

Congress of the United States

Washington, D.C. 20515

March 23, 2022

The Honorable Gene L. Dodaro
Comptroller General
U.S. Government Accountability Office
441 G St., NW
Washington, DC 20548

Dear Comptroller General Dodaro:

During National Veterans Small Business Week, Committee on Small Business Republicans held a roundtable event highlighting veteran-owned small businesses. Through skills honed while serving their country, veterans across the nation are striving to serve their customers with the next great American product or service.

Among the many topics discussed at the roundtable was the issue of access to capital for veteran entrepreneurs. Acquiring capital to start, grow, or expand a business is a challenge for those who formally served in the military.¹ According to the Small Business Administration (SBA) and the Federal Reserve Bank of New York, recent data shows “that veteran-owned businesses face greater difficulty in accessing capital relative to nonveteran-owned businesses.”² Moreover, 60 percent of veteran-owned businesses indicate that their financial needs haven’t been met.³

As Ranking Member of the Committee on Small Business and as Ranking Member of the Committee on Veterans’ Affairs, we believe it is imperative to study and examine access to capital issues for all small businesses, including those owned and operated by veterans. Given the SBA’s role in assisting the nation’s job creators, it is critically important to better understand how they are serving veteran-owned small businesses including how

¹ FED. RESERVE BANK OF N.Y. AND U.S. SMALL BUS. ADMIN., FINANCING THEIR FUTURE: VETERAN ENTREPRENEURS AND CAPITAL ACCESS (Nov. 18, 2018), *available at* <https://www.newyorkfed.org/medialibrary/media/smallbusiness/2017/report-on-veteran-entrepreneurs-and-capital-access.pdf>.

² *Id* at 2.

³ OFFICE OF ADVOCACY, U.S. SMALL BUS. ADMIN., MILLENNIAL VETERAN ENTREPRENEURSHIP: RESEARCH ON THE NEXT GENERATION OF VETERAN ENTREPRENEURS (Jun. 29, 2021), *available at* <https://cdn.advocacy.sba.gov/wp-content/uploads/2021/06/29110328/Millennial-Veteran-Entrepreneurship-Research-On-The-Next-Generation-Of-Veteran-Entrepreneurs.pdf>.

the SBA's lending programs reach veteran-owned small businesses, and the work the SBA conducts toward improving outcomes for these business owners. To this end, we request that the Government Accountability Office conduct an analysis of the effectiveness and efficacy of the SBA's access to capital programs specifically as it relates to veteran-owned businesses. To the extent SBA has reliable data available, we ask that your analysis include, but is not limited to, the number of veteran-owned businesses participating in the SBA's access to capital programs over time, and the comparison between veteran-owned businesses served and non-veteran owned businesses.

Additionally, to ensure Congress has a comprehensive understanding of this issue, we ask that you assess the private sector resources available for veteran-owned businesses when it comes to financing their business endeavors.

Should you have questions about this request, please contact the Small Business Committee Republican staff at (202) 225-5821 and the Veterans' Affairs Committee Republican staff at (202) 225-3527. Thank you in advance for your attention to this request.

Sincerely,



Blaine Luetkemeyer
Ranking Member
House Committee on Small Business



Mike Bost
Ranking Member
House Committee on Veterans' Affairs