



Women Construction Owners & Executives, USA

June 20, 2019

The Honorable Nancy Pelosi
U.S. House of Representatives
Washington, DC 20515

H.R. 2345, Clarifying the Runway Extension Act

Dear Speaker Pelosi:

On behalf of Women Construction Owners and Executives (WCOE), we write to urge House action on **H.R. 2345, Clarifying the Runway Extension Act**. WCOE is a national organization that represents women in the construction industry across the United States.

In 2018, President Trump signed the Small Business Runway Extension Act, to require that the size of a federal contractor be measured by an average of five rather than three years of revenue, for the purpose of assessing small business program eligibility. SBA's size standard represents the largest size that a business may be in order to remain classified as a small business for federal contracting programs and set-asides. However, the Small Business Administration has postponed its implementation and says businesses still must report their receipts based on a three-year average.

H.R. 2345 would require SBA to issue a final rule implementing the law no later than December 17, 2019. WCOE supports a longer "runway," (*five instead of three years*) because a female-owned business would not lose small business status simply because its revenue unexpectedly reaches the upper limit of the small business size standard because of one or two exceptional business years. Contractors who outgrow their size status, lose access to set-aside procurements and become at risk for losing their business.

While women-owned businesses have increased to approximately 40% of all firms, women-owned firms are underrepresented in the construction industry. The SBA works with federal agencies in order to meet goals to award prime government contract dollars to eligible organizations that qualify as a small business based on their NAICS codes. The SBA also provides valuable counseling and help to small business contractors to ensure their continued success in the government contracting industry. Postponing implementation of the *Runway Extension Act* could be significant for female-owned contractors with the small business designation.

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As a group focused on helping women-owned businesses — and women executives — succeed in the construction industry, we urge prompt action on H.R. 2345.

Sincerely,

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