





RS MEMBER DIARY

Obama Continues To Cheat American Small Businesses Out Of Billions

By: **Lloyd Chapman (Diary)** | August 22nd, 2014 at 07:52 PM | RESIZE:   1 Recommended  Recommend
 Share on Facebook 19
 
 29 SHARES

On August 1, SBA Administrator Maria Contreras-Sweet claimed the Obama Administration had awarded 23.39 percent of all federal contracts to small businesses.


[▶▶▶ Learn More](#)

In reality, legitimate small businesses probably received around 3 to 5 percent of all federal contracts. In fiscal year 2013, the Obama Administration may have cheated America's 28 million small businesses out of as much as \$200 BILLION in federal contracts.

Here are the facts. Federal law requires that a minimum of 23% of all federal contracts be awarded to small businesses. In FY 2013 the **total federal spending** was approximately \$3.5 trillion. The actual government wide acquisition budget was at least one trillion dollars and possibly as high as \$1.5 trillion. To be fair, we will use the one trillion dollar number. A **recent legal opinion** by Professor Charles Tiefer, one of the nation's leading experts on federal contracting law, agrees that the one trillion dollar number is accurate.

Twenty three percent of one trillion dollars is \$230 billion. Yet the SBA only claims to have awarded \$83 billion in contracts to small businesses. This \$83 billion includes billions of dollars in contracts to Fortune 500 firms, their subsidiaries, corporate giants from around the world and thousands of other firms that would not currently qualify as small businesses.

My analysis of the most recent data from the Federal Procurement Data system found that 175 **Fortune 500 firms** and their subsidiaries were included in the volume of awards the SBA used to calculate the volume and percentage of awards to small businesses.

No provision of the Small Business Act allows for Fortune 500 firms or their subsidiaries to be considered small businesses.

The second trick the Obama Administration used to cheat American small businesses was the use of the fabricated concept of "**small business eligible dollars**."

Federal law requires small businesses receive 23 percent of all federal contracts. The term "small business eligible dollars" was pulled out of thin air by the GSA and the SBA and has no basis in law.

The SBA claims only \$355 billion in "small business eligible dollars." So by including billions of dollars in federal contracts to Fortune 500 firms, their subsidiaries and thousands of other firms that do not legally qualify as a small business and by using a federal acquisition budget that is approximately one third of the real federal acquisition budget for FY 2013 of over one trillion dollars, the Obama Administration claims to have awarded 23.39 percent of federal contracts to small businesses.

The **U.S. Census Bureau data** found 98% of all U.S. firms have less than 100 employees, 89% of all U.S. firms have less than 20 employees and the average American company has approximately 10 employees.

Using an accurate definition of a small business as 100 employees or less and using a more accurate federal acquisition budget number of approximately one trillion dollars, legitimate American small businesses probably received 3% to 5% of all federal contracts in 2013.

Based on this data, that is infinitely more accurate than the numbers used by the Obama Administration, in fiscal year 2013 alone, legitimate American small businesses were likely defrauded out of somewhere between \$150 and \$200 billion in federal contracts.

By the time President Obama leaves office, his administration will likely have cheated small businesses out of well over \$1 trillion and possibly as high as \$1.6 trillion in federal contracts.

NBC, ABC, CBS, CNN, MSNBC, CNBC, and Fox News have all reported on the fraud and abuse at the SBA.

I know there are people out there that will read this and disagree with my findings. Let me put my money where my mouth is. I will send \$1,000 to the FIRST person to send me the **two** sections out of the Small Business Act that allows **Fortune 500** firms to be considered small businesses **AND** the section out of the Small Business Act that allows the use of "small business eligible dollars" in calculating the percentage of awards to small businesses.

If no one can provide me with those two sections of the Small Business Act then it cannot be denied the Obama Administration has falsified the volume and percentage of awards to small business and has in fact cheated American small businesses out of billions of dollars in federal contracts.

My offer will be good for 10 days (until 11:59pm, PDT September 1, 2014) following the release of this blog. You can send the information to Lchapman@asbl.com.

P.S. Take a look at the **trailer** for a new documentary we plan to make on the history of how the federal

ADVERTISEMENT



Are your Glasses DAMAGING your eyes?

Learn the 3-minute a day trick to restore your 20/20 vision

[Find Out More...](#)

GET THE **RedState Morning Briefing**

SENT TO YOUR INBOX DAILY

 Email address

 Zip Code



SAVE TODAY. OPEN ROAD TOMORROW.

[Begin a quote.](#)

GEICO Motorcycle

RedState Radio

THE ERICK ERICSON SHOW

COFFEE & MARKETS

POWERTALK

REDSTATE COMMUNITY

ALL COMMENTS POPULAR #RSRH

Your thoughts. Who will be the Democrat minority leaders in the next Congress?

By: **gawken** 4

Mental porn: We tv to air "Sex Box"

By: **Steve Berman** 1

Colorado's Governor Hickenlooper Explores Depths of Indecision on Death Penalty

By: **okmaher** 14

Obama's Cipher Legacy

By: **Steve Berman** 3

Bacon! Bacon! Tasty Bacon!

By: **tnpat** 17

The Problem with Leftist Professors in the New York Times: ISIS IS Evil

By: **Matthew Clark** 27

SuperTalk Mississippi: Haley Barbour's Propaganda Tool #msen

By: **willstauff** 7

Marita Noon: U.S. Government releases predators against its own people

By: **Marita Noon** 2

2016 Republican Candidates Least Committed to Traditional Marriage?

REDSTATE LOCAL

[PICK YOUR STATE & GET LOCAL](#)

government has created small businesses for over 20 years.



Tags: ABC, ASBL, CBS, CNBC, CNN, contracting, corruption, fabricating, false certifications, falsifying, Fox News, fraud, GAO, Government, Lloyd Chapman, loopholes, MSNBC, NBC, OIG, President Obama, SBA, scorecard, small business, small business administration, Vendor deception

Enter email for RedState alerts **Get Alerts**

SBA Business Loans

topsbaloans.com

Get Approved For A Small Business Loan Today! No Credit Check Req.



COMMENTS

POSTING RULES | LOGIN TO COMMENT | REGISTER TODAY

1 Comment RedState.com - Conservative Blog & Conservative News Source

Sort by Newest

Share Favorite

ahug449 · a day ago
Great challenge Lloyd! I've been going over the "Safe-Harbor" proposed rule, as well as the related documentation, and I can't find anything that says they are allowed to be doing ANY of this! Our government has become very good at hiding things and making it so no normal person could ever even begin to understand it. Hopefully more people will start getting pissed off about this, and begin demanding the government be held accountable for working AGAINST the American People, and not FOR us!

ALSO ON REDSTATE.COM - CONSERVATIVE BLOG & CONSERVATIVE NEWS SOURCE

WHAT'S THIS?

From The Mailbag: I'm a Token!

33 comments · a day ago

spacekatt — Bill, As to your claim if being 1/8 Cherokee, you might want to consider posting a shot of the middle ...

Playing the Game Badly

47 comments · 12 hours ago

politicalqrm — Erick, you have never been so wrong when it comes to Obama. The man was raised by people ...

Bacon! Bacon! Tasty Bacon!

37 comments · a day ago

joecurran57 — Is anybody really surprised by this? Look at where it happened: Vermont. A state infested ...

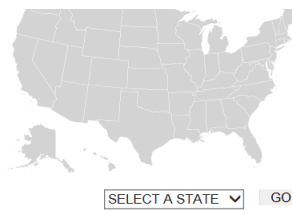
When Your Base Becomes Your Enemy

32 comments · 3 hours ago

willstauff — McConnell said he "would crush them everywhere" congratulations. Now watch them ...

Subscribe Add Disqus to your site

DISQUS



Register Today for the 2014 RedState Gathering

WATCH NOW: REDSTATE TV

#GruberGate: Tale of the Tapes

#GRUBERGATE AMERICAN COMMITMENT



8a Certification Help

8acertification.net

Obtain Preferential Treatment in the Award of Federal Contracts - 8a



BREAKING ON TOWNHALL

Facts vs. Visions / Thomas Sowell

D.C. Disease and the GOP's "Electeds" / Hugh Hewitt

WH: Unlike Some Other People, We Don't View Things Through a Political Lens / Guy Benson

Welcome To Gunfighter School / Bob Owens

Ferguson: The War Comes Home / Ron Paul

LATEST ON HOTAIR

CNN audio: Is this the moment Michael Brown was shot? / Allahpundit

Harry and the hookers / Jazz Shaw

Democrat strategist unveils plan for healthy debate on new Meet the Press / Jazz Shaw

US ambassador warns of new Russian "counteroffensive" in Ukraine / Ed Morrissey

IRS now claims Lois Lerner's emails not really missing, just really hard to find / Noah Rothman

TEMS Tuesday: Hot Air at the Fair / Ed Morrissey



» You're about to see loon Debbie Wasserman Schultz make a 'crowd' claim fool of herself again [photos]

» 'Speechless': Utah high school gets its Obama-vorship on [photo]

» Perspective: The stunning truth about Obama's priorities and Michael Brown's funeral in 3 tweets

» 'The Emmy for best tweet goes to ...' Gain scored with this 'Breaking Bad' tweet [photo]

» 'Rob Love 2016'? Actor speaks truth about dangers of 'high corporate tax rates'

» No, Obama was not at the Emmys but here's why he should have been

Click [here](#) to put the Twitchy widget on your website.

BEARING ARMS

Bersa Thunder 380 Concealed Carry Pistol / *BearingArms.com Staff*

Pathetic NYPD Brass Attempts To Blame Pistols For "Accidental" Shootings / *Bob Owens*

BAD SHOOT? Burglar Shot, Killed By Neighbors In Texas / *Bob Owens*

BREAKING: California's 10-Day Waiting Period Deemed (Partially) Unconstitutional / *Bob Owens*

Welcome To Gunfighter School / *Bob Owens*