



January 2, 2019

Robert Schmidt  
Kevin Burns  
Co-Chairmen

Jere Glover  
Executive Director

Larry Nannis  
Treasurer

Matt Oristano  
Mid-Atlantic  
Regional Chair

Ash Thakker  
Southeast  
Regional Chair

Mary Delahunty  
Southwest  
Regional Chair

Russ Farmer  
Mountain  
Regional Chair

Michael Browne  
Pacific  
Regional Chair

Roy Keller  
State Liaison

Paul Donovan  
Michael Squillante  
NIH Committee  
Co-Chairs

Ash Thakker  
Phase III Committee  
Chair

Russ Farmer  
DCAA Committee  
Chair

The Honorable Linda McMahon  
Administrator, Small Business Administration  
409 3rd St SW  
Washington, DC 20416

Subject: Effects of the Shutdown on Small Business DoD Contractors:

Dear Administrator McMahon:

The Small Business Technology Council<sup>1</sup> is writing to let you know the devastating impact the shutdown is having on our small, high tech firms. Our member companies do not have the savings or cash flow that typical large defense contractors have. They generally operate “paycheck to paycheck” on the payments made for work performed on their US Government contracts. Many of our members will not survive a long Government shutdown and the Government will lose not only valuable technology, but part of its industrial base.

Even though the DoD is technically not affected by the shutdown, the shutdown may be affecting firms who work for DoD. We have heard that the DoD laboratories are not awarding some new and continuation contracts and amendments as the DoD components have not yet received their 2019 funding allocation. Thus, new contracts and modifications are not providing new/additional funding as old contracts are completed. Thus, work which is critical to warfighters is halted. Restarting work is more costly and difficult, and sometimes impossible.

---

<sup>1</sup> The Small Business Technology Council (SBTC, [www.SBTC.org](http://www.SBTC.org)) is the nation’s largest association of small, technology-based companies in diverse fields. We are a council of the National Small Business Association ([www.NSBA.biz](http://www.NSBA.biz)) which is the nation’s first small-business advocacy organization. NSBA is a staunchly nonpartisan organization with 65,000 members in every state and every industry in the U.S. SBTC advocates on behalf of the 6000 Government contracting firms who participate in the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs, many of whom work with the Department of Defense. SBIR/STTR firms have created over 20 percent of America’s major innovations, and as many patents as all universities combined; plus, we are creating high paying, sustainable manufacturing and service jobs in the U.S. These companies invent new technology to help defend our nation, keep our citizens healthy, and develop new innovations to grow our economy.



As time is of the essence for our members, we therefore request that issues regarding the funding of small business contracts be immediately evaluated and addressed either by Executive Order, legislation, or other actions that will allow new/modified contracts issued forthwith.

Thank you for your attention to this matter and we sincerely desire that immediate remedies will be taken.

Sincerely,  
Small Business Technology Council

A handwritten signature in black ink, appearing to read "Jere W. Glover", is written over a faint, light blue horizontal line.

Jere Glover  
Executive Director