

118TH CONGRESS  
2D SESSION

# S. 5501

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.

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## IN THE SENATE OF THE UNITED STATES

DECEMBER 12, 2024

Ms. ERNST introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

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## 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,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Returning SBA to  
5       Main Street Act”.

6       **SEC. 2. DEFINITIONS.**

7       In this Act:

1           (1) ADMINISTRATION; ADMINISTRATOR.—The  
2       terms “Administration” and “Administrator” mean  
3       the Small Business Administration and the Adminis-  
4       trator thereof, respectively.

5           (2) BUDGET JUSTIFICATION MATERIALS.—The  
6       term “budget justification materials” has the mean-  
7       ing given that term in section 3(b)(2)(A) of the Fed-  
8       eral Funding Accountability and Transparency Act  
9       of 2006 (31 U.S.C. 6101 note).

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

13          (4) HEADQUARTERS EMPLOYEE OF THE ADMIN-  
14       ISTRATION.—The term “headquarters employee of  
15       the Administration” means—

16               (A) an employee of the Administration  
17               whose permanent duty station is at the head-  
18               quarters of the Administration; or

19               (B) an employee of the Administration—

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

21                       and

22                       (ii) whose rate of pay is calculated  
23               based on the Washington metropolitan  
24               area rate of pay.

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

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

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

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

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

21          (10) WASHINGTON METROPOLITAN AREA.—The  
22          term “Washington metropolitan area” means the ge-  
23          ographic area to which the Washington metropolitan  
24          area rate of pay applies.

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

6 **SEC. 3. RELOCATION OF EMPLOYEES.**

7           (a) IN GENERAL.—Notwithstanding any other provi-  
 8           sions of law, and not later than 1 year after the date of  
 9           enactment of this Act, the Administrator shall—

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

17           (2) for each employee of the Administration  
 18           whose permanent duty station is changed under  
 19           paragraph (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.

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

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

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

10 (c) DETERMINATION OF EMPLOYEES ELIGIBLE FOR  
11 A CHANGE IN DUTY STATION.—

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

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

23 (A) shall not be determined to be eligible  
24 for a change in permanent duty station under  
25 subsection (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 Entrepreneur-  
15 ship of the Senate and the Committee on Small Business  
16 of the House of Representatives a report that provides—

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

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

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

1 will be changed to be at an office of the Administra-  
 2 tion at a location outside the Washington metropoli-  
 3 tan area under subsection (a);

4 (4) the number of headquarters employees of  
 5 the Administration subject to an exception under  
 6 subsection (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,  
 11 and not later than 90 days, after the date on which  
 12 the Administrator submits the report required under  
 13 subsection (d), the Administrator shall notify each  
 14 headquarters employee of the Administration whose  
 15 permanent duty station will be changed to be at an  
 16 office of the Administration located outside the  
 17 Washington metropolitan area under subsection  
 18 (a)—

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

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

23 (ii) the rate of pay of the employee  
 24 shall be calculated based on the pay local-  
 25 ity 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  
 10 the Administrator submits the report required  
 11 under subsection (d), the employee shall not be  
 12 authorized to telework on a full-time basis.

13 (B) EMPLOYEES COVERED.—An employee  
 14 described in this subparagraph is a head-  
 15 quarters 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 Wash-  
 23 ington metropolitan area under subsection  
 24 (a).



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

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

10          (a) IN GENERAL.—The Administrator shall reduce  
11          the amount of office space for the headquarters of the Ad-  
12          ministration by not less than 30 percent.

13          (b) IMPLEMENTATION.—The Administrator shall—

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

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

20   **SEC. 5. INFORMATION INCLUDED IN BUDGET JUSTIFICA-**  
21                **TION MATERIALS PROVIDED TO CONGRESS.**

22          The Administrator shall include in the budget jus-  
23          tification materials of the Administration for fiscal year  
24          2026, and each fiscal year thereafter—

1           (1) the number of headquarters employees of  
2 the 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 Amer-  
15 icans with Disabilities Act of 1990 (42 U.S.C.  
16 12111 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 un-  
20 constitutional, the remainder of this Act and the applica-  
21 tion of the provision to any other person or circumstance  
22 shall 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  
7 a private cause of action, equitable or otherwise, to chal-  
8 lenge any selection, change, or decision made, or action  
9 taken, under this Act.

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