

OPENING STATEMENT AS PREPARED FOR DELIVERY



Opening Statement of Chairman Cresent Hardy

House Committee on Small Business

Subcommittee on Oversight, Investigations, and Regulations

Hearing: “The Cumulative Burden of President Obama’s Executive Actions on Small Contractors”

September 13, 2016

Good morning. I call this hearing to order. I would like to start by thanking the witnesses, especially the small business owners who have traveled here from different parts of the country, for being here. Today, we are going to take a look back at all of the executive actions President Obama has taken throughout his presidency that have had a direct effect on federal contractors. More specifically, we want to examine how those actions have affected the small firms that do business with the federal government. Throughout this Congress, our full committee, as well as several of our subcommittees—including mine and Mr. Hanna’s— have held hearings highlighting the negative outcomes of several of these actions, doing our best to defend the small business community. Regrettably, President Obama either wasn’t listening, or worse, simply ignored our appeals. For example, last September Mr. Hanna and I held a joint hearing to discuss the negative outcomes small businesses would face should Executive Order 13,673, commonly referred to as the “Blacklisting Rule,” become final.

We received testimony at that hearing that it would “undermine the government’s long-standing policy of maximizing contracting opportunities for small businesses,” and that it was an opportunity to “extort settlements out of small businesses.” These pleas were ignored by the Department of Labor and the Blacklisting rule became final on August 24th. The Blacklisting rule is but one of many new federal regulations that have been spawned by Presidential decree, hampering economic growth in our small business community. Aside from circumventing the Congress’ legislative authority, I am particularly concerned that these executive actions will lead to fewer small businesses participating in the federal marketplace. We need a healthy industrial base, with many small businesses working to provide the government with innovative goods and cost-effective services. When fewer small businesses compete for federal contracts, the outcome will be less innovation and higher cost for taxpayers.

Regrettably, this exodus has already started. We currently have 100,000 fewer small businesses registered to do business with the federal government than we did just 4 years ago. This is not good for the United States. In meeting after meeting with my constituents back home in Nevada, and listening to small business testify here before our subcommittee, I have come to the conclusion that that Washington regulators, and particularly those appointed in the Obama Administration, do not understand how much their actions affect the day to day operations of small firms. That is unfortunate and I hope to work with this Administration to make them understand just how difficult they are making it for our small federal contractors. We have an outstanding panel with us this morning and I am very interested to hear how bad it is getting out there for our small federal contractors.

If we keep yelling, maybe the President will finally hear us. I now yield to our Ranking Member, Ms. Adams, for her opening statement.

