

DAILY BRIEFING

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Long-awaited women's contracting program may launch soon

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A Small Business Administration official said Wednesday that progress is being made to implement a federal contracting program for women-owned businesses, even as House Democrats took the agency to task for dodging its legal obligations to implement it.

SBA Deputy Administrator Jovita Carranza testified at a House Small Business Committee hearing that delays in implementing the Women-Owned Small Business Federal Contracting Program stem from concerns that guidelines be written in such a way that they stand up to legal scrutiny. The program was authorized in the 2000 Small Business Reauthorization Act, and would let agencies restrict some contract awards to woman-owned firms.

"The women's program has made gains as relates to our traction, our progress," Carranza told lawmakers, adding, "Have we met our goals? No." She said a study on implementing guidelines, performed by RAND Corp., should be published in April. The program will be up and running later this year, she said.

The rule-making process for the program has lasted years. After the National Academies of Science [rejected](#) SBA's first attempt at drafting implementing guidelines in early 2005, the U.S. Women's Chamber of Commerce in November of that year won a lawsuit charging that the government was dragging its feet.

"SBA has been, and remains, committed to implementing the statutorily mandated set-aside for women-owned businesses, but doing so in a way that would be upheld by the courts as constitutionally valid," Carranza told lawmakers.

According to an SBA fact sheet, if the agency is not careful, "it would inevitably face lawsuits that could freeze the program." The fact sheet essentially accepted that the delay resulted in lost contracting opportunities for women-owned small businesses.

In a statement, Rep. Bruce Braley, D-Iowa, charged that if agencies had met a governmentwide target of awarding 5 percent of federal contracts to women-owned small businesses, these firms would have received an additional \$5.2 billion in 2005 and more than \$27 billion over the past five years.

Contracting officials from the Energy and Education departments and NASA, testified that their agencies reach out to small businesses, including those owned by women.

Asked the easiest way for women entrepreneurs to connect with business opportunities at the Energy Department, Frank Spampinato, the agency's chief acquisition officer, said they should contact agency staff in the Office of Small and Disadvantaged Business Utilization.

But a statement on government contracting challenges circulated by the advocacy group Women Impacting Public Policy described short-staffing in a survey of 26 such agency offices. The offices "reported that a lack of budget and staff prohibited them from properly assisting all of the small businesses that requested their help," the group stated. "Due to the overwhelming number of small businesses who want to do business with the government, OSDDBU offices simply cannot handle the volume of calls and e-mails."

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