



**BUDGET VIEWS AND ESTIMATES MARKUP  
MARCH 1, 2017**

**AS PREPARED FOR DELIVERY**

Good morning. I call the Committee on Small Business Budget Views and Estimates meeting to order.

Today's order of business is to consider the Views and Estimates on the priorities of the Committee on Small Business for Fiscal Year 2018.

Since its founding, the United States has relied on small businesses. We're a nation of creators, inventors, and risk-takers. Our economy was structured to be driven by entrepreneurs and, in fact, most net job growth has been from small firms. In the past few years, the growing number and complexity of federal regulations, the health care law, and the tax code have made it increasingly difficult for small companies to compete and thrive globally, and to keep people employed locally.

Although the economy is improving, small businesses still face rough waters. As a result, more small businesses are dependent on the programs of the Small Business Administration, and it is essential that these programs be tailored to yield the most efficient and effective results.

The Small Business Administration, or SBA, has a vital role to play in helping small business owners to expand our economy. SBA's core functions make capital available, provide training and increase the use of small businesses as federal government contractors. However, multiple investigations by the Government Accountability Office, or GAO, and the SBA Inspector



General, or IG, have revealed an agency that has misplaced priorities and management deficiencies.

SBA's first responsibility is to complete the tasks mandated by Congress before it expends funds on its own untested initiatives or entrepreneurial training that duplicates longstanding and proven programs operated by the SBA and its partners such as the Small Business Development Centers and SCORE.

SBA's information technology has long been outdated, and was found by GAO and the SBA IG to be a critical vulnerability.

The Views and Estimates recommend increasing the number of personnel assisting small government contractors to compete in the nearly five hundred billion dollar federal procurement marketplace. They recommend establishing a more transparent regulatory process for SBA's lending partners, strengthening enforcement so only eligible small businesses participate in SBA programs, reallocating funds from SBA's own initiatives to the modernization of SBA's loan management system and reducing agency information technology vulnerabilities.

The end result would be a better SBA; one that delivers results for America's small businesses and for taxpayers.

At this point, I will yield to the Ranking Member, Ms. Velázquez, for any comments she may have on the Committee's Views and Estimates.

