

Statement of Congresswoman Eleanor Holmes Norton
Committee on the Budget
Members' Day
March 23, 2021

Thank you for the opportunity to testify today. I ask that you mark up my Federal Government Advertising Equity Accountability Act, designated as H.R. 2576 in the 116th Congress, which would require all federal agencies to include in their annual budget requests to Congress the amount they spend on advertising contracts with small disadvantaged businesses and businesses owned by minorities and women. This bill would require federal agencies to provide prior and projected total expenditures for such contracts. In the past few years, working with Representative Barbara Lee, we have been able to get reports accompanying the appropriations bills to direct agencies to provide this information in their budget requests. This bill, which had 13 cosponsors last Congress, would make such reporting mandatory every year.

In 2007, the Government Accountability Office examined spending on advertising contracts with minority-owned businesses by five agencies—the Department of Defense, the Department of the Treasury, the Department of Health and Human Services, the Department of the Interior and the National Aeronautics and Space Administration—and found that only five percent of the \$4.3 billion available for advertising contracts went to minority businesses.

In April 2016, several Members of Congress joined a letter to the Government Accountability Office requesting information on the amount of federal advertising dollars spent on small disadvantaged businesses and businesses owned by minorities and women. In response to our request, the Government Accountability Office released a report in July 2018, which showed that in fiscal year 2017, only 16 percent of the federal government's advertising contract obligations went to small disadvantaged businesses and businesses owned by minorities and women.

The federal government is the largest advertiser in the United States, and it has an obligation to ensure equitable access to its contracts for small disadvantaged businesses and businesses owned by minorities and women. The Government Accountability Office's findings make it clear that there is still much progress to be made. This bill would mandate the regular collection of information on federal advertising contracts with small disadvantaged businesses and businesses owned by women and minorities, promoting transparency and encouraging federal agencies to strive to reach these constituencies.

The regular collection of information on federal advertising contracts with small disadvantaged businesses and businesses owned by women and minorities, along with the provision of this information to legislators and stakeholders, is essential to bridging the divide between what current statistics show and a more inclusive advertising landscape. This bill would achieve these goals while also promoting transparency and encouraging federal agencies to strive to reach minorities, who often receive their daily news from smaller media outlets that serve communities of color. The requirement that agencies submit prior and projected information regarding the amount of advertising dollars spent with small disadvantaged businesses and businesses owned by minorities and women would allow federal agencies to evaluate their

progress over time. The regular collection of this information would also demonstrate that the promotion of equity in advertising, and in all areas of government, should be a continuous effort that is important to the mission of every agency.

I ask that you mark up this important bill. Thank you for your consideration.