

SBA IT MODERNIZATION REPORTING ACT

AUGUST 15, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WILLIAMS of Texas, from the Committee on Small Business,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 4491]

The Committee on Small Business, to whom was referred the bill (H.R. 4491) to require the Administrator of the Small Business Administration to implement certain recommendations relating to information technology modernization, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

CONTENTS

	Page
I. Purpose and Bill Summary	2
II. Need for Legislation	2
III. Hearings	2
IV. Committee Consideration	2
V. Committee Votes	2
VI. Section-by-Section of H.R. 4491	4
VII. Congressional Budget Office Cost Estimate	4
VIII. New Budget Authority, Entitlement Authority, and Tax Expenditures	4
IX. Oversight Findings & Recommendations	4
X. Performance Goals and Objectives	4
XI. Statement of Duplication of Federal Programs	5
XII. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits	5
XIII. Federal Mandates Statement	5
XIV. Federal Advisory Committee Statement	5
XV. Applicability to Legislative Branch	5
XVI. Statement of Constitutional Authority	5
XVII. Minority Views	6

I. PURPOSE AND BILL SUMMARY

On July 22, 2025, Rep. Cisneros, along with Rep. Jack, introduced H.R. 4491, the *SBA IT Modernization Reporting Act*. H.R. 4491 requires the SBA Administrator to implement certain recommendations from a Government Accountability Office (GAO) report that identified deficiencies in the SBA’s current information technology (IT) systems.

II. NEED FOR LEGISLATION

On July 11, 2024, Chairman Williams sent a letter to former SBA Administrator Guzman raising concerns about the Administration’s planned overhaul of the SBA’s contracting certification system and the lack of internal safeguards that could have prevented these issues. On November 6, 2024, the GAO issued a report entitled “IT Modernization: SBA Urgently Needs to Address Risks on Newly Deployed System.”¹ The report highlighted the SBA’s failure to properly manage risks and implement sufficient oversight during the rollout of its new certification system.

H.R. 4491, the *SBA IT Modernization Reporting Act*, is necessary to ensure the Small Business Administration addresses serious deficiencies in its IT policies and systems, as identified by a GAO report.

In response to the GAO’s findings, this legislation requires the SBA to develop and submit a detailed implementation plan that strengthens its IT modernization efforts by improving risk management, cybersecurity protections, project scheduling, and cost estimation practices. By mandating the adoption of GAO-recommended best practices, this bill will help ensure a more secure, accountable, and efficient SBA IT infrastructure moving forward.

III. HEARINGS

On February 5, 2025, the Committee on Small Business held a hearing examining matters relating to H.R. 4491 entitled “Hope on the Horizon: Prioritizing Small Business Growth in the 119th Congress.”

IV. COMMITTEE CONSIDERATION

The Committee on Small Business met in open session, with a quorum being present, on July 22, 2025, and ordered H.R. 4491, to be reported favorably to the House of Representatives by a roll call vote of 23 ayes and 0 nos. During the markup no amendments were offered on this bill.

V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto. The Committee voted to favorably report H.R. 4491 to the House of Representatives at 11:03 AM

¹ Gov’t Accountability Office, GAO–25–106963, IT MODERNIZATION: SBA URGENTLY NEEDS TO ADDRESS RISKS ON NEWLY DEPLOYED SYSTEM (2024).

Present	Representatives	Aye	Nay
	Mr. Stauber (MN-08)	X	
	Mr. Meuser (PA-09)	X	
	Ms. Van Duyne (TX-24)		
	Mr. Elizey (TX-06)	X	
	Mr. Alford (MO-04)	X	
	Mr. LaLota (NY-01)	X	
	Mr. Finstad (MN-01)	X	
	Mr. Wied (WI-08)	X	
	Mr. Bresnahan (PA-08)	X	
	Mr. Jack (GA-03)	X	
	Mr. Downing (MT-02)	X	
	Ms. King-Hinds (Del.-CNMI)	X	
	Mr. Schmidt (KS-02)	X	
	Mr. Patronis (FL-01)	X	
	Ranking Member Velazquez (NY-07)		
	Mr. McGarvey (KY-03)	X	
	Ms. Scholten (MI-03)	X	
	Ms. McIver (NJ-10)	X	
	Mr. Cisneros (CA-31)	X	
	Ms. Morrison (MN-03)		
	Mr. Latimer (NY-16)	X	
	Mr. Tran (CA-45)	X	
	Ms. Simon (CA-12)	X	
	Mr. Olszewski (MD-02)	X	
	Mr. Conaway (NJ-03)	X	
	Ms. Goodlander (NH-02)	X	
	Chairman Williams (TX-25)		
0	TOTALS	23	0

COMMITTEE ON SMALL BUSINESS119th Congress (*First Session*)

Date: 07/22/2025 _____

Time: 11:07 AM ET _____

Measure: H.R. 4491 – SBA IT Modernization Reporting Act

Offered By: _____

Amendment #: _____

Result?	<u>Agreed To:</u> [X]		
	<u>Not Agreed To:</u> []		
	<u>Withdrawn:</u> []		
<i>Voice Vote</i>	<i>Ayes</i>	<i>Nays</i>	<i>Present</i>
	23	0	0

FC Vote #	7
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VI. SECTION-BY-SECTION OF H.R. 4491

Section 1—Short title

This act may be cited as the “SBA IT Modernization Reporting Act”.

Section 2—Implementation of recommendations relating to information technology modernization for the Small Business Administration.

This section requires the SBA Administrator, through the Chief Information Officer, to implement the recommendations outlined in the November 2024 GAO report titled, “IT Modernization: SBA Urgently Needs to Address Risks on Newly Deployed System.”

Within 180 days, the Administrator must submit a report on the implementation plan to Congress. The plan must include steps to improve risk identification, cybersecurity, contractor oversight, project scheduling, and cost estimation using GAO best practice guidelines. Within 30 days of submitting the plan to Congress, the Administrator must provide a briefing to Congress on the plan.

VII. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to 3(c)(3) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974. At the time this report was filed, the Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office.

VIII. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY,
AND TAX EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(I) of the Congressional Budget Act of 1974, the Committee provides the following opinion and estimate with respect to new budget authority, entitlement authority, and tax expenditures. While the Committee has not received an estimate of new budget authority contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974, the Committee does not believe that there will be any new or increased costs attributable to this legislation.

IX. OVERSIGHT FINDINGS & RECOMMENDATIONS

In accordance with clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee on Small Business with respect to the subject matter contained in H.R. 4491 are incorporated into the descriptive portions of this report.

X. PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirements of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 4491 is to implement certain recommendations from the GAO’s report

entitled “IT Modernization: SBA Urgently Needs to Address Risks on Newly Deployed System.”

XI. STATEMENT OF DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, no provision of H.R. 4491 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

XII. CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee finds that the bill does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House of Representatives.

XIII. FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

XIV. FEDERAL ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

XV. APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

XVI. STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to clause 7 of rule XII of the Rules of the House, the Committee finds that the authority for this legislation in Art. I, § 8, cl. 1 of the Constitution of the United States.

XVII. MINORITY VIEWS

The Small Business Administration (SBA) administers four small business contracting programs that seek to help the government recruit and retain small business contractors and to level the playing field for them to compete in the federal marketplace. The programs' requirements and authorities differ, but all four provide contracting opportunities to small firms that meet the eligibility requirements in certain socioeconomic categories. Once SBA certifies a firm's eligibility, it may bid on contracts set aside for small business competitions and direct, sole source awards.

Prior to the fall of 2024, each contracting program had its own online certification platform and designated staff in SBA's Office of Government Contracting & Business Development (GCBD). The processes and use of multiple portals were cumbersome and burdensome for both the SBA and many small business applicants.

Since 2011, SBA has initiated several unsuccessful projects to modernize the contracting programs' IT platforms, portals, and/or systems.¹ In 2015, the SBA began developing a platform (Certify.SBA.gov) that would bring each of the programs' certifications systems together in one place, with the intent of streamlining the certification processes for GCBD and all small businesses, including and especially the small businesses seeking more than one certification.

In November 2022, after the multiple unsuccessful attempts by SBA to deploy a unified platform,² Ranking Member Velázquez requested that the Government Accountability Office (GAO) conduct an evaluation. Then, in 2023, the SBA began work on the Unified Certification Platform (UCP), the most recent attempt to unify the certification platforms. Because the UCP's development and deployment fell within the scope of the inquiry driving the GAO report, rather than look retroactively, GAO evaluated the UCP as it was being developed and deployed.

SBA opened the UCP for initial certification applications in late October 2024 and GAO published their report in November. In it, GAO raised serious concerns regarding UCP's development and SBA's process for IT modernization projects. The report made 14 recommendations. Three focused specifically on UCP. Eleven others listed changes to SBA's risk management, cybersecurity, and schedule and cost estimation procedures applicable to any SBA IT modernization project.³ All 14 recommendations remain open.

Failing to use best practices to manage risk, costs, and security, wastes taxpayer dollars and puts the information small businesses

¹ U.S. SMALL BUS. ADMIN. OFF. OF INSPECTOR GEN., THE SBA DID NOT FOLLOW FEDERAL REGULATIONS AND GUIDANCE IN THE ACQUISITION OF THE ONETRACK SYSTEM (Feb. 12, 2014).

² U.S. SMALL BUS. ADMIN. OFF. OF INSPECTOR GEN., EVALUATION OF CERTIFY.SBA.GOV (Jul. 30, 2020).

³ GOV'T ACCOUNTABILITY OFF., IT MODERNIZATION: SBA URGENTLY NEEDS TO ADDRESS RISKS ON NEWLY DEPLOYED SYSTEM (Nov. 6, 2024).

have provided to SBA at risk. The SBA IT Modernization Report Act will address the underlying issues that GAO highlighted in its report by requiring the SBA to put in place policies, procedures and best practices for developing and deploying IT modernization projects.

NYDIA M. VELÁZQUEZ,
Ranking Member.

