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**Small Business Groups United In Opposition To Anti-Small Business Bill H.R. 3567**

**Petaluma, Calif.** – The following is a statement by the American Small Business League:

Several national small business groups have come out in opposition to a new House bill, H.R. 3567, the Small Business Investment Expansion Act of 2007, which will give federal small business contracts to billion dollar venture capital firms.

The vast majority of small business organizations in America have made statements opposing H.R. 3567. Specifically, small business groups object to Title V of H.R. 3567, which would amend the Small Business Act and redefine a small business to include firms that are up to 49.9 percent owned by venture capital firms.

The existing law requires small businesses to be “independently owned and operated” to prevent large businesses from misrepresenting themselves as small businesses. The new definition would remove that protection and allow multi-billion dollar venture capital firms to own up to 49.9 percent of an unlimited number of firms and each firm would still qualify as a small business for federal contracting programs.

Small business groups believe the Small Business Act would effectively be repealed if H.R. 3567 were to become law. Firms controlled by some of the nation's largest multi-billion dollar venture capital firms would be able to dominate the government’s small business contracting programs and force thousands of legitimate small business into bankruptcy.

The American Small Business League launched a national campaign to oppose the bill before it was introduced. Since taking its stance, the ASBL has been joined by the Small Business Administration, the U.S. Chamber of Commerce, the National Association of Government Contractors, the National Small Businesses Association, and the White House.

“I wish Congressman Altmire had drafted a piece of legislation to stem the flow of federal small business contracts to Fortune 500 corporations as opposed to working on a bill that will allow the worlds largest multi-billion dollar venture capital companies to participate in federal small business contracting. I think that would be a better use of his time,” President of the American Small Business League, Lloyd Chapman said.

The bill has now been referred to the Senate Committee on Small Business and Entrepreneurship. Small business groups expect the chair of the committee Senator John Kerry (D - MA) to kill the bill in the Committee.

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