will add information about the Office to its quarterly training program.**

**State Agency Responding: Tennessee Human Rights Commission**

**Official Agency Contact: Sabrina Hooper, Deputy Director**

## **Office of Small Business Advocate**

### **Agency Questionnaire**

#### **Part 1**

##### **QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

##### **AGENCY RESPONSE:**

**Yes. The Tennessee Human Rights Commission has an agency website and printed educational information to assist small business owners and the general public with understanding the Commission's regulatory responsibilities. The website provides in-depth information about the Commission, its laws and regulations, education and outreach, and how to file a complaint. The Commission's contact information is published for small business owners to call and receive assistance in responding to a complainant. The printed educational information provides a brief overview of the laws the Commission enforces and provides information where to file a complaint. The Commission currently prints its brochures in English and Spanish. The Commission's website address is: [www.tn.gov/humanrights](http://www.tn.gov/humanrights) and the brochures are attached.**

##### **QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**Yes. Roundtables are Commissioner initiated discussions designed for the general public to interact with the THRC's Commissioners, voice their concerns, receive education on how to identify and report discrimination, and increase the visibility of the agency. In addition, Roundtable Discussions provide a unique forum for the public, human rights organizations and local government to bring issues facing their communities to the Commission's attention. These town hall style meetings help to foster an understanding of the state's civil rights laws as well as the THRC's purpose and work. Attendees are able to have any questions they may have answered by staff and when applicable, begin the complaint process. THRC currently holds three (3) Roundtables.**

**THRC also conduct Employment Law Seminars offers participants an opportunity to continue their education in the employment law arena. The Seminar proves to be a valuable and enriching educational experience for legal and HR professionals as well as other interested public.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Yes. As part of the rulemaking process, THRC takes into account the regulatory flexibility analysis as required by T.C.A. § 4-5-402(b). The most recent changes to our rules have been changes to terms and definitions which were determined not to have an effect on small business.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**THRC's policy is to prepare an economic impact statement when necessary pursuant to T.C.A. § 4-5-403; however, as noted above, the most recent changes to THRC rules have**

**been changes to terms and definitions which were deemed not to affect small businesses.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**THRC is governed by a 15 member board of Commissioners appointed by the Governor representing the three Grand Divisions of the State. Our mission is to safeguard individuals from discrimination through enforcement and education. THRC provides outreach programs throughout the state to provide the general public with the opportunity understand discrimination laws, what constitutes discrimination and the complaint process. THRC participated in 93 Outreach activities. THRC partnered with 122 state and federal agencies, non-profits, private and faith-based organizations to promote an understanding of the Commission's work. Through these events THRC reached over 20,000 individuals, which includes small business owners. If you find a concern that a small business owner presents, THRC is more than willing to answer any questions or concerns.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**In FY 2011 - 2012, THRC's Customer Service received approximately 10, 500 calls. Customer Service serves as the initial point of contact for THRC. They provide information to the general public on how to file a complaint of discrimination, send complainant forms and make referrals to other agencies when necessary. THRC will**

**add the contact information for the Office of Small Business Advocate to the list of referral agencies. The Customer Service staff will refer small business owners with concerns or questions to:**

**Lauren Plunk, Small Business Advocate  
Office of Small Business Advocate  
James K. Polk State Office Building  
505 Deaderick Street, Suite 1700  
Nashville, Tennessee 37243  
(615) 401 - 7806  
[www.smallbusiness.advocate@cot.tn.gov](mailto:www.smallbusiness.advocate@cot.tn.gov)**

**QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

**AGENCY RESPONSE:**

**N/A**

**State Agency Responding: Tennessee Department of Human Services**  
**Official Agency Contact: Gary Gallion, Legislative Liason**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**No, we do not. We do refer small businesses to <http://www.tn.gov/businessopp/>**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**Yes. Agency purchasing policy manual Section 1.3.9 requires all agencies to actively solicit bids from minority-owned, woman-owned and small businesses per T.C.A. Title 12-3-804.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Yes, we would for child care agency regulations. However, most rulemaking affects public assistance/service recipients or child support obligors and, therefore, does not impact small businesses. In addition, our agency does not write rules related to the procurement of goods and services. That rulemaking authority is held by the Department of General Services.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**See response to Question 3.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

None

**Part 2**

**QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

**AGENCY RESPONSE:**

**No we do not. If an individual disagrees with a licensing action there is an appeals process within the Department. If the matter specifically relates to the child care licensing the appeal would be directed through the Child Care Board of Review.**

**QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

**AGENCY RESPONSE:**

None

**State Agency Responding: Tennessee Department of Intellectual and Development Disabilities**

**Official Agency Contact: Frederick Zimmermann, Assistant General Counsel**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**This field is subject to considerable regulation by federal entities, particularly CMS (Centers for Medicare & Medicaid Services) and federal courts which have approved, and monitor compliance with, certain settlement agreements, and on the state level, by TennCare. A little background information about DIDD may be helpful. Our "clients" are Tennesseans with intellectual developmental disabilities who are receiving Medicaid waiver services. Most of these services are provided to clients by private companies across the state. Currently DIDD has contracts ("provider agreements") with about 440 of these Tennessee companies (and some individuals such as behavior analysts, support coordinators and other professionals). The great majority of these providers are small businesses.**

**DIDD has considerable interaction with its contracted providers on an ongoing basis. The Department has recently taken over licensing duties previously handled by the Department of Mental Health and Substance Abuse. New provider orientation and training is one aspect of DIDD's work. Our Quality Assurance personnel conduct reviews or audits of providers on an annual basis or more frequently if necessary. Processing of bills and payment for services rendered to clients is also coordinated by DIDD. These are some examples of the relationships between DIDD and its small business partners, many of which involve support and assistance.**

**Commissioner Henry is very committed to customer centered practices, both for DIDD clients and our contracted providers. For example, he has instituted a "loaned**

executive program" in which management personnel from providers are invited to spend time at DIDD's Central Office, attend meetings, speak with DIDD management and staff, etc. The Commissioner's public affairs office publishes on a weekly basis a newsletter ("Open Line") which is emailed to providers, department employees, professional organizations, advocates and other interested persons for the purpose of keeping readers informed of matters which are of practical interest and benefit to them. The Commissioner also encourages providers, clients, and others to contact him directly, and many do, by phone or email.

The DIDD website contains a section devoted to its providers:

[http://www.tn.gov/didd/provider\\_agencies/index.shtml](http://www.tn.gov/didd/provider_agencies/index.shtml)

Links are available for companies to access the DIDD Provider Manual, which could be termed an "encyclopedia" of information; applicable waiver documents; definitions of services and other technical information; correspondence and announcements from the Commissioner; departmental rules, policies and protocols; provider development resources; the Provider Claims Processing (PCP) web application; and other forms and tools. Previous issues of "Open Line" are available on the website. Our contact information link opens a detailed list of names, positions, phone numbers and email addresses

QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**Most concerns or questions by providers initially come to one of DIDD's three Regional Offices. The employees who take these calls are experienced in directing the caller to the appropriate person or office to address the question. For example, if the issue concerns billing or payment, the caller is given the name and phone number of the specific DIDD Central Office employee who handles billing inquiries. Technical assistance may be furnished by DIDD upon request. Quarterly provider meetings are conducted in each region. DIDD has a good relationship with its contracted providers, and many of their management personnel have had contact in the past with DIDD management or staff. Often direct contact is made as a result of these relationships. DIDD also has a strong complaint resolution process to address issues raised by service recipients, their families or advocates.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**DIDD is a new department (it was formerly a division of Finance & Administration) and has adopted one set of rules which concern admissions to certain DIDD facilities. The analysis document required by T.C.A. § 4-5-402 was filed, although no regulatory impact on small business was identified (this set of rules affected DIDD internal processes only). Future rulemaking by DIDD will be in compliance with this statutory requirement.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Please see response to Question 3.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**We would encourage you to visit our website. A great deal of helpful information and resources can be found in the "Provider Info" section. We are also enclosing an issue of "Open Line", our Commissioner's weekly newsletter mentioned above. I also want to mention that DIDO has partnered with the Governor's Office of Diversity Business Enterprise (TN Go DBE) with the goal of increasing the number of certified minority, women owned and service disabled veteran owned businesses and small business enterprises competing for state contracts. DIDO consults the Go-DBE directory, has furnished a list of DIDD service providers who may qualify for Go-DBE certification and submits an annual report, which is available on request.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**Up until now, I am not aware that we have done so. However, a link to the OSBA has now been added to DIDD's website under "Related Topics".**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**Nothing further to add at this time.**

**State Agency Responding: Tennessee Department of Labor and Workforce Development**

**Official Agency Contact: Stephanie Mitchell, General Counsel**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes, the Tennessee Department of Labor and Workforce Development's (TDLWD) web site (<http://www.tn.gov/labor-wfd/index.shtml>) has a great amount of information available for employers in general, including small businesses. On the home page of the website on the left side there is a tab labeled "Employers". There, employers may access information on a variety of topics including unemployment claims, recruiting employees, career center services, premium and wage reporting, training programs and other information. The website also provides links with information about compliance with workers' compensation, employee classification, workplace regulation and TN OSHA issues. This easily accessible information is most helpful for smaller business entities that may not have dedicated compliance and human resource personnel.**

**TN OSHA has a wealth of regulatory compliance assistance available both on TN OSHA's website and in publications. Below are some links to several regulatory compliance assistance items found on TN OSHA's website:**

<http://state.tn.us/labor-wfd/tosha/videolibrary.shtml>;

<http://state.tn.us/labor-wfd/tosha/inspections.shtml>

<http://state.tn.us/labor-wfd/tosha/specemph.shtml>

<http://state.tn.us/labor-wfd/tosha/Accident.shtml>

<http://state.tn.us/labor-wfd/tosha/toshcons.shtml>

[http://state.tn.us/labor-wfd/tosha/tosha\\_training.pdf](http://state.tn.us/labor-wfd/tosha/tosha_training.pdf)

[http://state.tn.us/labor-wfd/tosha/tosha\\_training.shtml](http://state.tn.us/labor-wfd/tosha/tosha_training.shtml)

<http://state.tn.us/labor-wfd/tosha/tande.shtml>

[http://state.tn.us/labor-wfd/tosha/tosha\\_publications.shtml](http://state.tn.us/labor-wfd/tosha/tosha_publications.shtml)

[http://state.tn.us/labor-wfd/tosha/tosha\\_pres.shtml](http://state.tn.us/labor-wfd/tosha/tosha_pres.shtml)

<http://www.tn.gov/labor-wfd/poster.shtml>

<http://state.tn.us/labor-wfd/tosha/recordkeeping.shtml>

Additionally, we have a link from our website to all of our workers' compensation division's rules, which has a host of educational information available for small business owners. The website is found at

<http://www.tn.gov/sos/rules/0800/0800-02/0800-02.htm> . We also have Specialists in Benefit Review and the Compliance Program that will assist small business owners to educate them and help them comply with the various rules and regulations regarding workers' compensation.

Compliance assistance from the Workforce Regulations and Compliance Division is also available to all business owners at their website:

<http://www.tn.gov/labor-wfd/regscomp.shtml> Regulatory compliance questions are fielded daily by the Chiefs, Assistant Chiefs and Inspectors of each section of this Division. These questions are received by phone, email and through face-to-face dialogue.

QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**TN OSHA Consultative Services is a program offered to employers, especially smaller employers, to assist them in achieving a safe and healthful workplace for their employees. Consultative Services offers both occupational safety and industrial hygiene services to manufacturing, construction, and other types of businesses in Tennessee. This no-cost service is designed to assist employers in developing or enhancing safety and health management systems. The industrial hygienist and occupational safety specialist will identify safety and health hazards and help the employer implement cost-effective hazard control solutions.**

**Consultation Services offers the Safety and Health Achievement and Recognition Program (SHARP) and the Tennessee Onsite Program. SHARP recognizes employers who have developed exemplary safety and health management systems. The Onsite Program provides employers with professional safety and health services to assist in developing and/or improving their safety and health program.**

**The Uninsured Employers' Fund works with small business owners to ensure that they are compliant with the Workers' Compensation Act. This involves advising them about obtaining proper coverage or advising them that it isn't required in some instances.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

We do include the Regulatory Flexibility Act questions in our rulemaking filings. The analysis depends on the types of rules. The questions are completed by subject matter experts and legal counsel. In the workers' compensation division we tend to point out that the rules will only affect employers with five or more employees unless the employer is engaged in the construction industry. An economic impact statement regarding the amendments in the typical biannual rule proposal is not required for TN OSHA under the provisions of the Regulatory Flexibility Act of 2007.

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Yes. See an example below:**

**Regulatory Flexibility Addendum**

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A.

§ 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

**STATEMENT OF ECONOMIC IMPACT TO SMALL BUSINESSES**

**1. The type or types of small business and an identification and estimate of the number of small businesses subject to the proposed rule that would bear the cost of, or directly benefit from the proposed rule: The amended rules will affect small employers that fall under the Tennessee Workers' Compensation Laws, which would be employers with at least five employees, or in the**

construction industry, at least one employee. The rule amendments should result in premium decreases for such employers.

2. The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record: Employers' insurance carriers or third party administrators will be responsible for complying with changes to the medical fee schedule, so no administrative impact would be expected for small businesses. Drug testing companies will be responsible for complying with the updated drug testing, but the update merely mirrors the U.S. Department of Transportation's drug panel, which is widely utilized, so any administrative costs should be minimal.

3. A statement of the probable effect on impacted small businesses and consumers: Employers will pay lower workers' compensation premiums, which is a benefit that can then be passed on to employees and consumers.

4. A description of any less burdensome, less intrusive or less costly alternative methods of achieving the purpose and objectives of the proposed rule that may exist, and to what extent the alternative means might be less burdensome to small business: There are no less burdensome methods to achieve the purposes and objectives of the amended rule.

5. Comparison of the proposed rule with any federal or state counterparts: The medical fee schedule rates are based on a percentage above Medicare rates. The Drug Free Workplace Program's drug panel is based on the U.S. Department of Transportation's rules (49 C.F.R. 40.87).

6. Analysis of the effect of the possible exemption of small businesses from all or any part of the requirements contained in the proposed rule: It would be detrimental to small businesses that fall under the Tennessee Workers' Compensation Laws to be exempt from the medical fee schedule since it contains costs.

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**Our agency makes many presentations to employer groups through WEOC, Chambers of Commerce, NFIB, our divisional educational conferences, etc. to meet small business owners, advise them of the agency's programs, hear their concerns and answer questions. Additionally, TN OSHA also provides a series of educational seminars each fall and spring in conjunction with several partners including the Tennessee Chamber of Business and Industry, the University of Tennessee, the Tennessee Road Builders Association, the Associated Builders and Contractors, the Associated General Contractors, and several junior colleges. Most seminars presented are one day or less, are very reasonably priced, and located across the state to allow businesses, including small businesses, to attend. The Workers' Compensation Division also presents an annual educational seminar at a reasonable price to help educate the public about workers' compensation law in general and changes to those laws, specifically. These seminars present a relatively inexpensive way for business owners to educate themselves about the laws governing the workplace and stay abreast of changes to those laws. Again, these seminars especially benefit small business owners who might not have dedicated human resources or compliance personnel.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**Not currently, but information specific to the Office of Small Business Advocate will be furnished in our Employment Toolkit as described below. Also, see the response to Question 2, below.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**The TDLWD is committed to putting job seekers together with prospective employers. Our career centers and career coaches are in place to do just that. Additionally, the TDLWD's marketing business service specialist can and is willing to distribute flyers or other information provided by the Office of Small Business Advocate in the state's sixty plus career centers and three mobile career coaches. This information, once provided, will also be distributed at any and all job fairs and hiring events. The Office of Small Business Advocate is more than welcome to promote its services and provide speakers at the meetings of the Workforce Employer Outreach Committees. This department will also be glad to assist in getting information about the services provided by the Office of Small Business Advocate to chambers of commerce and business organizations statewide. Information about the Workforce Employer Outreach Committees, Career Coaches and Employment Toolkit is provided below. Each of these initiatives can and will be used to spread information about services provided by the Office of Small Business Advocate.**

WEOC

**The establishment of Workforce Employer Outreach Committees (WEOC) is part of an ongoing effort to reach out to employers across Tennessee. The committees provide two-way communication between the Department of Labor and Workforce Development and the state's employer community. This relationship encourages**

economic development, promotes departmental services, facilitates the distribution of policies and information, and improves awareness of the capabilities of the one-stop Career Center System.

The mission of each WEOC is to provide a direct link between Tennessee's employer community and the Commissioner of the Department of Labor and Workforce Development.

There are seven Business Services Specialists across the state ready to assist employers with departmental needs. The employer services specialists meet with employers and serve as a direct link with the Commissioner of the Department of Labor and Workforce Development. Employer services specialists organize and maintain the Workforce Employer Outreach Committees.

[http://www.tn.gov/labor-wfd/weoc\\_mission.shtml](http://www.tn.gov/labor-wfd/weoc_mission.shtml)

### Career Coach

Mobile units are new community resource for employers and jobseekers

The Tennessee Department of Labor & Workforce Development has added a valuable dimension to its services that will be welcome news to Tennesseans who do not have a Career Center in proximity to their homes or places of employment. Three new mobile units will serve as Career Centers on wheels for the less populated areas of the state.

### What's on the coaches?

The mobile units are set up as computer lab classrooms, each having 10 workstations that are equipped with a laptop with high-speed Internet connection. At one end of the coach is the instructor's workstation that is connected to a 42" flat-screen TV with SmartBoard® overlay and a DVD/CD player. The coaches are equipped with a wheelchair lift, and the workstations are ADA compliant. Employers may reserve coaches for recruiting workers. In addition, Gibbs said the department is inviting employers to use the coaches for recruiting, pre-employment screening, taking job applications onsite, and interviewing applicants. "New businesses can use the coaches as a working space when facilities are still under construction, yet the company needs to start hiring. Employers can also conduct company training classes, since the buses have learning-support technology." Labor's Adult Education division plans to use the mobile units for enrollment pre- and post-testing, orientation, administering the Official GED Practice Test, and offering GED Fast Track classes. Because 31 of the state's 95 counties have limited Career Center services, the coaches extend job

recruitment and training activities to those areas. These 31 counties have little or no Labor staff present, although Work Investment Area staff may be available. “It’s hard enough to be unemployed, but having to drive 30 to 50 miles to a Career Center creates an extra hardship, with gas costing more than \$3 a gallon,” said Gibbs. “We hope when people see the mobile units they will be a positive sign that jobs are not far behind.”

The middle Tennessee coach serves 40 counties

### Employment Toolkit

The Tennessee Department of Labor and Workforce Development Employment Toolkit aims to provide assistance and guidance on the employment process to Tennesseans. The Toolkit has valuable resources on unemployment insurance, supportive services, jobs, labor market and career path information, education, and how to prepare yourself to gain employment or change careers in today’s workforce. One chapter is dedicated to small business creation and will include a description of the Office of Small Business Advocate, their website, and contact information. This publication will be distributed to all Reemployment Service program enrollees and will be widely available to job seekers in our Tennessee Career Centers and on the Career Coach mobile centers. Thirty Thousand of these toolkits will be published in April, 2013.

**State Agency Responding: Tennessee Department of Mental Health and Substance Abuse Services**

**Official Agency Contact: Cynthia Tyler, Developmental Director**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Currently, the Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS) has published information on its departmental website for small business owners; these include materials of a regulatory and educational manner. The small business owners that would most likely incur our services are the owners/operators of licensed facilities such as mental health supportive living facilities and personal support services agencies.**

**On TDMHSAS' website, business owners can find:**

- 1) Licensure Rules**
- 2) Licensure Forms**
- 3) Information pertaining to the respective Regional Offices-this provides contact information, etc.**
- 4) License Status which is a means by which the public can determine if a facility is licensed by TDMHSAS.**

**This information can all be viewed and printed off the website at: <http://tn.gov/mental/licensure/licensure.html>.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**TDMHSAS Office of Licensure does not provide any monies to individuals or small businesses to assist in the opening/operating costs of any type of our licensed facilities. The Office of Licensure does provide limited monetary assistance to agencies accepting individuals into their facility in an emergency situation. This is funded through the Licensure Trust Fund, into which are deposited funds collected from agencies against whom civil penalties are imposed. In accordance with TDMHSAS' mission, The Department provides monies via grants to agencies/facilities providing services in the community to the population served by Title 33. These grants are administered by TDMHSAS and are mainly concentrated in the following divisions: Division of Mental Health Services and Division of Substance Abuse Services.**

**The Department's Division of Mental Health Services has Regional Housing Facilitators (RHF) available to help any size business, especially non-profits, identify the need for and development of affordable and supportive housing for people with a history of mental illness or co-occurring mental illness and substance abuse; assist them in securing non-profit status if needed; help them access grants and loans from a variety of sources for the acquisition, rehab, and ongoing operations of these facilities; and facilitate support services as indicated for the individuals living in these facilities. Most of these housing providers are small businesses. The Division of Substance Abuse Services is similar in that the division allows agencies/facilities, some of which are small**

**businesses, to compete for grant monies in order to serve individuals with substance abuse issues.**

**The Office of Licensure receives many phone calls from individuals seeking information and responds to these information requests through direct communications (phone, in-person, or by email). Regional Licensure Coordinators provide information and insight into the operations of licensed facilities to those seeking such information.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**TDMHSAS does conduct a regulatory flexibility analysis as required by state law. When new or revised administrative rules are proposed, a meeting is held with the Department's Director of Rules in order to ascertain whether a rule would affect a small business. The Director of Rules would fill in the applicable sections of the Regulatory Flexibility Addendum as required when filing rules with the Secretary of State.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Yes, TDMHSAS prepares an economic impact statement as required by state law for**

each rule change it proposes. The economic impact statement is in the form of a fiscal note as part of the rulemaking process. The Fiscal Note does not specifically address small businesses; the note would only address small businesses if the Department noted an effect. This statement is also required when filing rules with the Secretary of State.

Please see attached example from the Department's OTP Rules. These rules became effective in December 2012.

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**No response given.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**The official TDMHSAS website contains an Office of Licensure link. This link contains all of the requisite information for our licensees and also contains a blurb directing small business owners to the Office of the Small Business Advocate.**

The link to your office is included so if licensees click on that link, they will be directed to the Office of the Small Business Advocate's home website. There is also language telling business owners of the mission of your office.

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**Regulatory Flexibility Addendum**

Pursuant to T.C.A. §§ 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A.

§ 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

The agency shall consider, but not be limited to, each of the following methods of reducing the impact of the proposed rule on small businesses while remaining consistent with health, safety, and well-being:

- (1) The extent to which the rule may overlap, duplicate, or conflict with other federal, state, and local governmental rules.

Rules Chapter 0940-05-42 has been written to conform to federal guidelines and regulations for Opioid Treatment Programs (OTPs), incorporating best practices for the treatment of service recipients.

- (2) Clarity, conciseness, and lack of ambiguity in the rule.

As indicated in the comments section, TDMHSAS made several changes suggested by stakeholders participating in the rulemaking hearing to improve rule clarity and conciseness.

- (3) The establishment of flexible compliance and reporting requirements for small businesses.

The Department deleted requirements for financial reporting, reverting to its current requirements for reporting of serious incidents and other matters to the TDMHSAS Office of Licensure and the SOTA, including reporting findings by federal agencies such as the DEA and FDA and accrediting bodies, such as the Joint Commission.

- (4) The establishment of friendly schedules or deadlines for compliance

and reporting requirements for small businesses.

Timeframes for laboratory testing were lengthened to conform to federal guidelines. Otherwise, no changes were made to current compliance and reporting requirements.

- (5) The consolidation or simplification of compliance or reporting requirements for small businesses; the proposed rules impose no new reporting requirements of costs for reporting on the OTPs. The OTPs will continue to report information impacting the health, safety and well-being of its service recipients to the SOTA and TDMHSAS Office of Licensure.

- (6) The establishment of performance standards for small businesses as opposed to design or operational standards required in the proposed rule.

These rules are designed to provide the operational standards necessary to safeguard the health, safety and well-being of service recipients receiving opioid replacement treatment services.

- (7) The unnecessary creation of entry barriers or other effects that stifle entrepreneurial activity, curb innovation, or increase costs.

Federal and state law requires entry requirements prior to obtaining a license for operation of an opioid treatment program (e.g., TCA §68-11-1607(a) (4) (requires a certificate of need prior to obtaining a Tennessee license)).

### Economic Impact Statement

- (1) The type or types of small business and an identification and estimate of the number of small businesses subject to the proposed rule that would bear the cost of, or directly benefit from the proposed rule.

These rules apply to non-residential opioid treatment programs (OTPs) in Tennessee. One-half of the twelve OTPs currently operating in Tennessee qualify as small businesses with fewer than 50 employees. All OTPs will bear the costs associated with the proposed rules.

- (2) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed rule, including the type of professional skills necessary for preparation of the report or record.

The proposed rules impose no new substantive reporting requirements

or costs for reporting on the OTPs. The rules envision that the OTPs will continue with current electronic reporting to the SOTA and the TDMHSAS Office of Licensure. The rules further envision that the OTPs will follow current federal law that requires 1) that OTPs be approved by the FDA, DEA and SOTA before beginning operation; and 2) that they obtain and maintain accreditation by a nationally recognized accrediting body. See 42 CFR §8.4.

**(3) A statement of the probable effect on impacted small businesses and consumers.**

The new rules will have three primary impacts on small businesses. First, OTPs will be required to be open 7 days per week and 365 days per year. Second, OTPs will be required to test service recipients for HIV status (if the prospective service recipient consents to be tested), pregnancy, STDs, tuberculosis, and Hepatitis C. And, third, the OTP will be required to provide on-site prescriber services of 1 hour per week for every 35 service recipients. At least 12.5% of the required prescriber services per week must be provided by a physician.

All of these changes were made to safeguard the health and safety of service recipients. Service recipients currently taking methadone have a higher incidence of infection from TB, HIV, Hepatitis B and C, thereby requiring additional monitoring by a qualified prescriber. Because the half-life of methadone is extremely variable, the effects of methadone accumulate over time and adverse effects can be delayed one to two weeks. These safety concerns resulted in the development of rules allowing for daily monitoring when clinically indicated. The requirement that there be on-site prescriber services of 1 hour per week for every 35 service recipients will allow prescriber (e.g., physician, physician assistant, nurse practitioner) monitoring of service recipients with complex and multiple medical disorders in addition to physical and emotional issues. The proposed rules will increase the quality of care provided to service recipients. The Department developed these rules through extensive research, recognizing the need to protect the health, safety and well-being of the service recipients.

**(4) A description of any less burdensome, less intrusive or less costly alternative methods of achieving the purpose and objectives of the proposed rule that may exist, and to what extent the alternative means might be less burdensome to small business.**

Because of the safety issues associated with methadone replacement treatment, the Department finds that increased prescriber time is necessary to ensure the safety and well-being of service recipients. In

response to cost concerns, the Department allowed up to 87.5% of physician services to be provided by physician assistants or advanced practice nurses with a certificate of fitness for prescribing legend drugs.

- (5) A comparison of the proposed rule with any federal or state counterparts.

The proposed rules conform to federal guidelines and regulations governing non-residential opioid treatment programs.

- (6) Analysis of the effect of the possible exemption of small businesses from all or any part of the requirements contained in the proposed rule.

The effect of exempting small businesses from all or any part of the requirements contained in the new OTP rule would be inequitable, considering one-half of the total number of OTPs currently operating in Tennessee qualify as small businesses (six of twelve OTPs). More importantly, an exemption would create an environment in which the safety and public health accountability measures contemplated by the new OTP rule would be unevenly applied to the already small number of OTPs currently providing services in Tennessee.

### **Impact on Local Governments**

Pursuant to T.C.A. §§ 4-5-220 and 4-5-228 "any rule proposed to be promulgated shall state in a simple declarative sentence, without additional comments on the merits of the policy of the rules or regulation, whether the rule or regulation may have a projected impact on local governments." (See Public Chapter Number 1070 (<http://state.tn.us/sos/acts/106/pub/pc1070.pdf>) of the 2010 Session of the General Assembly)

TDMHSAS estimates that this rule will have a minimal fiscal impact on state and local government revenues and expenditures.

**State Agency Responding: Tennessee Regulatory Authority**  
**Official Agency Contact: David Foster, Chief of Utilities Division**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**The Tennessee Regulatory Authority ("TRA") has placed numerous forms and instructions for obtaining certificates on the TRA's website. While providing assistance to all entities seeking certificates, the principle reason for the TRA supplying this information was to aid smaller businesses that may not have the expertise of large corporations.**

**[www.state.tn.us/tralutility.shtml](http://www.state.tn.us/tralutility.shtml) --listed under "Forms and Documents"**

**Attached is an example of the Wastewater Utility Application including instructions. All wastewater utilities operating under the TRA's jurisdiction have less than fifty (50) employees.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.

- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**All wastewater utilities operating under the TRA's jurisdiction have less than fifty (50) employees. The TRA has adopted rules (see attached) to help ensure that these small wastewater utilities remain viable. Examples include requiring that the utility secure adequate financial security in the form of a bond or irrevocable letter of credit. Also, these rules allow for the establishment of escrow funds to assist utilities in building cash reserves for the purpose of paying non-routine operation and maintenance expenses.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**The TRA has conducted the required analysis in its rulemaking proceedings. As the attached information shows, the TRA's analysis indicated that the rule substantially codified existing state law. In future rulemakings, the TRA will conduct appropriate economic, financial and overall business analysis to determine whether a proposed rule change will affect small businesses.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**See answer to Question 3 above.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**The TRA Staff routinely provides guidance to small business utilities. Examples include assisting in the completion of financial reports to the agency and providing guidance regarding the appropriate processes to follow. In this manner, small utilities are able to minimize a regulatory expense which benefits the company and its customers.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**The TRA will provide a website link to the Office of Small Business Advocate.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**The TRA will certainly continue to explore other avenues for notifying small businesses about the existence of the Office of Small Business Advocate.**

**State Agency Responding: Tennessee Department of Revenue**  
**Official Agency Contact: Barbara Sampson, Assistant Commissioner**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Answer: Yes, the Department of Revenue has a number of items on our website that is beneficial to small business owners.**

- 1. Tax Guides by tax (The sales tax guide is one of the most popular “clicks” on our site) <http://tn.gov/revenue/taxguides/index.shtml>**
- 2. We have a webpage for starting a new business or expanding a current business. This page includes a link to the Office of Small Business Advocate. This page is accessible from our Home page. <http://tn.gov/revenue/business/startingnewbus.shtml>**

**We have a “Tax Library” on our website that includes tax and compliance information for small businesses. <http://tn.gov/revenue/library/index.shtml>. This library includes, important notices, tax guides, frequently asked questions, and other important information**

QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**Answer: Yes.**

**The Department of Revenue conducts quarterly Tax Workshops for New Businesses across the state. <http://tn.gov/revenue/education/newbustaxworkshops.shtml>.**

**In addition, seminars are conducted at various State Universities each year. This is a time for the Department to update taxpayers and tax practitioners on the latest in legislative changes, procedures and other topics of interest. It also allows participants ample time to ask questions in a classroom setting or on a one-on-one basis. <http://tn.gov/revenue/education/seminars.shtml>**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Answer: While the Department of Revenue has introduced rule changes only two times since the enactment of the Regulatory Flexibility Act of 2007, we have conducted an analysis of the impact on small businesses as it relates to those rules. The analysis**

**is done by meeting with the subject matter experts within state government to discuss the rule, its implications to the administration of the tax or fee involved, and any potential impact to small businesses.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Answer: Yes.** [http://tn.gov/sos/rules\\_filings/01-21-08.pdf](http://tn.gov/sos/rules_filings/01-21-08.pdf)

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**Answer: The Department has recently produced instructional videos to provide assistance to small businesses regarding e-filing and how to prepare for an audit.**  
<http://tn.gov/revenue/misc/videos.shtml>

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**Answer: Yes.**

Information is on our website, <http://tn.gov/revenue/business/startingnewbus.shtml>, and in our latest Departmental newsletter. <http://tn.gov/revenue/revreview/revreview-oct2012.pdf>

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**Answer: No additional information available.**

**State Agency Responding: Tennessee Department of Safety & Homeland Security**

**Official Agency Contact: Roger Hutto, General Counsel**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes. The Department provides access to all of our regulations under the Public Safety section of our website. We also provide links to regulations that affect small businesses within certain sections of the website, i.e., Handgun permit Schools, Driver Schools.**

- **Please provide samples and/or pertinent website addresses.**  
**<http://www.tn.gov/safety/laws.shtml>**

**<http://www.tn.gov/safety/handgunmain.shtml>**

**<http://www.tn.gov/safety/thp/drivered.shtml>**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

AGENCY RESPONSE:

**None, other than the procedures contained within the individual regulations.**

**If so, please provide detailed information.**

- **If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owner's concerns?**

**It is the Department's policy to assist any business that may be affected by its regulations. The Department would certainly implement programs or procedures if necessary to assist a particular type of business.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Yes.**

- **If so, please include information on how the analysis is conducted.**

**When drafting any rule that may affect small businesses, we look to the methods set forth in T.C.A. 4-5-402 to ensure that any adverse impacts are minimized. For example, any recordkeeping requirements in the rule would be reviewed to ensure they require only what is needed and no more to achieve the compliance goals of the rule.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Yes.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**None**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**No.**

**The Department will look to provide information and/or a link to the Office of Small Business Advocate in the appropriate sections of our website.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**None**

**State Agency Responding: Tennessee Department of State**  
**Official Agency Contact: Mona Hart, General Counsel**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**Yes. The Secretary of State's office provides regulatory compliance assistance, published guidance and educational information for small business owners. Several examples follow.**

**The Administrative Services Division provides an administrative law manual to guide and educate small business owners regarding administrative hearings and agency rule making procedures at the following link:**

**<http://www.tn.gov/sos/apd/index.htm>. Hearing schedules are also found on this web page.**

**The Business Services Division assists small business owners with business entity filings by providing several convenient ways to file their documents. Customers may file in person, by mail, email or online. Online filing services for the Business Services Division are found at the following link:**

**<http://tnbear.tn.gov/ecommerce/default.aspx>. Customers are also sent a reminder notice, so that they may avoid a late filing.**

**A link to the Office of the Small Business Advocate and information about business**

identity theft is found at [http://www.tn.gov/sos/bus\\_svc/idtheft.htm](http://www.tn.gov/sos/bus_svc/idtheft.htm). Forms and filing guides are accessible from this link as well as statistical information and relevant law. Small business owners can also find information about motor vehicle liens, notaries, trademarks, Uniform Commercial Code (UCC) filings and workers' compensation exemption registrations at the link referenced above. UCC searches may be conducted online at [http://tn.gov/sos/bus\\_svc/UccSearch.htm](http://tn.gov/sos/bus_svc/UccSearch.htm).

Regulatory compliance assistance for small business owners which are categorized as charitable organizations, professional fundraising councils or professional solicitors is located at the Charitable Solicitations and Gaming Division's link: <http://www.tn.gov/sos/charity/>. Also accessible here is a guidebook for Tennessee nonprofit businesses entitled, "What Every Board Member and Officer Should Know." Small business owners can also access financial information about charities to which they might like to donate. Online filing services for the Charitable Solicitations and Gaming Division are found at the following link: <http://sgssos.tn.gov/Login.aspx>.

Regulatory compliance assistance for athlete agents is found at <http://www.tn.gov/sos/sportsagent/htm>.

Other divisions of the Secretary of State's office include Elections, Publications and the Tennessee State Library and Archives (TSLA). These divisions stand ready to assist small business owners when needed.

The Economic Council on Women, Registry of Election Finance and the Tennessee Ethics Commission are administratively attached to the Secretary of State's office. Educational information and regulatory compliance assistance for these groups can be accessed at the Secretary of State's main web page at [www.tn.gov/sos](http://www.tn.gov/sos). Finally, a phone number for and a link to the Fraud, Waste and Abuse Hotline is also found on the home page of the Secretary of State's website.

#### QUESTION 2:

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.

- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**Yes. The Secretary of State's office is committed to supporting small business owners. A program to raise awareness about Tennessee companies that produce quality products, contribute to their communities and employ Tennesseans was developed into a publication entitled, the *Tennessee Business Spotlight*, which may be found at the following link: <http://tnsos.net/publications/spotlightLindex.pbj2>.**

**Additionally, small businesses require services from the Secretary of State that they can't receive anywhere else. The Secretary of State's office is committed to providing these services at the most cost- effective rate possible and has adopted a policy to do so as evidenced by the following mission statement. The mission statement is prominently displayed at the following website: [www.tn.gov](http://www.tn.gov).**

**"The mission of the Office of the Secretary of State is to exceed the expectations of our customers, the taxpayers, by operating at the highest levels of accuracy, cost-effectiveness, and accountability in a customer-centered environment."**

**Finally, small business owners indicated their preference for filing documents electronically. The Secretary of State's office continues to develop additional electronic filing offerings. Some examples of current online filings include business entity initial and annual reporting; charitable organization registration and renewal; and workers' compensation exemption registration and renewal.**

**QUESTION 3:**

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**Yes. The Secretary of State's office conducts a regulatory flexibility analysis as required by T.C.A. §4-5-402, the Regulatory Flexibility Act of 2007, when filing department rules. Rules filed by the Department of State are typically in response to prior legislative enactment.**

**The Secretary of State's office engages with groups, including representatives of the small business community that are impacted by changes to laws concerning the Department of State. This collaboration occurs during the actual drafting and debate of proposed legislation. Some examples of recent legislation impacting small business owners and concerning the department include the development of a workers' compensation exemption registration and changes to both the Tennessee Business Corporation Act and the Uniform Commercial Code.**

**Information gathered from small business owners is used to amend legislation to minimize any adverse impact. Because this information is gathered during the legislative phase, the information remains relevant during the rulemaking process and is used to complete the required regulatory flexibility analysis.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**Yes. The Secretary of State prepares an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by T.C.A. §4-5-403, the Regulatory Flexibility Act of 2007. The following economic impact statement is an excerpt from Workers' Compensation Exemption Registration amendments filed as Rulemaking Hearing Rules on September 4, 2012 and effective on January 1, 2013.**

**Regulatory Flexibility Addendum**

Pursuant to T.C.A. § 4-5-401 through 4-5-404, prior to initiating the rule making process as described in T.C.A. § 4-5-202(a)(3) and T.C.A. § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(1) The extent to which the rule may overlap, duplicate, or conflict with other federal, state, and local governmental rules.

The rules do not overlap, duplicate, or conflict with other federal, state, and local government rules.

(2) Clarity, conciseness, and lack of ambiguity in the rule.

The rules are amended to mirror language that is contained in the statute based on passage of Public Chapter 1030 of the Public Acts of 2012. Therefore, the rules are clear, concise, and are not ambiguous.

(3) The establishment of flexible compliance and reporting requirements for small businesses.

The rules language that is contained in the statute based on passage of Public Chapter 1030 of the Public Acts of 2012 reduces the following fees from \$100 to \$50: 1) construction services provider registration; 2) construction services provider workers' compensation exemption; 3) construction services provider workers' compensation exemption renewal; and 4) construction services provider registration renewal.

(4) The establishment of friendly schedules or deadlines for compliance and reporting requirements for small businesses.

The rules mirror the statute. The reduction of fees should assist small businesses with compliance.

(5) The consolidation or simplification of compliance or reporting requirements for small businesses.

Compliance is simplified because the reduction of fees will reduce the cost of compliance. Reporting requirements remain the same.

(6) The establishment of performance standards for small businesses as opposed to design or operational standards required in the proposed rule.

The rules do not impact performance, design, or operational standards for

**small businesses.**

**(7) The unnecessary creation of entry barriers or other effects that stifle entrepreneurial activity, curb innovation, or increase costs.**

**The rules do not create unnecessary entry barriers or other effects that stifle entrepreneurial activity, curb innovation, or increase costs. The rules mirror the statutory language and reduce costs.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**Secretary of State Tre Hargett speaks to business owners, accountants and bankers to let them know to contact him directly about their concerns. He has prioritized providing quick responses to questions from small business owners and eliminating red tape and barriers to conducting business in Tennessee.**

**Secretary Hargett personally receives emails from small business owners at <http://www.tn.gov/sos/contact.htm> #sos which he then assigns to the employee who can most effectively respond. The inquirer receives a response within twenty-four hours or by the next business day.**

**Secretary Hargett is President-elect of the National Association of Secretaries of State (NASS) where he serves on the Business Services Committee. The committee educates and informs about topics of interest to small businesses such as practices regarding corporate registrations, electronic filings, notarizations and UCC filings. Business identity theft awareness and prevention are also a part of the committee's work.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**This question does not apply to the Secretary of State's office.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**As stated earlier, a link to the Office of the Small Business Advocate is found on the Secretary of State's website at [http://www.In.gov/sos/bus\\_svc/idtheft.htm](http://www.In.gov/sos/bus_svc/idtheft.htm). The department plans to feature the Office of the Small Business Advocate in its newsletter, *The Blue Pages*. This quarterly publication is distributed through an email blast to interested parties which include small business owners.**

**State Agency Responding: Tennessee Department of Tourist Development**  
**Official Agency Contact: Carter Meadows, Legislative Liaison and Public Information Officer**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**The Department of Tourist Development does not have any regulatory responsibilities.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**The department's website TnVacation.com serves as a consumer resource for small and large businesses in the tourism industry. Businesses in the tourism industry are encouraged to update their individual information contained on the website by providing them on-line access to the site. Training sessions are conducted in various locations across the state to help businesses that may need technical assistance to**

**take advantage of this service. This site is a marketing and promotion tool for businesses and is not used as a regulatory website.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**The department has not had any rulemaking activity since 2007.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**The department has not had any rulemaking activity since 2007.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**The Department of Tourist Development actively promotes businesses in the tourism industry by developing marketing programs that will attract customers. The department's marketing programs provide economic growth for businesses and sales tax revenues to state and local governments.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**The department's marketing and promotions activities are designed to help promote tourism across the state but we are not involved in any regulatory actions that require enforcement.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**The department's promotional activities support small businesses. We currently have no regulatory requirements or small business application processes that would require the need to notify small business owners about the existence of the Office of Small Business Advocate.**

**State Agency Responding: Tennessee Department of Transportation**  
**Official Agency Contact: Deborah Luter, Director**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

[www.tdot.state.tn.us/civil-rights/smallbusiness](http://www.tdot.state.tn.us/civil-rights/smallbusiness)

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**The primary goal of the Tennessee Department of Transportation (TOOT) Civil Rights Office (CRO) Small Business Development Program (SBDP), as the administrator of the Disadvantaged Business Enterprise Program, is to increase**

the number of minority and female businesses in the highway and bridge construction industry. This program was developed by the Federal Highway Administration and is administered by the Tennessee Department of Transportation.

Additionally, in accordance with the recently enacted Federal Highway Administration rule 49 CFR 26.39, new emphasis has been placed on Small Business Enterprises (SBE). This new element is also designed to help maximize the participation on highway transportation contracts by small, women- and minority-owned businesses.

TOOT's CRO SBDP has partnered with the Governor's Office of Diversity Business Enterprise (Go-DBE) as the certifying agency for these small businesses. Any work performed by a certified small business will be counted toward non-goal (race neutral) participation towards the overall departmental DBE Goal. SBE certification must be current and on file with the GoDSE Office in order to receive goal credit on any TOOT contracts for which the small business may perform.

We are available to provide quality technical assistance, resources, guidance, and any other information in regard to the Small Business Development Program.

#### QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

#### AGENCY RESPONSE:

Yes, the forms required by the Secretary of State to submit and promulgate rules require our agency to conduct the analysis. Our rule submissions get reviewed by the Secretary of State, Attorney General, and the Government Operations Committee of the General Assembly, who all review, among other items, our compliance required by the TCA.

#### QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**See question 3 above.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**No additional information.**

## **Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**We have a link from our Small Business Element to the Office of Small Business Advocate page.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**No response given.**

**State Agency Responding: Tennessee Department of Treasury**  
**Official Agency Contact: Josh Stites, Staff Assistant to the Treasurer**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**We administer the Small and Minority Owned Business (SMOB) program. There is a link from our homepage directing visitors of our site to the following SMOB section of the webpage.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**We operate the SMOB program which is a benefit to small business owners. The program is advertised on our website, through our vendor and occasionally, upon request, through presentations from our SMOB staff**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**We have only promulgated one set of rules since the Regulatory Flexibility Act became effective. In that particular rulemaking, the Department determined that the requirements of the Act were not applicable and accordingly did not conduct the analysis or prepare the economic impact statement. Tenn. Code Ann. § 4-5-404 provides that the Act is not applicable to rules that substantially codify existing state or federal law, and it is my understanding that the particular set of rules we promulgated did just that – substantially codified existing state or federal law.**

**Because nearly all of our rules relate to the administration of benefits for state employees or specific programs available to the public at large, it is unlikely that rules we promulgate under current laws would affect small business. Because of the nature of what we do, our rules do not impose requirements on individuals or entities, so the rules do not have regulatory components like those articulated in the Act.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**We have only promulgated one set of rules since the Regulatory Flexibility Act became effective. In that particular rulemaking, the Department determined that the requirements of the Act were not applicable and accordingly did not conduct the analysis or prepare the economic impact statement. Tenn. Code Ann. § 4-5-404**

**provides that the Act is not applicable to rules that substantially codify existing state or federal law, and it is my understanding that the particular set of rules we promulgated did just that – substantially codified existing state or federal law.**

**Because nearly all of our rules relate to the administration of benefits for state employees or specific programs available to the public at large, it is highly unlikely that rules we promulgate under current laws would affect small business. Because of the nature of what we do, our rules do not impose requirements on individuals or entities, so the rules do not have regulatory components like those articulated in the Act.**

**QUESTION 5:**

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

**AGENCY RESPONSE:**

**We take great care in being responsive to all requests made of our Department. Contact information for every division is available on our website in both telephonic and email forms.**

**Part 2**

**QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

**AGENCY RESPONSE:**

**Yes – the Small Business Advocate webpage link is the first link under our *Helpful Resources* section.**

<http://treasury.tn.gov/smob/resources.html>

The Small Business Advocate webpage link is also listed under our Unclaimed Property website.

<http://www.treasury.state.tn.us/unclaim/Links.html>

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**No response given.**

**State Agency Responding: Tennessee Department of Veterans Affairs**  
**Official Agency Contact: Wendell Cheek, Deputy Commissioner**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**The Tennessee Department of Veterans Affairs is currently working with the Tennessee Department of Economic and Community Development Business Enterprise Resource Office to add information that would raise awareness about state resources available to veteran small business owners.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**Not at present, TDVA is a very small state agency and has very little contact with small business. That said, we are committed to working with any small business in**

**assisting them to become a state vendor. Due to statutory requirements and policy TDVA utilizes Shared Services and the State Contracting Office for the majority of our procurement transactions. We also encourage our procurement officer to utilize/request veteran owned small businesses whenever possible.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**No, Due to statutory requirements and policy TDVA does not make rules regarding small business, but does rely on Shared Services and the Contracting Office to comply with this requirement on our behalf.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**No, Due to statutory requirements and policy TDVA does not make rules regarding small business, but does rely on Shared Services and the Contracting Office to comply with this requirement on our behalf.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**As previously stated, due to the nature of our department, coupled with statutory requirements, policies and the lack of qualifying positions/staff, we must rely on other state agencies that act on our behalf or are contracted by TDVA to comply with stated rules. TDVA procurement personnel at every opportunity assist small business owners/vendors in navigating the policy requirements and providing guidance as to how to do business with the State of Tennessee.**

**Part 2**

QUESTION 1:

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

AGENCY RESPONSE:

**At present, due to the infrequent contacts with small business owners, TDVA relies on our contracted state agencies that act on our behalf to comply with this policy. In the future should we have the opportunity, TDVA procurement personnel will be happy to inform small business owners' of the existence of the Office of Small Business Advocate and how they may contact that office.**

QUESTION 2:

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

AGENCY RESPONSE:

**In the future TDVA plans to add contact information to our website regarding the existence of the Office of Small Business Advocate.**

**State Agency Responding: Tennessee Wildlife Resources Agency**  
**Official Agency Contact: Nat E. Johnson, Assistant Executive Director**

**Office of Small Business Advocate**  
**Agency Questionnaire**

**Part 1**

**QUESTION 1:**

Does your agency have regulatory compliance assistance available on your website or any published guidance or educational information available for small business owners?

- Please provide hard copy samples and/or pertinent website addresses.
- If not currently, do you plan to provide regulatory compliance assistance in the future?

**AGENCY RESPONSE:**

**No.**

**QUESTION 2:**

Does your agency currently have any assistance programs, policies, or procedures in place that reflect your agency's commitment to small business owners' concerns?

- If so, please provide detailed information.
- If not currently, do you plan to implement programs, policies, or procedures to reflect your agency's commitment to small business owners' concerns?

**AGENCY RESPONSE:**

**No.**

QUESTION 3:

Does your agency currently conduct a regulatory flexibility analysis as required by Tenn. Code Ann. § 4-5-402, the Regulatory Flexibility Act of 2007, as part of the agency's rulemaking process to determine whether a proposed rule or rules affects small businesses?

- If so, please include information on how the analysis is conducted.

AGENCY RESPONSE:

**No.**

QUESTION 4:

Does your agency currently prepare an economic impact statement as an addendum for each rule that is deemed to affect small businesses as required by Tenn. Code Ann. § 4-5-403, the Regulatory Flexibility Act of 2007?

- If so, please include a copy or example of your agency's economic impact statement.

AGENCY RESPONSE:

**We do not have rules that affect small businesses.**

QUESTION 5:

Please provide any additional information or comment that would be of value in determining how responsive your agency is to small business owners' concerns.

AGENCY RESPONSE:

**No response given.**

## **Part 2**

### **QUESTION 1:**

Does the agency inform small business owners about the availability of the Office of Small Business Advocate to receive their comments regarding the agency's enforcement actions?

- If so, how does a small business owner learn about the Office of Small Business Advocate?
- If not currently, how will you begin to inform small business owners about the Office of Small Business Advocate?

### **AGENCY RESPONSE:**

**No.**

### **QUESTION 2:**

Please provide any additional information or comment that would be of value in determining the extent to which your agency notifies small business owners about the existence of the Office of Small Business Advocate.

### **AGENCY RESPONSE:**

**Our primary mission is to manage wildlife. Some of our hunting/fishing license agents are small businesses, but they only need \$1 per license.**