

Eric Bunn Sr. National Secretary-Treasurer Dr. Everett B. Kelley National President **Dr. Kendrick B. Roberson** NVP for Women & Fair Practices

April 30, 2025

Dear Representative:

On behalf of the American Federation of Government Employees, AFL-CIO (AFGE), which represents over 800,000 federal and District of Columbia employees in more than 70 agencies, I write urging you to oppose H.R. 2027, the "Returning SBA to Main Street Act." This bill would require the Administrator of the Small Business Administration to relocate 30 percent of the employees assigned to headquarters to duty stations outside the Washington metropolitan area. SBA has over 800 employees in the headquarters in Washington, D.C. and approximately 8,500 employees in total, including those in 68 district offices across the country.

H.R. 2027 would cause the loss of highly trained and skilled SBA employees with decades of institutional knowledge, training, and expertise in their local market and established connections to local lenders and small businesses allowing them to provide critical services to the American public in times of great need. The bill's proponents significantly overestimate the cost of keeping the agencies in the DC area. In addition to the direct costs of the relocation, the resulting brain drain from this massive loss of talent will severely damage SBA, and it will take years to rebuild the highly specialized workforce. SBA could be forced to outsource work to entities outside the federal government and acquire additional space placing significant financial strain to the Agency and the American public.

This legislation is harshly punitive toward employees whose only transgression is that they happen to live in the Washington metropolitan region and would be denied even basic relocation costs if they choose to remain with the agency placing a significant financial burden on employees. Further, the legislation supersedes the collective bargaining agreement between SBA management and bans private rights of action by employees, effectively preventing employees from seeking redress if their rights are violated in the process of the relocation.

Further, this bill would limit an employee's ability to participate in union activities, including limiting protections under a collective bargaining agreement or master labor agreement and banning a private right of action for wrongful termination. Collective bargaining rights were enshrined in Title 5 of the U.S. Code at agencies across the federal government and taking them away would destroy the modern civil service system. Title 5 rights ensure that employees can work in a healthy and safe work environment. Title 5 rights help ensure speedy resolution of workplace grievances that are common to any enterprise in the public or private sector. If left unchallenged, it will be American taxpayers who suffer the most when the services they depend on deteriorate.

AFGE urges the Committee to oppose H.R. 2027, the "Returning SBA to Main Street Act." For questions or more information please contact Fiona Kohrman at <u>Fiona.Kohrman@afge.org</u>.

Sincerely,

Daniel M Hounvitz

Daniel Horowitz Acting Legislative Director