

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6515

Statement of Ranking Member Nydia M. Velázquez
Committee on House Administration Hearing:
“Review of the Use of Committee Funds of the 112th Congress”
November 30, 2011

Thank you, Chairman Lungren and Ranking Member Brady. I appreciate the opportunity to return before the committee today and provide you with an update on how the 2011 and 2012 funding cuts will affect the operations of the Committee on Small Business.

As the economic downturn continues to take its toll, one group that is hard pressed are the nation's small businesses. Yet history has indicated that precisely during times of financial strain, small businesses have paved the way towards stability and job creation.

Given the important role that small businesses play in our economy, the work we do on the Committee on Small Business is crucial. Over the past eleven months, Chairman Graves has held numerous hearings covering the issues of importance to entrepreneurs. As I've said before, this committee is unique, given the vast array of issues that we have to deal with: financial services, taxes, regulations, agriculture, trade, procurement, health care, the list goes on and on. Such a wide range of issues requires vast expertise in each field.

Initially we started off this year with a 5% cut in funding; that was already a challenge in and of itself. That cut represents monies that could have gone towards operational costs. Mr. Chairman, I run a bare bones operation. While I understand the cuts are all around, I don't have to tell you that working with a smaller budget has its challenges. We've barely managed this first round of cuts and are bracing ourselves for the next round.

An additional 6.4% reduction in funding is going to have a significant impact on my office. As you may recall, historically, this committee has repeatedly received the smallest funding of all committees. A second round of cuts will make it even more challenging. We'll have to examine our operational costs to see where and if we are able to cut expenses as our office already runs with the bare necessities. I'm afraid that with these cuts we'll have to resort to attrition, thus losing valuable staff. This also means foregoing field hearings which give us the opportunity to hear from entrepreneurs outside the Beltway.

It took this committee close to 20 years to receive funding that was on margin with inflation. Nevertheless --- and I can't say this enough --- I am concerned whether this budget will allow Chairman Graves and myself to meet all of our commitments. Small businesses turn to this committee time and time again. We need the resources to serve them properly and efficiently. With less funding available to pay staff salaries, subscriptions, equipment, it will be a challenge to fulfill this committee's oversight responsibility.

Chairman Graves and I are committed to small businesses and our committee members. We are focused on helping small businesses with the support they need in order to help them create jobs. The jobs this country needs so desperately right now.

Thank you Mr. Chairman. I appreciate your time and would be happy to answer any questions that you or the committee may have.