

HASC - Member's Day
National Defense Priorities from Members for the FY
2017 National Defense Authorization Act
(NDAA)

Congresswoman Radewagen: Testimony - H.R. 4340, the Small Business
Contracting and Acquisition Programs Efficiency Act
(SB CAPE Act)

I would first like to thank Chairman Thornberry, and Ranking Member Smith for the opportunity to testify today before the House Armed Services Committee, in regards to *H.R. 4341, the Defending America's Small Contractors Act*. Particularly, I will be addressing Section 505 of Title V of the bill, which I introduced on its own and has been included in *H.R. 4341*.

As you may know, over the past decade, numerous reports issued by the SBA's Office of the Inspector General and the Government Accountability Office have identified structural weaknesses in the SBA's, Office of Government Contracts and Business Development's oversight of personnel, and programs management & controls.

Since FY 2014, 39% of all federal contract dollars have been awarded to small businesses, and in fulfilling its jurisdictional role, the House Small Business Committee is conducting oversight of the contracting programs run by the GCBD. However, because the responsibility for implementing many of the programs rests outside of GCBD, and GCBD having limited influence over those responsible for the day-to-day operations of the program, the opportunity for waste, fraud and abuse is prevalent.

Meanwhile, regulation implementing statutory changes, intended to help small businesses are taking three or more years to implement. Furthermore many of the organizations within GCBD conduct duplicative activities; leaving open the possibility of greater inefficiencies and more bureaucracy for small businesses seeking to compete in the federal marketplace.

Due to their importance, these issues were recently the topic of a hearing conducted by the House Small Business Committee's - Subcommittee on Contracting and Workforce.

As a result of the hearing and subsequent data, I introduced the Small Business Contracting and Acquisition Programs Efficiency Act, or SB CAPE Act, which has become Section 505 of Title V of H.R. 4341, the Defending America's Small Contractors Act.

Specifically, Section 505 requires GAO to:

- Examine the extent to which SBA personnel who carry out certain procurement and business development programs report to the OG CBD,
- Determine whether greater efficiency and consistency in the certification process of the procurement and business development programs could be achieved by creating a single organizational unit of employees to process all certifications required by such programs,
- Determine whether greater efficiency and efficacy in the performance of such programs could be achieved by improving the alignment of the field personnel assigned to them,
- Assess how the OG CBD could improve its staffing of regulatory drafting functions and its coordination with the Federal Acquisition Regulatory Council to ensure timely rulemaking by the SBA, and
- Report on any other areas in which the GAO determines that the SBA could improve its performance with respect to procurement and business development programs.

The report will prove to be a valuable tool in helping Congress to ensure that those offices and programs within the SBA, which are created to help small businesses compete, are fulfilling their statutory mission. The importance this legislation plays in my home district of American Samoa cannot be over-stated, as nearly all of the island's businesses qualify as a small business.

Also, with proper organization, SBA will be a better partner to DoD as it seeks to strengthen the small business industrial base; one of the departments current objectives.

I respectfully encourage the House Armed Services Committee to adopt H.R. 4341, the Defending America's Small Contractors Act and include it in this year's National Defense Authorization Act.

Thank you again for the important work this committee does, and for allowing me this opportunity to testify before you today. With your assistance, I look forward to seeing this important legislation become law.

I yield back the balance of my time.