



July 16, 2020

The Honorable Marco Rubio
Chair
Committee on Small Business & Entrepreneurship
U.S. Senate
428A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Nydia M. Velázquez
Chair
Committee on Small Business
U.S. House of Representatives
2361 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Ben Cardin
Ranking Member
Committee on Small Business & Entrepreneurship
U.S. Senate
428A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Steve Chabot
Ranking Member
Committee on Small Business
U.S. House of Representatives
2361 Rayburn House Office Building
Washington, D.C. 20515

Dear Chair Rubio, Chair Velázquez, Ranking Member Cardin, and Ranking Member Chabot:

Thank you for your continued support for women-owned businesses in their efforts to stay in business and retain their workforce during the COVID-19 pandemic. We believe that recovery depends on assistance to small businesses from the public and private sector. Women Impacting Public Policy (WIPP) is a national nonpartisan organization advocating on behalf of women entrepreneurs.

According to a recent article by McKinsey & Company, *US small-business recovery after the COVID-19 crisis*, “The survival of US small businesses across the economy will require new business models and technology solutions that few have the resources to finance.” The article goes on further by saying, “But those solutions will not be easy and will require an economy-wide effort to provide financing, restore demand, and improve small businesses’ capability and resilience.”

New technology is required for many small businesses, given remote work requirements, meeting platforms, data privacy concerns and the need for greater efficiency. Additionally, the federal government is requiring new technology through its new mandatory certification for Department of Defense contractors (Cybersecurity Maturity Model Certification - CMMC) and Section 889 Part B implementation for all contractors.

The requirements needed to stay afloat during the pandemic require investments that few businesses are prepared to make in a pandemic. We urge the Congress to consider funding technology grants to businesses who need this investment to overcome the obstacles. We suggest grants rather than loans due to the complexity of administering a loan. The Small Business Administration (SBA) has experience in administering technology grants such as its Federal and State Technology (FAST) Partnership program. Although geared toward the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR), the program could be redirected to this critical mission through SBA's Office of Technology and Innovation.

We urge Congress to take additional steps to stimulate opportunities for small businesses by making much needed changes in federal contracting:

1. Increase small business participation in federal contracts by increasing the 23% government-wide goal set in 1988 for small business contract awards. In FY18, the government spent \$550 billion on goods and services. One percentage point would equal \$5.5 billion. Increasing the small business goal even one percentage point would be a major boost to small businesses.
2. Pass S.1981/HR.3633, the *Women and Minority Equity Investment Act of 2019*. Now more than ever, women need access to capital. This bill would remove an obstacle for women- and minority-owned firms who seek equity investment but want to keep their socio-economic status.
3. Raise sole source thresholds for women, veterans, HUBZone companies and individually-owned 8(a) firms as passed by the House (H.R. 190) and proposed by Senators Cardin and Rubio in the Small Business Committee's SBA reauthorization draft.

Lastly, we urge you to improve the nation's technology infrastructure which has been proven to be lacking during the pandemic. Better broadband and more capacity are necessary to conduct commerce and education in an online environment. Shovel ready projects will also boost the ability of businesses to maintain their workforce.

Women-owned businesses are innovating to weather the economic storm brought on by the COVID-19 pandemic. At this critical juncture, 11.6 million women business owners ask for your help to assist in the nation's economic recovery. If we can assist you in anyway, please do not hesitate to contact me at cwaterman@wipp.org or 202-872-5517.

Sincerely,



Candace Waterman
President & CEO
Women Impacting Public Policy (WIPP)