

>> ... Stanley Canton, the newest member to the NIH Small Business Office. Stanley came to us—joined NIH a little over—almost 2 years ago now, and is just a keen analyst and aside from doing all the other things we talk about that we do everyday in our office, Stanley has embraced leading our special initiative to reach out to the veteran community. Thank you Stanley.

>> I want to thank you all for coming out today. I think it's important that you come here. I may be a little biased, but we do this every month and I think—based on the kudos that we receive, the letters that we receive and the positive responses in general that we receive—that most of the businesses that come here get something positive from this experience. And it's very important, I believe, for you to come out here because NIH is a personable kind of organization. The program managers and so forth—I'm sorry. Program managers like to know who they're dealing with, so it's important that you come out and get a feeling for who we are, what we do, and what we buy here at NIH. One of the questions that—when I do speak to veteran-owned businesses, one of the questions they always ask me invariably is, you know being a veteran, what can that do for me? What advantages does that provide me with, or are there any advantages out there? And the answer to that is yes and no, and we'll talk about some of that. I'm going to—in general, the purpose for me being up here is to provide you with some information in general on the veteran initiative within the government. You know, it's a very new program and there is some misunderstanding about it. People are not sure what's exactly going on with it, so I'm going to try to provide you with some general information today on that. We're going to talk about some of the current legislation that's out there, the current legislation. We're going to talk some about what NIH is doing to attract veteran-owned businesses, and then I'm going to provide you with some resources that you might be able to tap into to get some information, some training, and some contacts. The first piece of legislation I'm going to talk about is Public Law 106-50. This is, perhaps, the most significant piece of legislation that has come out that affects veterans and veteran-owned businesses in quite a long time. It is called the Veterans Entrepreneurship and Small Business Development Act of 1999. It was signed into law by President Clinton in August of 1999 and it affects government procurement starting in fiscal year 2001, so it's relatively new. The purpose of this law was to provide financial, technical, and procurement assistance to veterans. There are 7 sections of this law—and I'm not going to go into each one of those, but there are some major, or primary, things that I'm going to talk about. One of those is that—and there are basically 3 areas—one of that is definitions. The law provided for definitions, specific definitions for a veteran, a service-disabled veteran, a veteran-owned small business and a service-disabled owned small business. Another thing that the law provided for was it expanded some of the existing programs that are out there and it created new institutions as well. For example, the law created the Office of Veterans Business Development within the SBA. Essentially, that created a new level of management at SBA that deals specifically with veterans. It's headed by an associate administrator and all they do—all they do is deal with veteran and veteran owned small businesses. The law also created and established the National Veterans Business Development Corporation. Some of you may know it as the Veterans Corporation. Again, this is a federally chartered and, I believe, still federally funded organization that provides services to veterans—public and private resources—and that's

all they do is provide services for veterans. In addition, the law established an advisory committee on veterans' business affairs. This is an independent organization, if you want to call it—the committee is independent. It's made up of veteran-owned business owners and members of other veteran organizations. Their sole function is to advise the administrator of the SBA—that committee reports directly to the administrator—and make recommendations on how to improve and enhance veteran programs. The law also provided—and this is probably the most important thing about this law. This law provided for a government-wide goal: not less than 3% for service-disabled veteran owned companies, government-wide. Well, that's good. Those are the good things about the law. As I said, when veterans ask me questions, it's yes/no answer. The not so good thing is that the law did not provide—and I know Diana talked about—preferences and set-asides. The law did not provide for that, unfortunately, so it kind of ties our hands—the federal government's hands in how to enforce and provide opportunities. The next piece of legislation I want to talk about is Public Law 106-554. It's known as the Small Business Administration's—SBA's Reauthorization Act for 2000. What this law does, it supplements 106-50 and it clarifies the sub-contracting responsibilities of the federal government. Basically, there's two main sections of this law. It clarifies that both veteran-owned small businesses and service disabled veteran-owned small businesses are to be afforded what is termed the maximum practical opportunities to participate in federal government contracts. Secondly, the law provides or mandates that government agencies must negotiate sub-contracting plans—and Diana talked about sub-contracting plans—that identify separate opportunities for veteran owned and service-disabled veteran owned companies. They must also identify separate goals for each one of those categories and that those in each sub-contracting plan must also provide reporting requirements and record keeping for both of those categories—veteran owned and service-disabled owned—veteran owned companies. Those are pretty significant because, as was said earlier, for small businesses like yourself, sub-contracting opportunities can be a key for you; it's a way to break into NIH and general—government in general. The next piece of legislation is House Bill 5583. This is known as the Service-Disabled Veterans' Small Business Federal Procurement Preference Act of 2002. It was introduced in October 2002 by Illinois representative Lane Evans. This particular bill tried to strengthen Public Law 106-50. Remember, Public Law 106-50 left out the preference; that's the teeth in the small business arena. This bill did two things, or attempted to do two things. One, again, it tried to—it was intended to provide a preference for service-disabled veteran owned companies and it also would have provided goals that government agencies were supposed to have met. It was based on the concept of the 8(a) preference in the small business act. In essence, it would have made service-disabled veteran owned companies the same as socially and economically disadvantaged companies under 8(a). So, it would have added to the 8(a) category two additional new business categories: one, service-disabled veterans and so-called other handicapped individuals and it would have provided separate goals for each one of those categories—3% for service-disabled veteran owned companies and 2% for other handicapped individuals. That, in essence, would have increased—it would not have taken away from 8(a), it would have increased the 8(a) goal from 5% to 10% and would have increased the total small business federal goal from 23% to 28%. The status of that bill? It was referred to the House Small Business Committee, where, unfortunately, it

was tabled. The intent is to reintroduce that bill again in the next upcoming session and hopefully it will get a little bit more support and hopefully it will leave committee and go to the floor for a vote. Some of the NIH activities. Well, Public Law 106-50 established a 3% goal for service-disabled veteran owned companies. Although it did that without having a preference—a set-aside mechanism in place, again, it ties our hands, the government's hands—our hands, the small business office's hands and it really doesn't—it lacks the means for us to go out and achieve those goals or that goal because we don't have the teeth and there's no mechanism for requiring that requirement be set-aside or be put aside for veteran owned companies. Externally, we are still trying to attract veteran owned companies—we're doing that today. Some of the things we're attempting to do—we're planning to do—we haven't done much up-to-date, but we plan to have some matchmaking roundtable activities where we would bring in NIH program managers like we had today and contracting officials. We would bring in other government officials from the SBA from Department of Veterans' Affairs and from the Veterans Corporation and so forth, and bring in other NIH-large business contractors such as the SAIC representative that's here today and veteran owned small businesses and bring them together and try to do some matchmaking—try to find some matchmaking opportunities and you know just some general information. We have also been talking in the office about putting on a seminar like this for just veteran owned businesses. That's a little bit more difficult to do. It takes a lot to put this on, but it's something that we are talking about doing. Internally, there are a lot of things that go on—again, when I speak to veteran owned businesses they ask me, "Well if there's no set-aside available, what are you doing for me?" Well, there are a lot of things that we do behind the scenes that you guys don't see. For example, those sub-contracting plans that Diana and I have talked about have to be reviewed. We review those plans vigilantly to try to ensure that opportunities—if the opportunity exists and there are veteran owned businesses that can do the work, that they are included. We are also encouraging our contracting officers to negotiate sub-contracting plans that include veterans. Here's a list of resources for you. Again, these are places where veterans can go for information. Certainly the SBO—our website—it has information for all types of small businesses, not only veterans, but you can find information on veteran owned businesses here, where to go, links to various organizations and so forth. The Small Business Administration, if you are a small business and you don't have a relationship with the Small Business Administration, you are really losing out. I mean, even if it's just the financial relationship, all small businesses, I believe, should have some type of contact with the SBA. The Department of Veterans Affairs, I mean again, if you're a veteran, a veteran owned business—small business, large business—and you don't have some type of contact with the Department of Veterans Affairs, you're missing out, particularly now for small businesses that they have instituted CVE—the Center for Veterans Enterprise that specifically deals—their sole existence is to help small veteran owned businesses. Tyrone Lassiter is the spokesperson for that organization—he's a very nice guy, I've dealt with him on many occasions and he's dedicated. And, of course, the Veterans Corporation, that, again, is the federally chartered organization that was created solely to be a resource for veteran owned companies.

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