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ANGELA STYLES TESTIFIES BEFORE HOUSE COMMITTEE ON SMALL BUSINESS
Former Administrator for Federal Procurement Policy Warns Current System Too
Complex, Burdensome for Small Businesses

Washington, D.C. – October 4, 2007: Crowell & Moring LLP Government Contracts Group partner Angela B. Styles testified before the U.S. House of Representatives Committee on Small Business today regarding legislation that will affect how thousands of small businesses seek federal contracts under the Small Business Administration's (SBA) contracting programs. Styles, the former Administrator for Federal Procurement Policy in the Office of Management and Budget at the White House, warned that current contracting offices are understaffed in the wake of increased federal spending and that small business contractors are overwhelmed with a maze of complicated regulations and statutes.

"I have come to strongly believe that the system is too complex for either federal contracting officers or small businesses to understand," Styles said. "I am particularly concerned that the more complex this system becomes, the greater the opportunity for fraud, abuse, and simple error. Through technology and simple clarifications in the law, Congress can dramatically improve the system for small business contracting and foster the public's faith in the integrity of the contracting system."

In her role at the White House, Styles had direct responsibility for developing procurement policies to promote the achievements of small business goals, aggressively fighting to ensure that America's small businesses had maximum access to federal procurement opportunities. At the hearing, she warned of a series of factors contributing to greater problems and excessive hurdles for small business contractors.

"In essence, we have half the contracting officers spending double the money in a constantly changing and complex regulatory environment with minimal training on small business issues. Many small businesses give up trying to understand the regulatory complexities or make unintentional errors in application," Styles said.

Speaking before Chairwoman Nydia Velazquez (D-N.Y.) and other members of the Committee, Styles recommended improvements for the system, such as:

- creating a single automated point of entry for small businesses through the SBA;
- directly populating the Central Contractor Registration with information from the single automated point of entry, thus reducing the many locations a business would provide information and reducing opportunities for error and abuse;
- and simplifying and automating the decision making process for contracting officers so that they are able to prioritize and work more effectively.

Commenting on pending legislation, Styles said, “While many of the legislation changes being considered are perfectly targeted at solving real problems in the system, there will be unintended consequences of adding a new layer of complexity that our overburdened federal contracting workforce will have difficulty implementing and small businesses will have difficulty understanding.”

“The most vital objective in this arena is a commitment to the inclusion of small businesses in the federal contracting process. The statutes and regulations should be clear and easy to understand, and the information regarding these programs should be accurate. Everyone benefits when small businesses are allowed to compete.”

Other witnesses at the hearing included the Hon. Steven C. Preston, Administrator, U.S. Small Business Administration; Todd McCracken, president of National Small Business Association; and Margot Dorfman, CEO of US Women’s Chambers of Commerce.

For a copy of Styles’ testimony, click here: www.crowell.com/pdf/Styles_Testimony.pdf

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