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United States Senate

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COMMITTEES
ARMED SERVICES
AGRICULTURE, NUTRITION
AND FORESTRY
ENVIRONMENT
AND PUBLIC WORKS
SMALL BUSINESS
AND ENTREPRENEURSHIP

The Honorable Isabella Casillas Guzman
Administrator
United States Small Business Administration
409 3rd Street, SW
Washington, D.C. 20416

Dear Administrator Guzman:

I write to express my concern that the federal government has yet again failed to reach the legally required contracting goals for service-disabled, veteran-owned small businesses over the last ten years. It is of vital importance to ensure that the federal government is meeting its obligations under law for those that have sacrificed so much for this country.

As you know, the federal government is required to allocate at least three percent of government-wide prime contracts and subcontracts each year to small businesses owned by service-disabled veterans. However, the Small Business Administration (SBA) has noted that the federal government has failed to meet the overall prime contracting goal for service-disabled small businesses for two out of the ten years, and has also failed to meet the subcontracting goal for all of the last ten years. In 2020 alone, seven agencies failed to meet the prime contracting goals and sixteen failed to meet the subcontracting goals.

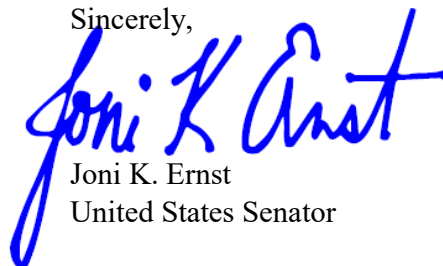
Fulfilling our promises to service-disabled veteran small business owners is not simply a suggestion but an obligation of the federal government. It is a law that should not, and cannot, be ignored. Despite this mandate, the SBA has yet to develop a strategy to ensure that federal agencies reach these government-wide goals.

Small businesses are the backbone of the American economy. As such, it is vitally important to ensure that the federal government maintains the integrity of the promises made to service-disabled veteran-owned small businesses related to federal procurement. With this in mind, I respectfully request that you provide answers to the following by October 7, 2022:

1. How does the SBA plan to hold federal agencies accountable for failing to meet the procurement goals for small businesses owned by service-disabled veterans?
2. Will the SBA provide publicly available guidance to federal agencies to meet these goals? If so, please provide a copy of the guidance.
3. Will the SBA provide training to agencies' procurement staff that fail to meet these goals to provide greater contracting opportunities for small businesses owned by service-disabled veterans?
4. How can small businesses owned by service-disabled veterans be incorporated into strengthening supply chains to combat inflation?

The SBA cannot continue to fail our veterans in this way. I look forward to working with you to address the failure of federal agencies to fulfill their promises to small businesses owned by service-disabled veterans, and to protect our economic security.

Sincerely,



Joni K. Ernst
United States Senator

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