

**Minority Views**  
**H.R. 7128, The WOSB Integrity Act**

SBA's Women-Owned Small Business (WOSB) Program is designed to help level the playing field for women-owned small businesses and economically disadvantaged women-owned small businesses (EDWOSBs) in the federal marketplace. The federal government attempts to expand contracting opportunities for WOSBs in two main ways: (a) setting an overall goal of sending 5% of federal contracting dollars to women-owned firms and (b) using certain authorities to make it easier to contract with women-owned firms. These authorities allow contracting officers to set-aside a contract exclusively for WOSBs competition and allow contracting officers to sole source contracts to a WOSB firm, when certain conditions are met.

The federal government topline goal of 5% of federal spending for WOSBs has only been met twice and federal agencies routinely miss their individual WOSB goals.

To participate in the WOSB program, the firm must be: (a) a small business; (b) owned and controlled by one or more women who are U.S. citizens; (c) have women manage day-to-day operations and make long-term decisions; and (d) be certified by the SBA, or a national certifying entity approved by the SBA.

The IG has stated that SBA is required to verify that WOSB program applicants meet the program criteria, including that the firm meets the small business size requirements. The Inspector General further believes that SBA's implementation "is inconsistent with the statutory requirement for SBA to certify the business meets program requirements."<sup>1</sup>

The language and the intent of this legislation are to align the SBA's implementation of the WOSB program with the IG's recommendation that "program officials should establish procedures similar to the third-party certifiers, HUBZone, and 8(a) programs to ensure analysts consistently verify that WOSB applicants are small businesses."

The authors of this legislation deliberately and specifically included the rule of construction in subsection (c) to ensure that implementation is aligned with the IG's comments: "OIG acknowledges that a size determination is a specific process and is not recommending SBA perform size determinations for each applicant." The committee does not intend for SBA to conduct a size determination for WOSB program applicants.

Sincerely,



Nydia M. Velázquez  
Ranking Member

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<sup>1</sup> "SBA Inspector General Audit Report: SBA'S Implementation of the Women-owned Small Business Certification Program." Report Number 22-20, September 29, 2022: <https://www.sba.gov/sites/sbagov/files/2022-09/SBA%20OIG%20Report%2022-20.pdf>.