



FOR IMMEDIATE RELEASE  
October 4, 2007

Contact:  
Molly Brogan  
VP of Public Affairs  
202-552-2904  
press@nsba.biz

### **NSBA President Testifies on Federal Contracting**

NSBA President Todd McCracken testified today before the House Committee on Small Business to discuss legislation aimed at updating SBA's contracting programs. While noting the committee's dedication to improving the system, McCracken was critical of the fact that despite small firms comprising 99.7 percent of all employers, and generating two-thirds of all net new jobs over the last decade, small firms continue to receive only a fraction of federal contracting dollars.

In FY 06, small companies received 19 percent of federal contracting expenditures, according Eagle Eye Publishers. A number McCracken cited as being disastrous not only to entrepreneurship, but to innovation within the federal government

“Federal procurement is not just of singular importance to many small businesses—small-business participation is crucial to a healthy and competitive federal procurement process,” said McCracken.

Another key issue at the hearing was the need to eliminate fraud and ensure reliable and accurate data. Citing a recent nation-wide NSBA survey, McCracken stated that more than 20 percent of small businesses reported losing out on a federal procurement opportunity that instead went to a large firm identified as a small business.

“Allowing large companies to masquerade as small businesses is an affront to the will of Congress and a breach of the trust of the American people,” McCracken stated.

According to the SBA's first ever Small Business Procurement Scorecard, 17 federal agencies failed to meet their overall small-business procurement goals in FY 06. McCracken applauded the Committee for its leadership on the issue, and their work in attempting to address needed reforms through *Small Business Contracting Program Improvements Act of 2007*.

Since 1937, NSBA has advocated on behalf of America's entrepreneurs. Reaching more than 150,000 small businesses, NSBA is proud to be the first national small-business advocacy organization in the United States.

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