

**Statement of
The Honorable Sam Graves
Chairman, House Committee on Small Business
Hearing on Committee Funding
House Committee on Administration, Washington, DC
March 1, 2011**

Thank you, Mr. Chairman, for the opportunity to present the budget request of the Committee on Small Business for the 112th Congress.

It is an honor to have the opportunity to lead the Committee on Small Business at a critical time for our nation's economic recovery. In our nation's history, it has always been small business that has been the engine of innovation, job creation, and economic growth. It is critical that we create an environment that allows small businesses to thrive and fulfill this important role in our economy. However, the expansion of government in recent years and corresponding regulatory activity present additional hurdles that threaten to stifle small business creation, survival, and growth.

The Small Business Committee has a lot of work to do. We have adopted an aggressive and comprehensive oversight plan to examine the value and efficiency of government programs designed to assist small business as well as the regulatory and paperwork burdens placed on small businesses by numerous Federal departments and agencies. Today, small businesses are paying more than \$10,000 per employee to comply with Federal regulations – this is simply unacceptable. The Committee will also examine our nation's tax, health care, energy, and trade policies to determine the impact on small business and how we can do better.

The Committee's work will not be limited to hearings in Washington. We plan to do a significant amount of work in the communities where small business men and women are doing their work. Not only will we conduct field hearings, but the committee will also hear from small businesses through roundtables and provide services to small businesses through educational events that give them information and tools to succeed.

Further, I commend the Speaker for his support of the committee structure in the House and his intent to rely on committees to do the legislative work they were designed to do. In the 112th Congress, committees will be more active than ever and the result will be greater deliberation and transparency in the legislative process. The Committee on Small Business anticipates significant legislative activity around SBA programs, federal contracting, and regulatory reform.

While the importance and volume of the Committee's work is anticipated to be great, we are presenting a budget request of \$6.874 million, which is 5 percent less than the funding authorized in the 111th Congress. Ranking Member Velazquez's office has provided us with their projections, and while we are not able to fully fund all anticipated expenses, the minority will have *full* control over one-third of the Committee's budget.

A large portion of our budget will be spent on personnel to ensure we have the caliber of staff to do the significant oversight work we have planned, as well as the staff to do the outreach work outside of Washington that is an important component of our plan. An increase in the travel budget reflects this priority as well.

In line with the goals of transparency and communication beyond the beltway, we anticipate some additional technology needs that will allow us to stream video via the Internet and better capture information from small business men and women who wish to offer their feedback and ideas.

Otherwise, our budget will remain fairly flat. We have reviewed the expenses in the last Congress, which were modest in nature, and we have made minor adjustments.

Overall, I believe the Committee is offering a reasonable, rational budget that will allow us to implement our plans to create the most hospitable environment for small businesses to thrive and create jobs for America's workers.

Thank you, Mr. Chairman and members of the Committee for your consideration of this request. I am pleased to take any questions.