



## SENATE COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

Opening Statement for  
“Confirmation Hearing for SBA Inspector General and  
Chief Counsel for Advocacy”  
August 6, 2009 at 10:00 a.m.  
Room 428A of the Russell Senate Office Building

(As Prepared)

Good morning. I call to order today’s confirmation hearing on the nominations of Winslow Lorenzo Sargeant to be Chief Counsel for Advocacy for the Small Business Administration, and Peggy Elizabeth Gustafson to be Inspector General of the SBA. I welcome those in the audience, my colleagues and the nominees.

First, let me recognize our colleagues who are here today to introduce the nominees. Senators Kohl and Feingold are here to introduce Dr. Sargeant, who is currently residing in Wisconsin, and Senator McCaskill is here to introduce Ms. Peggy Gustafson, who is currently her General Counsel.

I understand that you have mark-ups in other Committees to attend, so we’ll have you speak and then proceed with opening statements from the dais. Senator Kohl, you will speak first, then we’ll have statements from Senator Feingold and Senator McCaskill.

[Opening statements for Sens. Kohl, Feingold and McCaskill]

Thank you for introducing the nominees. I’ll proceed with my opening statement and then Senator Snowe and other Members of the Committee will give theirs.

I understand both of you have family here today. Ms. Gustafson’s husband, Doug, and her children Patrick and Amy are here, as well as her sister, Kelly, and brother-in-law, John Lewison. Dr. Sargeant has his wife, Ikanyeng, here, as well as their children: Kgosi, Lorato, and Marang. We welcome all of you.

I’ve had the chance to spend some time with both nominees and have been favorably impressed. I’ll take just a few minutes to speak briefly about each nominee and the positions to which they have been nominated. Then I will ask both to give their testimony to the Committee.

### **Dr. Winslow Sargeant**

The Office of Advocacy works to reduce the burdens that federal policies impose on small firms and maximize the benefits through two primary functions—serving as a source for small business research and advocating for small businesses in the regulatory process.

As Chief Counsel for Advocacy, Winslow Sargeant will bring a unique background to this very important position. With a PhD from the University of Wisconsin-Madison in electrical engineering and a background as a very successful small business owner, he is not only well-educated, but well-educated about the challenges facing small businesses today. Dr. Sargeant co-founded Aanetcom, a technology company that was ultimately acquired by PMC Sierra (a publicly-owned company). He is currently the Managing Director of Venture Investors, a Midwest venture capital company with a concentration on starting up healthcare and technology companies. From 2001 to 2005, he served as a program manager for SBIR in electronics at the National Science Foundation. He has also worked at IBM as a staff engineer, at AT&T as technical staff, and as an associate adjunct professor

at the University of Pennsylvania.

Dr. Sargeant has been very involved in community activities. He has been a member of the Board of Directors for the Boys and Girls Club of Madison, Wisconsin since 2006. And a board member of Accelerate Madison, Inc., a Madison, Wisconsin organization dedicated to using information technology to spur economic growth. He has also been active in alumni organizations, such as the University of Wisconsin Foundation.

Dr. Sargeant's and his wife's joint federal and state returns for 2003 through 2008, including a properly filed extension, have been reviewed and his tax returns look to be in order.

### **Peggy Gustafson**

The Office of the Inspector General's stated mission is to improve SBA management and effectiveness, and to detect and deter fraud in the Agency's programs.

As the current General Counsel for Senator Claire McCaskill – whose interest in and knowledge of oversight issues is well known and respected in the Senate – Peggy Gustafson is an excellent nominee for Inspector General of the SBA.

Before working as General Counsel for Senator McCaskill here in Washington, Ms. Gustafson worked for her when the Senator was the Prosecutor for Jackson County, Missouri. She also served on the Kansas City Fraud Task Force, the Kansas City Arson Task Force and taught at the University of Missouri School of Law. When Senator McCaskill became Missouri State Auditor, she recruited Ms. Gustafson to be her General Counsel in the Auditor's office, where she handled all legal issues arising out of audits, and handled audits in such areas as state compliance with the Sunshine law and a hotline for child abuse cases. Ms. Gustafson currently serves on the Board of an organization that many of us in the Senate are familiar with—the Senate Employees Child Care.

Ms. Gustafson's and her husband's joint federal and state returns for 2003 through 2008 have been reviewed, and look to be in order and complete.

### **Closing**

I'm happy to say that the SBA is very close to having an exceptional leadership team complete, led by Administrator Karen Mills. With capable leaders like Dr. Sargeant and Ms. Gustafson at the helm, we're hopeful the agency will be more ready than ever to play an important role in assisting small businesses as they continue to lead this country to an economic recovery.

Dr. Sargeant and Ms. Gustafson, I look forward to hearing your opening statements and getting more details on how you would handle specific issues facing the Committee, which we will explore during the question period. Once we return from the August recess, I hope we can move forward quickly with your nominations. We look forward to working with you and to a new era for the SBA.

With that, I'll turn to my colleagues for any opening statements and encourage those who are interested to submit their testimony for the record. I now turn to my Ranking Member, Senator Snowe, for her opening statement.