

Calendar No. 21

119TH CONGRESS
1ST SESSION**S. 298**

To require the Administrator of the Small Business Administration to relocate 30 percent of the employees assigned to headquarters to duty stations outside the Washington metropolitan area, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 29, 2025

Ms. ERNST (for herself, Mrs. BLACKBURN, and Mr. SCOTT of South Carolina) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

MARCH 4, 2025

Reported by Ms. ERNST, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To require the Administrator of the Small Business Administration to relocate 30 percent of the employees assigned to headquarters to duty stations outside the Washington metropolitan area, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Returning SBA to
3 Main Street Act”.

4 **SEC. 2. DEFINITIONS.**

5 In this Act:

6 (1) ~~ADMINISTRATION; ADMINISTRATOR.~~—The
7 terms “Administration” and “Administrator” mean
8 the Small Business Administration and the Adminis-
9 trator thereof, respectively.

10 (2) ~~BUDGET JUSTIFICATION MATERIALS.~~—The
11 term “budget justification materials” has the mean-
12 ing given that term in section 3(b)(2)(A) of the Fed-
13 eral Funding Accountability and Transparency Act
14 of 2006 (31 U.S.C. 6101 note).

15 (3) ~~EMPLOYEE.~~—The term “employee” has the
16 meaning given that term in section 2105 of title 5,
17 United States Code.

18 (4) ~~HEADQUARTERS EMPLOYEE OF THE ADMIN-~~
19 ~~ISTRATION.~~—The term “headquarters employee of
20 the Administration” means—

21 (A) an employee of the Administration
22 whose permanent duty station is at the head-
23 quarters of the Administration; or

24 (B) an employee of the Administration—

25 (i) who teleworks on a full-time basis;

26 and

1 (ii) whose rate of pay is calculated
 2 based on the Washington metropolitan
 3 area rate of pay.

4 (5) HEADQUARTERS OF THE ADMINISTRA-
 5 TION.—The term “headquarters of the Administra-
 6 tion” means the building serving as the principal
 7 managerial and administrative center of the Admin-
 8 istration, in accordance with section 4(a) of the
 9 Small Business Act (~~15 U.S.C. 633(a)~~).

10 (6) PAY LOCALITY.—The term “pay locality”
 11 has the meaning given that term in section 5302 of
 12 title 5, United States Code.

13 (7) RURAL.—The term “rural” means any area
 14 that is not designated as an urban area, based on
 15 the most recent data available from the Bureau of
 16 the Census.

17 (8) TELEWORK.—The term “telework” has the
 18 meaning given that term in section 6501 of title 5,
 19 United States Code.

20 (9) TELEWORK ON A FULL-TIME BASIS.—The
 21 term “telework on a full-time basis” means that an
 22 employee is authorized to telework for 100 percent
 23 of the work days of the employee per pay period.

24 (10) WASHINGTON METROPOLITAN AREA.—The
 25 term “Washington metropolitan area” means the ge-

ographic area to which the Washington metropolitan area rate of pay applies.

~~(11) WASHINGTON METROPOLITAN AREA RATE OF PAY.—~~The term “Washington metropolitan area rate of pay” means the rate of pay in effect for the pay locality designated as ~~“Washington-Baltimore-Arlington, DC-MD-VA-WV-PA”~~.

SEC. 3. RELOCATION OF EMPLOYEES.

~~(a) IN GENERAL.—~~Notwithstanding any other provisions of law, and not later than 1 year after the date of enactment of this Act, the Administrator shall—

~~(1)~~ change the permanent duty station of not less than 30 percent of the headquarters employees of the Administration, as of the date of enactment of this Act, to be at an office of the Administration at a location outside the Washington metropolitan area, which shall be at locations throughout the regions of the Administration; and

~~(2)~~ for each employee of the Administration whose permanent duty station is changed under paragraph ~~(1)~~, ensure that—

~~(A)~~ the rate of pay of the employee is calculated based on the pay locality for the permanent duty station of the employee; and

1 (B) the employee is not authorized to
2 telework on a full-time basis.

3 (b) DETERMINATION OF NEW DUTY STATIONS.—In
4 determining the permanent duty stations of headquarters
5 employees of the Administration under subsection (a), the
6 Administrator shall—

7 (1) promote geographic diversity, including con-
8 sideration of rural markets; and

9 (2) ensure adequate staffing throughout the re-
10 gions of the Administration, to promote in-person
11 customer service.

12 (c) DETERMINATION OF EMPLOYEES ELIGIBLE FOR
13 A CHANGE IN DUTY STATION.—

14 (1) IN GENERAL.—Except as provided in para-
15 graph (2), the Administrator shall include each
16 headquarters employee of the Administration as eli-
17 gible for a change in permanent duty station under
18 subsection (a).

19 (2) EXCEPTION.—A headquarters employee of
20 the Administration who is a qualified individual who
21 receives an accommodation to telework on a full-time
22 basis as a reasonable accommodation under title I of
23 the Americans with Disabilities Act of 1990 (42
24 U.S.C. 12111 et seq.)—

1 (A) shall not be determined to be eligible
 2 for a change in permanent duty station under
 3 subsection (a); and

4 (B) shall be counted as a headquarters em-
 5 ployee of the Administration for purposes of
 6 complying with subsection (a)(1).

7 (3) NOTICE OF DETERMINATION OF ELIGI-
 8 BILITY.—Not later than the day before the date on
 9 which the Administrator submits the report required
 10 under subsection (d), the Administrator shall notify
 11 each headquarters employee of the Administration
 12 who the Administrator determines is eligible for a
 13 change in permanent duty station under subsection
 14 (a) of that determination.

15 (d) REPORT.—Not later than 180 days after the date
 16 of enactment of this Act, the Administrator shall submit
 17 to the Committee on Small Business and Entrepreneur-
 18 ship of the Senate and the Committee on Small Business
 19 of the House of Representatives a report that provides—

20 (1) the number of headquarters employees of
 21 the Administration, as of the date of enactment of
 22 this Act;

23 (2) the number of headquarters employees of
 24 the Administration identified as eligible for a change

1 in permanent duty station, in accordance with sub-
 2 section (e);

3 ~~(3) the number of headquarters employees of~~
 4 ~~the Administration whose permanent duty station~~
 5 ~~will be changed to be at an office of the Administra-~~
 6 ~~tion at a location outside the Washington metropoli-~~
 7 ~~tan area under subsection (a);~~

8 ~~(4) the number of headquarters employees of~~
 9 ~~the Administration subject to an exception under~~
 10 ~~subsection (c)(2); and~~

11 ~~(5) the plan of the Administrator to implement~~
 12 ~~subsection (a).~~

13 ~~(c) IMPLEMENTATION.—~~

14 ~~(1) IN GENERAL.—Not earlier than 60 days,~~
 15 ~~and not later than 90 days, after the date on which~~
 16 ~~the Administrator submits the report required under~~
 17 ~~subsection (d), the Administrator shall notify each~~
 18 ~~headquarters employee of the Administration whose~~
 19 ~~permanent duty station will be changed to be at an~~
 20 ~~office of the Administration located outside the~~
 21 ~~Washington metropolitan area under subsection~~
 22 ~~(a)—~~

23 ~~(A) that, effective 90 days after the date~~
 24 ~~of the notification—~~

(i) the permanent duty station of the employee shall be changed;

(ii) the rate of pay of the employee shall be calculated based on the pay locality for such permanent duty station; and

(iii) the employee shall not be authorized to telework on a full-time basis; and

(B) of the location of such permanent duty station.

(2) ~~FULL-TIME TELEWORKERS REMAINING IN THE WASHINGTON METROPOLITAN AREA.—~~

~~(A) IN GENERAL.—~~For any employee described in subparagraph (B), effective on the date that is 180 days after the date on which the Administrator submits the report required under subsection (d), the employee shall not be authorized to telework on a full-time basis.

~~(B) EMPLOYEES COVERED.—~~An employee described in this subparagraph is a headquarters employee of the Administration—

(i) who teleworks on a full-time basis, as of the date of enactment of this Act;

(ii) who is not subject to an exception under subsection (e)(2); and

1 (iii) whose permanent duty station is
 2 not changed to be an office of the Adminis-
 3 tration at a location outside the Wash-
 4 ington metropolitan area under subsection
 5 (a).

6 ~~(3) NO RELOCATION INCENTIVES.—If, pursuant~~
 7 ~~to this Act, the official worksite (as defined in sec-~~
 8 ~~tion 531.605 of title 5, Code of Federal Regulations,~~
 9 ~~or any successor regulation) of an employee changes~~
 10 ~~from the residence of the employee to the head-~~
 11 ~~quarters of the Administration, notwithstanding any~~
 12 ~~other provision of law, the employee shall not be~~
 13 ~~paid any relocation incentive.~~

14 **SEC. 4. REDUCTION IN HEADQUARTERS OFFICE SPACE.**

15 ~~(a) IN GENERAL.—The Administrator shall reduce~~
 16 ~~the amount of office space for the headquarters of the Ad-~~
 17 ~~ministration by not less than 30 percent.~~

18 ~~(b) IMPLEMENTATION.—The Administrator shall—~~

19 ~~(1) begin reducing office space under subsection~~
 20 ~~(a) not later than 180 days after the date of enact-~~
 21 ~~ment of this Act; and~~

22 ~~(2) complete the reduction of office space re-~~
 23 ~~quired under subsection (a) not later than 2 years~~
 24 ~~after the date of enactment of this Act.~~

1 **SEC. 5. INFORMATION INCLUDED IN BUDGET JUSTIFICA-**
 2 **TION MATERIALS PROVIDED TO CONGRESS.**

3 The Administrator shall include in the first budget
 4 justification materials of the Administration submitted
 5 after the date of enactment of this Act, and the budget
 6 justification materials of the Administration for each fiscal
 7 year thereafter—

8 (1) the number of headquarters employees of
 9 the Administration;

10 (2) the number of employees of the Administra-
 11 tion assigned to a permanent duty station in—

12 (A) a field office of the Administration;

13 (B) a district office of the Administration;

14 or

15 (C) a regional office of the Administration;

16 (3) the number of employees of the Administra-
 17 tion who telework on a full-time basis; and

18 (4) the number of employees of the Administra-
 19 tion who are a qualified individual who receives an
 20 accommodation to telework on a full-time basis as a
 21 reasonable accommodation under title I of the Amer-
 22 icans with Disabilities Act of 1990 (42 U.S.C.
 23 12111 et seq.).

24 **SEC. 6. SEVERABILITY.**

25 If any provision of this Act or the application of such
 26 provision to any person or circumstance is held to be un-

1 constitutional, the remainder of this Act and the applica-
 2 tion of the provision to any other person or circumstance
 3 shall not be affected thereby.

4 **SEC. 7. SUPERSESSION.**

5 This Act shall supersede any other provision of law
 6 and any provision of a collective bargaining agreement or
 7 master labor agreement.

8 **SEC. 8. NO PRIVATE CAUSE OF ACTION.**

9 Nothing in this Act shall be construed to establish
 10 a private cause of action, equitable or otherwise, to chal-
 11 lenge any selection, change, or decision made, or action
 12 taken, under this Act.

13 **SECTION 1. SHORT TITLE.**

14 This Act may be cited as the “Returning SBA to Main
 15 Street Act”.

16 **SEC. 2. DEFINITIONS.**

17 In this Act:

18 (1) *ADMINISTRATION; ADMINISTRATOR.*—The
 19 terms “Administration” and “Administrator” mean
 20 the Small Business Administration and the Adminis-
 21 trator thereof, respectively.

22 (2) *BUDGET JUSTIFICATION MATERIALS.*—The
 23 term “budget justification materials” has the meaning
 24 given that term in section 3(b)(2)(A) of the Federal

1 *Funding Accountability and Transparency Act of*
 2 *2006 (31 U.S.C. 6101 note).*

3 (3) *EMPLOYEE.*—*The term “employee” has the*
 4 *meaning given that term in section 2105 of title 5,*
 5 *United States Code.*

6 (4) *HEADQUARTERS EMPLOYEE OF THE ADMIN-*
 7 *ISTRATION.*—*The term “headquarters employee of the*
 8 *Administration” means—*

9 (A) *an employee of the Administration*
 10 *whose permanent duty station is at the head-*
 11 *quarters of the Administration; or*

12 (B) *an employee of the Administration—*

13 (i) *who teleworks on a full-time basis;*

14 *and*

15 (ii) *whose rate of pay is calculated*
 16 *based on the Washington metropolitan area*
 17 *rate of pay.*

18 (5) *HEADQUARTERS OF THE ADMINISTRATION.*—
 19 *The term “headquarters of the Administration”*
 20 *means the building serving as the principal manage-*
 21 *rial and administrative center of the Administration,*
 22 *in accordance with section 4(a) of the Small Business*
 23 *Act (15 U.S.C. 633(a)).*

1 (6) *PAY LOCALITY*.—The term “pay locality” has
2 the meaning given that term in section 5302 of title
3 5, *United States Code*.

4 (7) *RURAL*.—The term “rural” means any area
5 that is not designated as an urban area, based on the
6 most recent data available from the Bureau of the
7 Census.

8 (8) *TELEWORK*.—The term “telework” has the
9 meaning given that term in section 6501 of title 5,
10 *United States Code*.

11 (9) *TELEWORK ON A FULL-TIME BASIS*.—The
12 term “telework on a full-time basis” means that an
13 employee is authorized to telework for 100 percent of
14 the work days of the employee per pay period.

15 (10) *WASHINGTON METROPOLITAN AREA*.—The
16 term “Washington metropolitan area” means the geo-
17 graphic area to which the Washington metropolitan
18 area rate of pay applies.

19 (11) *WASHINGTON METROPOLITAN AREA RATE*
20 *OF PAY*.—The term “Washington metropolitan area
21 rate of pay” means the rate of pay in effect for the
22 pay locality designated as “Washington-Baltimore-
23 Arlington, DC-MD-VA-WV-PA”.

1 **SEC. 3. RELOCATION OF EMPLOYEES.**

2 (a) *IN GENERAL.*—Notwithstanding any other provi-
3 sions of law, and not later than 1 year after the date of
4 enactment of this Act, if the Administrator determines that
5 implementing the requirements under paragraphs (1) and
6 (2) of this subsection will reduce the cost to the Federal Gov-
7 ernment (which determination the Administrator shall ex-
8 plain in detail in the report required under subsection (d)
9 of this section), the Administrator shall—

10 (1) *change the permanent duty station of not less*
11 *than 30 percent of the headquarters employees of the*
12 *Administration, as of the date of enactment of this*
13 *Act, to be at an office of the Administration at a loca-*
14 *tion outside the Washington metropolitan area, which*
15 *shall be at locations throughout the regions of the Ad-*
16 *ministration; and*

17 (2) *for each employee of the Administration*
18 *whose permanent duty station is changed under para-*
19 *graph (1), ensure that—*

20 (A) *the rate of pay of the employee is cal-*
21 *culated based on the pay locality for the perma-*
22 *nent duty station of the employee; and*

23 (B) *the employee is not authorized to*
24 *telework on a full-time basis.*

25 (b) *DETERMINATION OF NEW DUTY STATIONS.*—In de-
26 *termining the permanent duty stations of headquarters em-*

1 *ployees of the Administration under subsection (a)(1), the*
 2 *Administrator shall—*

3 *(1) promote geographic diversity, including con-*
 4 *sideration of rural markets; and*

5 *(2) ensure adequate staffing throughout the re-*
 6 *gions of the Administration, to promote in-person*
 7 *customer service.*

8 *(c) DETERMINATION OF EMPLOYEES ELIGIBLE FOR A*
 9 *CHANGE IN DUTY STATION.—*

10 *(1) IN GENERAL.—Except as provided in para-*
 11 *graph (2), the Administrator shall include each head-*
 12 *quarters employee of the Administration as eligible*
 13 *for a change in permanent duty station under sub-*
 14 *section (a).*

15 *(2) EXCEPTION.—A headquarters employee of the*
 16 *Administration who is a qualified individual who re-*
 17 *ceives an accommodation to telework on a full-time*
 18 *basis as a reasonable accommodation under title I of*
 19 *the Americans with Disabilities Act of 1990 (42*
 20 *U.S.C. 12111 et seq.)—*

21 *(A) shall not be determined to be eligible for*
 22 *a change in permanent duty station under sub-*
 23 *section (a); and*

1 (B) shall be counted as a headquarters em-
2 ployee of the Administration for purposes of
3 complying with subsection (a)(1).

4 (3) NOTICE OF DETERMINATION OF ELIGI-
5 BILITY.—Not later than the day before the date on
6 which the Administrator submits the report required
7 under subsection (d), the Administrator shall notify
8 each headquarters employee of the Administration
9 who the Administrator determines is eligible for a
10 change in permanent duty station under subsection
11 (a) of that determination.

12 (d) REPORT.—Not later than 180 days after the date
13 of enactment of this Act, the Administrator shall submit
14 to the Committee on Small Business and Entrepreneurship
15 of the Senate and the Committee on Small Business of the
16 House of Representatives a report that provides—

17 (1) the number of headquarters employees of the
18 Administration, as of the date of enactment of this
19 Act;

20 (2) the number of headquarters employees of the
21 Administration identified as eligible for a change in
22 permanent duty station, in accordance with sub-
23 section (c);

24 (3) the number of headquarters employees of the
25 Administration whose permanent duty station will be

1 *changed to be at an office of the Administration at*
 2 *a location outside the Washington metropolitan area*
 3 *under subsection (a);*

4 *(4) the number of headquarters employees of the*
 5 *Administration subject to an exception under sub-*
 6 *section (c)(2); and*

7 *(5) the plan of the Administrator to implement*
 8 *subsection (a).*

9 *(e) IMPLEMENTATION.—*

10 *(1) IN GENERAL.—Not earlier than 60 days, and*
 11 *not later than 90 days, after the date on which the*
 12 *Administrator submits the report required under sub-*
 13 *section (d), the Administrator shall notify each head-*
 14 *quarters employee of the Administration whose per-*
 15 *manent duty station will be changed to be at an office*
 16 *of the Administration located outside the Washington*
 17 *metropolitan area under subsection (a)—*

18 *(A) that, effective 90 days after the date of*
 19 *the notification—*

20 *(i) the permanent duty station of the*
 21 *employee shall be changed;*

22 *(ii) the rate of pay of the employee*
 23 *shall be calculated based on the pay locality*
 24 *for such permanent duty station; and*

1 (iii) the employee shall not be author-
 2 ized to telework on a full-time basis; and
 3 (B) of the location of such permanent duty
 4 station.

5 (2) *FULL-TIME TELEWORKERS REMAINING IN*
 6 *THE WASHINGTON METROPOLITAN AREA.*—

7 (A) *IN GENERAL.*—For any employee de-
 8 scribed in subparagraph (B), effective on the
 9 date that is 180 days after the date on which the
 10 Administrator submits the report required under
 11 subsection (d), the employee shall not be author-
 12 ized to telework on a full-time basis.

13 (B) *EMPLOYEES COVERED.*—An employee
 14 described in this subparagraph is a headquarters
 15 employee of the Administration—

16 (i) who teleworks on a full-time basis,
 17 as of the date of enactment of this Act;

18 (ii) who is not subject to an exception
 19 under subsection (c)(2); and

20 (iii) whose permanent duty station is
 21 not changed to be an office of the Adminis-
 22 tration at a location outside the Washington
 23 metropolitan area under subsection (a).

24 (3) *NO RELOCATION INCENTIVES.*—If, pursuant
 25 to this Act, the official worksite (as defined in section

1 531.602 of title 5, Code of Federal Regulations, or
 2 any successor regulation) of an employee changes
 3 from the residence of the employee to the headquarters
 4 of the Administration, notwithstanding any other
 5 provision of law, the employee shall not be paid any
 6 relocation incentive.

7 **SEC. 4. REDUCTION IN HEADQUARTERS OFFICE SPACE.**

8 (a) *IN GENERAL.*—The Administrator shall reduce the
 9 amount of office space for the headquarters of the Adminis-
 10 tration by not less than 30 percent.

11 (b) *IMPLEMENTATION.*—The Administrator shall—

12 (1) begin reducing office space under subsection
 13 (a) not later than 180 days after the date of enact-
 14 ment of this Act; and

15 (2) complete the reduction of office space re-
 16 quired under subsection (a) not later than 2 years
 17 after the date of enactment of this Act.

18 **SEC. 5. INFORMATION INCLUDED IN BUDGET JUSTIFICA-**
 19 **TION MATERIALS PROVIDED TO CONGRESS.**

20 The Administrator shall include in the first budget jus-
 21 tification materials of the Administration submitted after
 22 the date of enactment of this Act, and the budget justifica-
 23 tion materials of the Administration for each fiscal year
 24 thereafter—

1 (1) *the number of headquarters employees of the*
 2 *Administration;*

3 (2) *the number of employees of the Administra-*
 4 *tion assigned to a permanent duty station in—*

5 (A) *a field office of the Administration;*

6 (B) *a district office of the Administration;*

7 *or*

8 (C) *a regional office of the Administration;*

9 (3) *the number of employees of the Administra-*
 10 *tion who telework on a full-time basis; and*

11 (4) *the number of employees of the Administra-*
 12 *tion who are a qualified individual who receives an*
 13 *accommodation to telework on a full-time basis as a*
 14 *reasonable accommodation under title I of the Ameri-*
 15 *cans with Disabilities Act of 1990 (42 U.S.C. 12111*
 16 *et seq.).*

17 **SEC. 6. SEVERABILITY.**

18 *If any provision of this Act or the application of such*
 19 *provision to any person or circumstance is held to be uncon-*
 20 *stitutional, the remainder of this Act and the application*
 21 *of the provision to any other person or circumstance shall*
 22 *not be affected thereby.*

1 **SEC. 7. SUPERSESSION.**

2 *This Act shall supersede any other provision of law*
3 *and any provision of a collective bargaining agreement or*
4 *master labor agreement.*

5 **SEC. 8. NO PRIVATE CAUSE OF ACTION.**

6 *Nothing in this Act shall be construed to establish a*
7 *private cause of action, equitable or otherwise, to challenge*
8 *any selection, change, or decision made, or action taken,*
9 *under this Act.*

Calendar No. 21

119TH CONGRESS
1ST Session

S. 298

A BILL

To require the Administrator of the Small Business Administration to relocate 30 percent of the employees assigned to headquarters to duty stations outside the Washington metropolitan area, and for other purposes.

MARCH 4, 2025

Reported with an amendment