U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF ADVOCACY
REGULATION • RESEARCH • OUTREACH

November 16, 2016

VIA ELECTRONIC SUBMISSION

The Honorable John F. Kerry
Secretary, U.S. Department of State
2201 C Street, N.W.
Washington, D.C. 20520

Re: Intercountry Adoptions, *Proposed Rule*, 81 Fed. Reg. 62,321

Dear Secretary Kerry:

The U.S. Small Business Administration's Office of Advocacy (Advocacy) respectfully submits the following comments in response to the State Department's proposed rule, "Intercountry Adoptions."[1] Advocacy is concerned that the State Department did not consider and include all of the potential costs in the Regulatory Flexibility Act (RFA) section of the rule, and therefore, the certification was improper under the RFA. Advocacy commends the State Department for requesting comment on the cost of compliance with the Country-Specific Authorization provision. However, Advocacy has heard from small adoption agencies concerned about the ambiguity of the proposed rule and the uncertainty of how the rule will be applied. Advocacy recommends the State Department either re-propose the rule when more information can be provided, or submit a supplemental notice of proposed rulemaking with a proper RFA analysis.

The Office of Advocacy

Congress established Advocacy under Pub. L. 94-305 to represent the views of small entities before federal agencies and Congress. Advocacy is an independent office within the U.S. Small Business Administration (SBA); as such the views expressed by Advocacy do not necessarily reflect the views of the SBA or the Administration. The Regulatory Flexibility Act (RFA),[2] as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA),[3] gives small entities a voice in the rulemaking process. For all rules that are expected to have a significant

[1] Intercountry Adoptions, 81 Fed. Reg. 62,321 (proposed Sept. 8, 2016) (to be codified at 22 C.F.R. pt. 96).
[2] 5 U.S.C. §601 et seq.
[3] Pub. L. 104-121, Title II, 110 Stat. 857 (1996) (codified in various sections of 5 U.S.C. §601 et seq.).

economic impact on a substantial number of small entities, federal agencies are required by the RFA to assess the impact of the proposed rule on small entities and to consider less burdensome alternatives.

The Small Business Jobs Act of 2010 requires agencies to give every appropriate consideration to comments provided by Advocacy.[4] The agency must include, in any explanation or discussion accompanying the final rule's publication in the Federal Register, the agency's response to these written comments submitted by Advocacy on the proposed rule, unless the agency certifies that the public interest is not served by doing so.[5]

Background

On September 8, 2016, the State Department proposed amendments to the existing requirements for U.S. adoption service providers (adoption agencies) that currently perform intercountry adoptions.[6] The current requirements come from the 1993 Hague Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption[7] and the Intercountry Adoption Act of 2000 (IAA).[8] Other laws and regulations apply as well, including the Intercountry Adoption Universal Accreditation Act of 2012 (UAA).[9] Under the UAA, all U.S. adoption agencies must be accredited to perform intercountry adoption services in the United States.[10] The State Department designated the Council on Accreditation as the "accrediting entity"[11] for the United States. The Council on Accreditation accredits U.S. adoption agencies to perform certain adoptions under the 1993 Hague Convention.[12]

The highest number of intercountry adoptions to the United States was 22,989 in 2004.[13] The number has decreased steadily since then, with 6,441 in 2014 and 5,647 in 2015.[14] The decline from 2004 to 2014 was 72 percent for the United States, paralleling the global decline for the same time period of 75 percent.[15] State Department's 2015 "Annual Report on Intercountry Adoptions Narrative" states, "...the majority of countries saw only small fluctuations from FY [Fiscal Year] 2014, and positive growth was offset by a decrease of 920 adoptions in just three countries: Ethiopia, Haiti, and Ukraine."[16] Adoption agencies told Advocacy that regulations in

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[4] Small Business Jobs Act of 2010, Pub. L. No. 111-240, § 1601, 124 Stat. 2504.
[5] *Id.*
[6] 81 Fed. Reg. at 62,321.
[7] *Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption*, HCCH.NET (May 29, 1993), https://assets.hcch.net/docs/77e12f23-d3dc-4851-8f0b-050f71a16947.pdf.
[8] Intercountry Adoption Act of 2000 (IAA), Pub. L. No. 106-279, 114 Stat. 825.
[9] Intercountry Adoption Universal Accreditation Act of 2012 (UAA), Pub. L. No. 112-276, 126 Stat. 2466.
[10] 22 C.F.R. § 96.12(a).
[11] "Accrediting entity means an entity that has been designated by the Secretary to accredit agencies and/or persons for purposes of providing adoption services in the United States in intercountry adoption cases." 22 C.F.R. § 96.2.
[12] U.S. Dep't of State, *The Role of the Accrediting Entity*, https://travel.state.gov/content/adoptionsabroad/en/hague-convention/agency-accreditation/the-role-of-the-accrediting-entity.html (last updated Jan. 17, 2014).
[13] U.S. Dep't of State, *Statistics*, https://travel.state.gov/content/adoptionsabroad/en/about-us/statistics.html (last visited Nov. 2, 2016).
[14] *Id.*
[15] U.S. Dep't of State, *Annual Report on Intercountry Adoptions Narrative*, *1, *2, https://travel.state.gov/content/dam/aa/pdfs/2015NarrativeAnnualReportonIntercountryAdoptions.pdf (last visited Nov. 2, 2016).
[16] *Id.* at *1-2.

the United States and foreign countries, as well as new Hague treaty guidelines, have contributed to the decline.[17] Adoption agencies are concerned the proposed rule will further contribute to the decline and believe the current standards are sufficient.[18]

There are four main sections of the proposed rule: (1) Country-Specific Authorization (CSA), (2) Provision of Adoption Services and Fee Disclosures, (3) Accreditation and Approval Standards Related to Training and Preparation of Prospective Adoptive Parents, and (4) Submission of Complaints and other Proposed Changes.

Every year, the Secretary of State (Secretary), along with guidance from the Secretary of Homeland Security, designates countries that will require CSA. If a country is designated, adoption agencies will be required to meet higher standards than are currently required. Adoption agencies that want to serve as the "primary provider" of services in a CSA-designated country must meet these higher standards, while "supervised providers" do not. A primary provider provides all available adoption services; a supervised provider provides one or more services under the supervision of a primary provider.[19] The rule estimates there will be "an average of two CSA designations per year,"[20] and CSA will last for no less than three and no more than five years[21] for an adoption agency. Adoption agencies applying for CSA will need to "demonstrate substantial compliance with the country specific [sic] criteria for that country."[22]

The State Department will require more transparent fee disclosures by adoption agencies and aims to limit how much can be charged to prospective adoptive parents. The provision's underlying goal is to uphold and strengthen the "prohibition on child buying."[23] Adoption agencies can no longer obtain waivers from parents in order to charge them in excess of $1,000 without obtaining specific consent for the costs. Adoption agencies will need to distinguish between charges that originate in the U.S. and costs incurred in a foreign country. The proposed rule also changes and expands the definition of "provision" of a service to include "facilitating" the service. Lastly, the proposed rule prohibits adoption agencies from charging childcare fees of prospective parents before the adoption process has been completed.

The proposed rule requires prospective adoptive parents to complete new training requirements to better prepare parents for the new demographic of children in intercountry adoptions. The overall demographic of children adopted through intercountry adoptions has changed

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[17] *See* Kevin Voigt and Sophie Brown, *International Adoptions in Decline as Number of Orphans Grows*, CNN.COM (Sept. 17, 2013), http://www.cnn.com/2013/09/16/world/international-adoption-main-story-decline/index.html ("The decline isn't due to fewer orphans worldwide nor waning demand from prospective parents, experts say. It is due to rising regulations and growing sentiment in countries such as Russia and China against sending orphans abroad.").

[18] *See, e.g.*, U.S. Dep't of State, *Universal Accreditation Act of 2012*, https://travel.state.gov/content/adoptionsabroad/en/hague-convention/agency-accreditation/universal-accreditation-act-of-2012.html ("The UAA provides for uniform standards and accountability for service provider conduct in every country.") (last visited Nov. 4, 2016).

[19] 22 C.F.R. § 96.2.

[20] Intercountry Adoptions, 81 Fed. Reg. 62,321, 62,327 (proposed Sept. 8, 2016) (to be codified at 22 C.F.R. pt. 96).

[21] *Id.* at 62,340.

[22] *Id.* at 62,323.

[23] *Id.* at 62,324.

"dramatically" according to the rule.[24] In general, children are older, more children have special needs, and there are more sibling groups. Therefore, the provisions increase the number of required hours of training, require parents to complete training requirements for the state in which they reside, and expand the scope of issues that must be covered to prepare parents.[25] Until the required training is completed, adoption agencies cannot charge parents for services or match them with a child. The proposed rule also requires adoption agencies to provide parents with resources and contacts during the placement process and post-placement phase to avoid disruption of the placement of a child. This includes providing the parents with pertinent information on the local and state laws regarding disruption.[26]

Parents and other individuals submitting complaints about an adoption agency can now submit complaints directly to the complaint registry for review by the accrediting entity. Previously, the complaint needed to be submitted initially to the adoption agency about which the complaint referred. Under the proposed rule, complainants would be able to avoid possible backlash from the adoption agencies because they would no longer be required to submit to the adoption agencies as a first step. The rule also includes provisions on the disclosure of remuneration paid by adoption agencies to foreign providers and a few other minor amendments.[27]

Certain provisions of the proposed rule would go into effect within thirty days of the publication of a final rule, while other provisions would go into effect within three to nine months.

Advocacy's Comments on the Proposed Rule

Advocacy spoke with a number of small adoption agencies. Many of the adoption agencies raised concerns with the ambiguity and uncertainty in the rule's scope and the difficulties they expect regarding CSA. Advocacy is concerned that: (1) the RFA analysis was certified in error under the Regulatory Flexibility Act, and (2) the proposed rule needs to be clarified regarding its scope and application in order to determine the full economic impact.

I. The Proposed Rule Was Certified in Error under the Regulatory Flexibility Act

The State Department certified that the rule would not have a significant economic impact on a substantial number of small entities.[28] The Secretary gives three reasons for certification: (1) the proposed rule will give adoption agencies flexibility in choosing to work in a CSA-designated country as a primary provider or not; (2) some small service providers, such as home study providers, are exempt from the CSA requirement; and (3) "the accreditation model in this proposed rule allows for the majority of the standards [for compliance] to be performance-based," which the rule states actually reduces the burden on small entities.[29]

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[24] *Id.*
[25] Among the training topics added by the proposed rule are grief, loss, identity, and trauma. *Id.* at 62,325.
[26] *Id.*
[27] *Id.*
[28] *Id.* at 62,326.
[29] *Id.*

Advocacy is concerned that the stated reasons do not provide a factual basis for the certification.[30] The factual basis "should contain a description of the number of affected entities and the size of the economic impacts and why either the number of entities or the size of the impacts justifies the certification."[31] Advocacy believes an "agency's reasoning and assumptions underlying its certification should be explicit in order to elicit public comment."[32]

A. *The Proposed Rule May Have a Significant Economic Impact*

The State Department's analysis does not provide adequate information on the small entities or the costs of the rule for small entities. The State Department did not break down the costs per provider or include different size categories. Instead, the State Department identified three sub-categories of costs and one total upfront cost of $772,400 for all adoption service providers and parents combined for the first year.[33] The State Department should have included more specific information about the revenue of adoption agencies of various sizes. Alternatively, the State Department could have at least disclosed what information it did have, and the assumptions it made based on that information. Without this information, it is difficult to assess whether the costs identified by the State Department will be economically significant.

The State Department should have clarified how the rule will apply because it is possible they omitted certain costs, which could make the economic impact significant. Adoption agencies told Advocacy they would incur lost investments if the State Department designated certain countries to require CSA and the agencies did not obtain CSA approval. Advocacy also heard from adoption agencies that were concerned they would need to close their operations if they were no longer able to work in one of their existing country programs due to a CSA designation for that country.

Adoption agencies with less than a million dollars in revenue told Advocacy they would suffer a significant economic impact from this rule, with closure being the most extreme result. Some agencies do "one-off" adoptions in countries, either when a relative is adopting the child or there is a particular circumstance where the adoption agency is performing only one adoption in that country. If the Secretary designates certain countries as requiring CSA, adoption agencies will no longer be able to perform these "one-off" adoptions in those countries without significant cost. A smaller adoption agency told Advocacy that one effect of the rule may be industry consolidation, with small adoption agencies merging with larger ones to avoid any possible need to close down their agencies. This would be a significant economic impact.

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[30] "Sections 603 and 604 of this title shall not apply to any proposed or final rule if the head of the agency certifies that the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities. If the head of the agency makes a certification under the preceding sentence, the agency shall publish such certification in the Federal Register at the time of publication of general notice of proposed rulemaking for the rule or at the time of publication of the final rule, along with a statement providing the factual basis for such certification. The agency shall provide such certification and statement to the Chief Counsel for Advocacy of the Small Business Administration." Regulatory Flexibility Act, 5 U.S.C. § 605(b) (1996).

[31] U.S. Small Bus. Admin. Office of Advocacy, *A Guide for Government Agencies: How to Comply with the Regulatory Flexibility Act*, 13 (May 2012), https://www.sba.gov/sites/default/files/rfaguide_0512_0.pdf.

[32] *Id.*

[33] The "total estimated cost for CSA implementation per year" is $45,000, the "estimated cost to implement fee disclosure changes" is $400, and the "total estimated cost of training" is $102,800 per year. 81 Fed. Reg. 62,327-28.

B. *The Proposed Rule May Impact a Substantial Number of Small Entities*

The State Department did not specify exactly how many of the accredited adoption agencies are small, nor how many total agencies exist. The State Department acknowledges: "There are currently approximately 200 accredited or approved adoption service providers, many of which are arguably 'small entities' under the RFA that would have to comply with this rulemaking."[34] This is insufficient information for an RFA certification because the specific information on the regulated entities is not provided.

Advocacy believes that more specific information could be provided. The United States has 188 Hague-accredited adoption agencies.[35] The Council on Accreditation provided Advocacy with data for fiscal year 2015 and stated out of 100 adoption agencies that reported, 85 percent of those are small[36] under the SBA Size Standard. The SBA Size Standard for adoption agencies is $11 million.[37] Given that the economic impact of the rule could be significant for a substantial number of small adoption agencies, Advocacy believes that the State Department cannot certify the rule under § 605(b) of the RFA.

II. The Proposed Rule Should be Clarified regarding its Scope and Application in Order to Determine the Full Economic Impact

Adoption agencies have told Advocacy that they have had difficulty providing meaningful comment because they do not know exactly how the rule would apply, or what its scope will be due to the ambiguity of the text. Depending on the rule's meaning and application, there could be dramatic impacts and costs for small adoption agencies. For example, at least two small adoption agencies told Advocacy that if even one of their country programs is designated as requiring CSA, and they are not granted CSA for that country, those agencies would probably be forced to close their doors, if not incur very large financial costs at a minimum.

A. *The State Department Should Clarify the Process for Country-Specific Authorization (CSA)*

The State Department should clarify the process for CSA designation. The rule does not give criteria for determining which countries will be designated, nor does the rule state when the Secretary will publicize the designated countries.[38] The State Department needs to be more specific about how this rule will apply in order for adoption agencies to be able to meaningfully comment on the CSA requirement. Advocacy heard from adoption agencies that are very

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[34] 81 Fed. Reg. at 62,326.
[35] Email with Jayne Schmidt, Director of Hague Accreditation and Social Work Field Instruction for the Council on Accreditation (COA) (October 26, 2016).
[36] *Id.*
[37] U.S. Small Business Administration, *Table of Small Business Size Standards Matched to North American Industry Classification System Codes*, 36 (Feb. 26, 2016), https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf.
[38] The rule merely states, "The Secretary will publish in the Federal Register a list of countries for which CSA is required. Changes to that list will also be announced via a Federal Register notice." 81 Fed. Reg. at 62,340.

concerned they have no way to anticipate or expect if one of their existing country programs will be designated as requiring CSA.

Adoption agencies are very concerned about the use of the word "discretion" and exactly how much discretion the Secretary will have in designating countries.[39] The scope of CSA is very broad: "CSA is required for accredited agencies or approved persons to offer, provide, facilitate, verify, or supervise the provision of adoption services, except as a supervised provider or an exempted provider, in intercountry adoption cases with respect to a particular country designated for CSA."[40] The State Department should clarify whether CSA will apply only to countries that are currently closed to the United States, or if CSA will apply to any country, closed or open.[41] Adoption agencies are concerned about the risk of losing a country program they already have, and the risk of investing in a newly-opened, CSA-designated country but not obtaining CSA and losing the investment.

The State Department should also clarify the "substantial compliance" requirement. The rule states, "To obtain country-specific authorization for a particular CSA-designated country, an accredited or approved adoption service provider would need to demonstrate substantial compliance with the country specific criteria for that country."[42] Although the rule gives a few specific examples of what additional requirements would apply under CSA, adoption agencies are concerned that the standards of compliance lack clarity and parameters. The rule states, "The standards governing accreditation, renewal of accreditation, and CSA would be the same; however, CSA may require ASPs [adoption service providers] to meet more heavily weighted standards, or show additional specified evidence with regard to compliance with a standard."[43] This language does not give tangible standards with which the agencies can expect to comply.

The rule says the standards for approval of CSA (and compliance with the other provisions) will be mostly "performance-based," and the adoption agencies will have "ample opportunity to correct deficiencies before accreditation or approval is denied."[44] However, it is unclear exactly what the State Department means by "performance-based," and whether size of the adoption agencies or volume of adoptions will be considered. The State Department should explain whether there will be a cap or limit on the number of adoption agencies that can work in a CSA-designated country. The State Department asks for comment on whether "most small agencies [would] desire to apply for CSA in countries where the Secretary has determined that CSA is required,"[45] but the rule does not mention if there is a maximum number of agencies allowed CSA in any one country. Advocacy recommends the State Department clarify how many

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[39] *Id.* ("[W]hen the Secretary, in his or her discretion, and in consultation with the Secretary of Homeland Security, determines that it is necessary . . . .").
[40] *Id.*
[41] Adoption agencies have told Advocacy that they hope to work in the following countries that are *currently not open* to the United States for intercountry adoption (*even* if the country is Hague-accredited): Cuba, Tunisia, Ghana, and Cambodia.
[42] 81 Fed. Reg. at 62,323.
[43] *Id.* at 62,323, 62,340 ("In order to receive CSA, adoption agencies may be required to meet standards "as determined using a method approved by the Secretary, in consultation with the Secretary of Homeland Security, that may include: (1) Increasing the weight of selected standards from subpart F; and (2) Requiring the provisions of additional or specified evidence to support compliance with selected standards from subpart F.").
[44] *Id.* at 62,326.
[45] *Id.*

agencies could be granted CSA for a country and the extent to which an agency's size is a condition of approval.

B. *The State Department Should Clarify the Timeline for CSA*

The timeline for implementing the CSA requirement is unclear in the proposed rule. The State Department should clarify what the time period is between a country being designated as requiring CSA and adoption agencies being required to apply for and obtain CSA for that country beyond merely an "effective date" determined by the Secretary.[46] Clarification for exactly what point in time adoption agencies need to have obtained CSA would be helpful. Advocacy recommends the State Department give adoption agencies adequate time to obtain CSA approval before compliance is required for that particular CSA-designated country. Adoption agencies are concerned about investing several thousand dollars in a CSA-designated country to later be denied CSA. Advocacy recommends that the State Department clarify whether adoption agencies need to have country approval or foreign authorization before applying for CSA.

The rule does not state how long the CSA application process will take, nor state how long agencies can expect to wait for a decision of approval or denial. The rule states: "The accrediting entity must routinely inform applicants in writing of its decisions on their CSA applications – whether an application has been granted or denied – when those decisions are finalized."[47] Clarification on what "routinely" means would help adoption agencies.

The rule is also unclear regarding the timeline for renewal. The rule says, "Before deciding whether to renew CSA, the accrediting entity may, in its discretion, advise the agency or person of any deficiencies that may hinder or prevent its renewal and defer a decision to allow the agency or person to correct the deficiencies. The accrediting entity must notify the accredited agency, approved person, and the Secretary in writing when it renews or refuses to renew an agency's or person's CSA."[48] The State Department should clarify these vague references to time. Also, the State Department should indicate whether renewal of CSA would be in addition to the existing cost for accreditation renewal.

C. *The State Department Should Clarify Changes Regarding the Costs for Childcare Abroad*

Advocacy has heard from adoption agencies that are very concerned about the provision restricting costs for childcare abroad. The rule states the provisions "...aim to prohibit accredited agencies or approved persons from charging prospective adoptive parents to care for a child prior to completion of the intercountry adoption process."[49] The State Department should clarify the "prior to completion" requirement, because adoption agencies are unable to predict with certainty whether a child will ultimately be "eligible for intercountry adoption."[50] One agency in

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[46] *Id.* at 62,343.
[47] *Id.* at 62,340.
[48] *Id.* at 62,341.
[49] *Id.* at 62,324.
[50] *Id.*

particular stated that families have specifically hired their agency because of the quality of the care provided for children abroad. Adoption agencies are concerned that children will suffer without the interim care being currently provided, especially given the length of time an intercountry adoption takes. Tragically, more than one agency told Advocacy that children matched with a family have died before the process was "complete" because of poor care in the foreign country.

Specifically, adoption agencies raised many concerns about the provisions that will amend § 96.40(f)[51] regarding childcare in foreign countries: "The amounts paid should not be unreasonably high in relation to the services actually rendered, taking into account what such services actually cost in the country in which the services are provided."[52] Adoption agencies want clarification on what the range of a "reasonable" amount is. Agencies are concerned about limiting the length of time they can charge parents for the childcare based on the proposed rule.[53]

D. *The State Department Should Clarify the New Training Requirements*

Small adoption agencies are concerned the costs of training will ultimately fall to them if they are unable to pass the cost on to parents. The rule requires: "20 hours of training offered by the [s]tate of residence that is provided to families adopting from the foster care system, or an equivalent where a [s]tate program is unavailable for prospective adoptive parents who wish to complete an intercountry adoption."[54] The State Department should provide clarification on how state foster care programs will be utilized at no cost for 20 percent of families.[55] The State Department should explain why there will be no cost for these families that can use existing state systems, and why they estimate this is an option for 20 percent of families. Some agencies offer training online currently, and the State Department should clarify whether or not agencies can continue the use of online training when complying with the new requirements. Advocacy recommends that the State Department specifically allow adoption agencies to offer the required additional training hours online to save the adoption agencies money and staff time. The State Department should clarify the new training requirements.

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[51] *Id.* at 62,335 ("If the agency or person provides support to orphanages or child-welfare centers in a foreign country for the care of children including, but not limited to, costs for food, clothing, shelter and medical care, or foster care services: (1) The amounts paid should not be unreasonably high in relation to the services actually rendered, taking into account what such services actually cost in the country in which the services are provided; and (2) The agency or person may not require prospective adoptive parents to pay fees or make contributions that are connected to the care of a particular child or are based on the length of time an adoption takes to complete, nor may they arrange, facilitate, or encourage such payments between prospective adoptive parents or any individual, entity or orphanage.").

[52] *Id.*

[53] *Id.* ("The agency or person may not require prospective adoptive parents to pay fees or make contributions that are connected to the care of a particular child or are based on the length of time an adoption takes to complete . . . .").

[54] *Id.* at 62,327.

[55] *Id.* ("States may provide the same training to intercountry adopting families as provided to families adopting from the foster care system in the State at no cost to the families. We anticipate that as many as 20 percent of adoptive families will be permitted to receive the required training through existing State training programs.").

E. *The State Department Should Clarify the Insurance Coverage for "Facilitators"*

Advocacy encourages the State Department to clarify the scope of redefining the "'provision' of an adoption service [to include] 'facilitating' the adoption service."[56] A few adoption agencies that spoke to Advocacy were concerned this change would require adoption agencies to increase their professional liability insurance to cover any and all "facilitators" of adoption services. If this is the intended application by State Department, this could be a very large cost for adoption agencies that should have been included in the RFA section.[57] The State Department should clarify the insurance coverage for "facilitators."

Conclusions

Because the rule as proposed could have a significant economic impact on a substantial number of small entities, Advocacy believes that certification of this rule under § 605(b) of the RFA is improper. In addition, Advocacy is concerned about the lack of clarity in the proposed rule. For these reasons, Advocacy recommends the State Department submit a supplemental notice of proposed rulemaking with sufficient information for a proper RFA analysis. Alternatively, Advocacy recommends the State Department re-propose the rule at a later date, with additional information clarifying the rule and more specific data on costs and average revenue for adoption agencies.

If you have any questions or require additional information please contact me or Assistant Chief Counsel Janis Reyes at (202) 619-0312 or by email at Janis.Reyes@sba.gov.

Sincerely,

Darryl L. DePriest

The Honorable Darryl L. DePriest
Chief Counsel
Office of Advocacy
U.S. Small Business Administration

Katherine M. Moore

Katherine M. Moore
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[56] *Id.* at 62,324.

[57] If adoption agencies do need to increase their insurance coverage, this could be an additional cost of a minimum of $5,000 up to as much as $25,000. An insurance broker in the field discussed this with Advocacy.

Copy to: The Honorable Howard Shelanski
Administrator
Office of Information and Regulatory Affairs
Office of Management and Budget