

Opening Statement of the Hon. Nydia Velazquez  
House Armed Services Committee  
Member Day for National Defense Authorization Act for FY2018

Thank you, Chairman Thornberry, Ranking Member Smith, and Members of this Committee for allowing me to come before you today to testify on the FY2018 National Defense Authorization Act.

The SBA administers a portfolio of Entrepreneurial Development programs, including Small Business Development Centers, Women's Business Centers, and the Service Corps of Retired Executives or SCORE. These initiatives provide aspiring entrepreneurs and existing businesses with counseling, training, technical assistance, and mentorship. This network helps companies at all stages of development overcome challenges.

The agency's network of Small Business Development Centers – or SBDCs – is one such program. SBDCs operate in nearly 1,000 locations across the country and harnesses local community resources. In a single year, this initiative has helped more than 13,000 entrepreneurs launch new businesses. They have also advised nearly 200,000 clients, provided training sessions for over 260,000 attendees, and helped clients obtain \$4.6 billion in financing. Clearly, SBDCs are a vital part of our nation's entrepreneurial ecosystem.

The SBA has also undertaken efforts to connect younger entrepreneurs with more experienced businessmen and women through the SCORE program. SCORE has grown to become one of the federal government's largest volunteer business mentoring programs, with over 11,000 business professionals at over 320 chapters nationwide. By offering advice from real

world professionals, SCORE is helping many business owners within all categories of the entrepreneurial community.

Because small business owners come from all walks of life, the SBA has initiatives targeted at specific demographic groups.

One of those programs is the Women's Business Centers—or WBCs. They provide in-depth counseling, training, and mentoring to small firms. In FY 2015, over 100 WBCs reached 130,000 clients and helped 700 new businesses get started.

With respect to each of these programs, it is vital that taxpayer resources are being used wisely and to maximum effect. I think we can all agree that these programs offer our nation's job creators vital tools to help our economy grow.

That is why Chairman Chabot and I, along with the other Members of the Small Business Committee, came together to author H.R. 1774, the Developing the Next Generation of Small Businesses Act of 2017. This bipartisan bill streamlines these programs and makes them more effective.

This bill amends the Small Business Act by eliminating unproven pilot programs and requiring clearer metrics for data collection for SBDCs. It also clarifies rules allowing for fee collection, marketing, and privacy requirements for SBDCs.

H.R. 1774 also reauthorizes the SCORE program for FY2018-FY2019 and ensures that the SCORE program and each of its chapters operates more effectively in rural areas, economically disadvantaged and traditionally underserved communities. They will also be required to develop and implement plans to use

electronic and web-based initiatives and the development of new skills by participating volunteers.

Even though female entrepreneurship is on the rise, there remain significant challenges, making WBCs even more critical. That is why this bill revises the duties of the Office of Women's Business Ownership to assist women entrepreneurs to start, grow, and compete in global markets. It also directs the SBA to establish standards for a program to accredit eligible entities receiving a grant to operate one or more WBCs.

Small businesses are the backbone of the American economy and we should provide our entrepreneurs with the resources they need to succeed – and that is what H.R. 1774 does. Therefore, I strongly encourage the complete bill's inclusion, along with

H.R. 1773, the Clarity for America's Small Contractor's Act, in the FY 2018 National Defense Authorization Act.

I want to thank you again for allowing me to testify here today and I yield back.