

**Written Statement of
The Honorable Steve Chabot
Chairman
Committee on Small Business
Hearing on Committee Funding
Committee on House Administration
February 15, 2017**

Thank you, Chairman Harper, Ranking Member Brady, and Members of the Committee. I appreciate the opportunity to discuss the 2017 budget request of the Committee on Small Business.

I would like to take a moment to recognize our Committee's Ranking Democratic Member, Congresswoman Nydia Velázquez, with whom I have served for several years -- with one of us as Chair and the other as Ranking Member. We have an excellent working relationship, and I know we will continue to build on the Committee's strong record of accomplishment for entrepreneurs.

Since its founding, America has relied on small businesses to turn ideas into economic opportunity. Some have, by choice, remained small and become pillars of their communities. Others have grown into the large companies of the 20th and 21st centuries that dramatically changed how Americans and others around the world go about their daily lives.

For much of its history, our government crafted policies that focused on spurring commerce. As a result, most new jobs are created by small businesses, and 50 percent of Americans are employed by small businesses. Recently, however, that emphasis has changed. Rather than encouraging economic growth, Washington has imposed a regulatory regime that can only be described as "death by a thousand cuts." It can be said that the single biggest problem facing America's entrepreneurs is overly burdensome regulations.

Small businesses are still struggling in a difficult economy. The stakes could not be higher for small firms, and the role of the Committee on Small Business is increasingly vital. Our legislative jurisdiction is narrow, but this Committee brings critical oversight scrutiny and public attention to the vast array of issues that confront small business owners in every Congressional district: accessing scarce capital; unfair labor regulations; tax complexity; crushing energy rules; and the unworkable Dodd-Frank law.

We are pleased that the new Administration shares many of our policy views and priorities. While we are hopeful of progress, our past experiences with oversight remind us that our duty to the taxpayer in keeping Washington accountable has not diminished. Accountability and oversight are nonpartisan values and we will remain vigilant. Additionally, every major piece of legislation that makes its way through Congress will impact small businesses in some way. We must have the resources to ensure that America's 28 million small businesses, and the millions of families that depend on them, are considered in every debate from healthcare reform to the repeal of Dodd-Frank to the Farm Bill to the National Defense Authorization Act, and others.

Our Committee is fortunate to have representatives not only from coast to coast and everywhere in between, but also beyond. We have two Members who represent the people of the U.S. territories of American Samoa and Puerto Rico. The small businesses of these islands are valuable players in the American economy and may well hold the key to help further unleash the power of entrepreneurship and innovation. We must have the resources to ensure that these constituents are considered and heard.

We are proud of the Committee's accomplishments in the 114th Congress. The Committee was extremely productive: we held 75 hearings, including 5 field hearings; engaged in aggressive oversight of the Administration across 27 agencies; reauthorized important research grant legislation; enacted major federal contracting reforms; and utilized crucial communications tools to reach out to small businesses across America. We have partnered with a number of other House committees on hearings and oversight, and served as a resource for all Members of the House who request assistance for their small business constituents. During the 114th Congress, the Committee reported 8 broad legislative measures which incorporated many smaller bills, 11 of which passed the House and were signed into law. These successes included major federal government small business contracting reforms; bills to increase entrepreneurs' access to capital; assistance for veteran entrepreneurs; improvements to the popular Small Business Innovation and Research (SBIR) and Small Business Technology Transfer (STTR) programs; and small business protections from cyber security threats. I am pleased that the Committee has made these accomplishments by working in our customary bipartisan manner, and on a very lean budget. The Committee expects to be equally vigorous in the 115th Congress, and additional staff is needed to share the workload.

The Committee took aggressive steps on oversight in the 114th Congress. For example, the Committee responded quickly to the Wells Fargo account incident, holding the company accountable for the impact on its small business customers. We joined with other House committees to fight back against the Obama Administration's flood of labor, environmental, health care, tax and procurement regulations and Executive Orders that affect small businesses in Committee hearings, roundtables, briefings and agency comment letters. Our plans are to move even more forcefully on oversight in the 115th Congress. Providing this kind of tough oversight requires additional professional staff, who will need equipment, including computers, on-site and off-site servers, printers, supplies and office space. The Committee has secured space in the O'Neill House Office Building which we plan to utilize.

Traditionally, the Committee has provided a full one-third of Committee resources to the minority, which they control. We appreciate the difficult decisions that the Ranking Member has made to ensure that we stay within our allotment while also meeting our important responsibilities.

For the 114th Congress, the Committee was level funded at \$6,045,228.00. Over the last two years, we have purchased much needed equipment, replaced computers and a copier, and redesigned the Committee's website. Both the majority and minority staffs reorganized to boost efficiency, redistributing duties to other staff members to save funds.

Today, we are here to talk about the Committee's needs going forward. Our professional staff is severely strained. Experienced staff are essential to our work, and we need to hire additional professional staff and dedicated investigative staff just to maintain the status quo. We do not have significant non-salary spending to cut, as these categories give us the tools needed to do our work: materials, supplies and equipment.

A new Administration has focused us on the need to closely monitor news, and media subscriptions are very expensive. In addition to traditional media, for examples, our government contracting and financial services professional staff need subscriptions geared to these sectors to remain informed.

We appreciate the tough decisions that the Committee must make. We hope you will consider what we have achieved, and allow us a very modest 4% increase to continue working hard for America's best job creators.

I thank the Committee, and I would be pleased to answer any questions.