

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6315

March 18, 2022

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G St., NW
Washington, DC 20548

Dear Comptroller General Dodaro,

Technology has changed every sector of the economy, from increasing communications to changing how we buy products and services to digitizing many transactions. Blockchain is a powerful technology that creates a distributed digital ledger—a database—that allows parties to engage in secure, trusted transactions. The technology can be configured to serve different purposes that enable secure transactions and increase efficiencies.

On March 4, 2020, the House Committee on Small Business held a hearing titled, “Building Blocks of Change: The Benefits of Blockchain Technology for Small Businesses.” At the hearing, the Committee heard testimony from various experts on the use and opportunities of blockchain technology. One witness testified:

Ideally, government would regard blockchain as merely a new technological innovation and focus on what the technology does and how it can transform and enhance the services we provide our citizenry. Thus, the problem we see on a federal and state level is that government is reluctant to engage with this technology for reasons that are not commensurate with the benefits it can bring.

With that said, a number of government entities are exploring how to integrate blockchain technology into their operations. For example, the military is exploring blockchain and cybersecurity issues, the Department of Agriculture is looking to use blockchain around food safety and the agricultural supply chain, the Department of Health and Human Services has discussed using blockchain to address issues with health records and drug supply chains. Additionally, more government agencies are examining ways to integrate blockchain into their processes to better manage identities, assets, data, and contracts.

We believe that blockchain technology has the potential to be a valuable tool for the Small Business Administration, maximizing their services to small businesses while simultaneously protecting the programs from fraud and abuse. Therefore, we respectfully request that the Government Accountability Office conduct a study to analyze the current and potential uses of blockchain technology to carry out the programs and services offered by the Small Business Administration.

Specifically, we are interested in:

- The potential for blockchain technology to improve the services of the Small Business Administration, including the lending programs.
- How blockchain technology can be integrated across the Small Business Administration's programs and services to reduce fraud, increase security, and maximize efficiency.
- The ability of blockchain technology to manage and track small business certifications.
- How to utilize blockchain technology to track federal procurement and ensure compliance with government-wide contracting goals.
- How blockchain technology can be utilized to track federal agencies' implementation of SBIR/STTR programs, reviews their progress, and monitor operations.
- An assessment of current uses of blockchain technology to improve security and efficiency within the financial sector, and a description of best practices to integrate blockchain technology and improve the security and services of the Small Business Administration, including ways to facilitate partnerships between private entities and the Small Business Administration.
- The benefits and risks of using blockchain technology.
- Any other relevant information or recommendations related to the use of blockchain technology by the Small Business Administration.

If you have any questions regarding this request, please contact Michael Stein, Counsel to the Committee for the Majority, at (202) 225-4038.

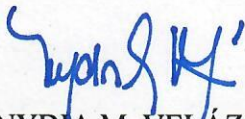
Sincerely,



JASON CROW
Member of Congress



MARIA ELVIRA SALAZAR
Member of Congress



NYDIA M. VELÁZQUEZ
Member of Congress



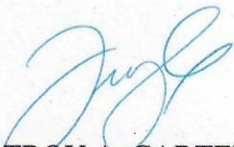
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