

**Statement of
The Honorable Steve Chabot
Chairman
Committee on Small Business
Hearing on Committee Funding
Committee on House Administration
Washington, DC
February 4, 2015**

Thank you, Chairwoman Miller, Ranking Member Brady, and Members of the Committee, for the opportunity to discuss the 2015 budget request of the Committee on Small Business.

In 1941, Congress created the first House Select Committee on Small Business to protect and assist small firms. In 1975, it became a permanent full committee because of the growing importance of small businesses. Today, the majority of America's jobs are created by small businesses across America. They are essential to economic growth, and the Committee's mission to help entrepreneurs is more important than ever.

Although the Committee's legislative jurisdiction is narrow, it includes the Small Business Administration's loan, entrepreneurship and economic development programs that our nation's innovators count on to help them create jobs and grow our economy. In addition, our legislative jurisdiction includes federal contracting programs that help small businesses to compete for business with the federal government, expand our industrial base and save taxpayer dollars.

Conversely, the Committee's oversight jurisdiction is vast, encompassing every issue that touches small businesses. Our committee helps small businesses in every community and Congressional district across America. A commitment to fund this committee is a commitment for us to help small businesses.

Traditionally, the Committee has had only full Committee staff, and no subcommittee staff, so our staff has been smaller in size. For 2014, the Committee was authorized \$3,022,614. In 2014, our Committee of 24 Members of Congress received the second lowest authorization of any of the 20 House committees.

The Small Business Committee has a proud tradition of accomplishment. In the last Congress, the Committee held 80 hearings, including 34 full committee hearings, 46 subcommittee hearings and 6 field hearings. We provided aggressive oversight of the Administration across 17 agencies. Legislatively, the Committee had great success. The Committee reported 8 measures, including 6 that encompassed significant federal contracting reforms. Parts of four of those bills were signed into law as part of the Fiscal Year 2015 National Defense Authorization Act (NDAA).

Importantly, House Armed Services Committee Chairman Thornberry has said that he plans to undertake a significant revision in the federal contacting law this year. If our Committee is to actively participate in this reform, which it should, it will require additional resources. In the past, these efforts have involved travel and other financial commitments by the Committee.

The Committee also developed a number of communications tools, legislative and regulatory tracking charts and other helpful resources for Members and small business owners. In addition, the Committee has a history of giving its freshmen Members a unique chance to participate fully in its leadership, hearings and other activities.

We intend to build on this success, while continuing our Committee's record of bipartisan cooperation to enact policies to help our nation's small businesses. The Committee has traditionally provided one third of its resources to the minority, over which they have full control. We are grateful to the Ranking Member for her willingness to work collegially to meet our responsibilities to small businesses.

Today, we are here to discuss the Committee's request for 2015. Our Committee has a tradition of excelling on a lean budget. We believe federal spending must be reduced, and we have always done more with less. But to carry out our mission -- to help small businesses, our nation's job creators and economic growth in every Member's district across the country -- we have more work to do.

The bulk of our funding is obligated for personnel. Currently, we have 29 staff members (20 majority; 9 minority) who are running the Committee and meeting our legislative and oversight responsibilities. As both policy and administrative staff have been juggling numerous issues and duties, it would be helpful to have several more people. The Committee's computers are outdated and the website needs to be redesigned. We have not acted on these items previously so that we did not begin 2015 as overextended. The modest increase we have requested in our resolution would help to address these needs.

Because most of the Committee's budget is spent on personnel, we do not have a great deal of non-salary spending to reduce. Communications, equipment, supplies and reference materials provide the tools that we use for our legislative and oversight work. Cuts in these areas would also compromise our ability to produce results. The budget that we have submitted requests a modest 3.5% increase. A level funded budget would not allow us to stay current, given our staffing requirements and outdated equipment.

We appreciate the very difficult process that is before the House Administration Committee. Thank you for this opportunity to discuss our budget. I would be pleased to answer any questions.