

Opening Statement of
Chairman Steve Chabot
House Committee on Small Business
Job Creation, Competition, and Small Business' Role in the United States Economy
February 14, 2018

AS PREPARED FOR DELIVERY

Good morning. I call this hearing of the Committee on Small Business to order. I appreciate all of you being here, especially our witnesses who have taken the time to work with us on this hearing. Thank you for your time and efforts.

I firmly believe that the American economy is poised for great things. Significant growth is occurring across the nation and Americans, and particularly entrepreneurs, are finally once again optimistic about the future of business. In fact, the National Federation of Independent Businesses Optimism Index of their members recently reached one of the strongest readings in the 45 year history of the survey.

And it's just getting started. Congress has worked hard with the President to end the oppressive regulatory burden of the past several years, and the proof, as they say, is in the pudding. Multinational corporations like Apple, Chrysler, and IBM are again investing heavily in American manufacturing and American jobs, giving the burgeoning economy an enormous boost.

All of that good news comes even before we consider the effect of the significant pro-growth policies of the tax cuts we passed at the end of last year. Again, American companies are stepping up and investing in their infrastructure and their workforce. Because of the tax overhaul, over \$3 billion in bonuses have been given to employees at large companies like AT&T, American Airlines, and Fifth Third Bank.

But it's working for small firms, too; like the \$1,000 bonuses given to Sheffer Corporation's 126 employees in Blue Ash, Ohio just outside my district.

But as always, we can do more. Much more. Our small businesses—the true engines of our economy—unfortunately continue to experience a rigid lending environment.

While large companies can turn to debt and equity markets to raise capital, small businesses all over the country regularly turn to conventional bank lending to finance their projects. And at times, small firms cannot access conventional lending, so they have nowhere to turn for the capital to grow their business and create jobs. Making access to capital easier for small firms has been a priority of this Committee since day one.

Recent research conducted by Goldman Sachs has shown that while some areas of the country have experienced a thawing of sorts in credit markets, the same cannot be said for largely urban and predominately rural areas of our country. For a rising tide to truly raise all boats, we must continue to find ways to help small businesses in these areas revitalize their communities and reap the benefits of a vibrant, growing American economy.

We have an excellent panel of policy experts and small business owners to explain this new research and offer suggestions as to what the federal government can do better. That includes mimicking some of the successes found in Goldman Sachs' *10,000 Small Businesses* initiative that has helped over seven thousand small firms in all fifty states get started or expand. I am looking forward to the discussion.

I now yield to our Ranking Member, Ms. Velázquez, for her opening statement.

