

Testimony for: Committee on Oversight and Government Reform, Subcommittee on Technology, Information Policy, Intergovernmental Relations and Procurement Reform – SDVOSB Inclusion in Government Contracting

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I want to thank the committee for taking the time to address the Service Disabled Veteran Owned Small Business (SDVOSB) program; we as a community are encouraged that we are having the discussion to improve opportunities for Service Disabled Veterans in federal contracting. I want to thank all veterans for their service and sacrifice and especially our Vietnam Veterans, who have toiled for veteran benefits. Each and every day Global War On Terrorism veterans (GWOT) can acknowledge that the efforts of our Vietnam Veterans have provided us with the proper tools to conduct full spectrum operations across the globe and have improved health care and benefits over the last several decades.

The SDV community is made up of men and women from all races, religions and creeds. We view ourselves as we did in uniform; one is judged by rank, but more importantly character. A service member or veteran is evaluated on their dedication, service, commitment and honesty, not their background.

Our GWOT Veterans are returning home with a sense of empowerment, brought on by the many successful missions they have accomplished in some of the harshest environments in the world. They are fully prepared and eager to become a part of business and civic functions. We want to deliver the message that SDVOSBs are capable, ethical, faster and cheaper; that we want to hire our fellow brothers and sisters in arms who have sacrificed so much from Vietnam to the Global War on Terrorism. We have banded together to say this program was not designed for 20 SDVOSBs to succeed and thousands fail.

Our GWOT Veterans are facing many similar concerns of past veterans. They are also facing many different challenges. Advances in medicine have allowed some of the most severely wounded warriors to lead productive lives and continue to contribute in the workplace. Posttraumatic stress has been brought into the public arena and has produced both positive and negative perceptions and attitudes. The tactics of our enemy using IEDs, combated by our protective equipment, has led to less fatal injuries and an increase in Traumatic Brain Injury; the Army alone has treated over 126,000 known cases since the beginning of the war. Our returning heroes are now facing one of the worst recessions we have seen and a volatile world

economy that is breeding uncertainty and anxiety for those who served. The unemployment rate for veterans age 18 to 24 is 31 percent and projections estimate that the rate for the National Guard and Reserve members could reach 50 percent in the next two years.

The approximate .45 to 1 percent of our population that has taken on the burden of the Global War on Terrorism over the last decade are by no means victims. Most GWOT veterans have expressed that they were and continue to be prepared to face our enemies, endure hardship and face fear in combat zones. The two events that become overwhelming to even the most hardened service member are leaving their family behind and losing a fellow comrade in combat, peacetime or to suicide.

I believe that any numbers presented must be scrutinized to seek the truth and identify discrepancies. There are currently 18,346 SDVOSB profiles in the SBA small business database. In 2007 the SBA reported that there were over 400,000 businesses owned by Service Disabled Veterans, a number I believe has decreased due to lack of opportunities, a harsh economy and an unfriendly small business climate. Yet we still see many returning Service Disabled Veterans maintaining the entrepreneurial spirit and starting up companies. They want to identify themselves as Soldier and Vetrepeneur.

The Service Disabled Veteran Owned Small Business (SDVOSB) program is facing immense hurdles. Our disabled veterans have returned home with a drive to improve the economic and moral situation of the country they love and defend. They also have a dynamic commitment to network with and hire other comrades in arms. Many disabled veterans must overcome their disability first and then overcome the challenges of entrepreneurship. They have the fortitude to enter an unfamiliar business world, learn quickly and embrace the vision that they will be successful.

I served with the best and brightest America has to offer in our Armed Forces. On April 2nd, 2005, while deployed at Abu Ghraib Prison, our joint team was engaged in a two hour battle with highly trained Al Qaeda and Syrian operatives. Every Soldier, Sailor, Airman and Marine served with honor and contributed to a crushing defeat of our enemies. At the end of the day there were fifty less bad guys in the world.

Although Al Qaeda gave us a blow, we beat them decisively. Gen. Peter Pace called the coordinated attack on Abu Ghraib "The largest battle since the end of major combat operations in Iraq." Other sources called it the "Largest attack on a US Base since the end of the Vietnam War."

At that time I thought that the Battle for Abu Ghraib would be the hardest thing I ever did in my life. I had no idea that becoming a “*Vetrepeneur*” would be an even tougher fight.

Unfortunately, I believe that the current SDVOSB program, designed to help disabled veterans, is hurting them due to hurdles, lack of accountability, and unnecessary *bureaucracy* within the Federal Government contracting system.

There has been a disconnect between the program’s intentions and execution. Our SDVs have heard thousands of reasons why they can’t do business with the government or corporate America and simply want to hear one way they can. A few of the major hurdles we are facing are:

- Contract bundling reduces access - GSA, Enterprise Contracts, GWACs, IDIQs and BPAs
- No level playing field between SDVOSBs, 8A and HUBzone companies
- No enforcement of Large Business Sub-Contracting Plans
- Double counting of contract awards – credit for SDVOB awards that were actually granted through 8A or HUBzone vehicles
- Reliance on Incumbent Contractors reduces access
- False Reporting of SDVOSB numbers – large pass through used to achieve goals
- Government Bureaucracies (such as the SBA) that are ill equipped to help SDVOBs
- Past Performance difficult to achieve without opportunities for work
- Broken Mentor Protégé programs do not develop SDVOBs or provide meaningful work
- Bonding issues
- CVE certification process that has set the bar too high or too low and is not certifying legitimate SDVOSBs

The SDVOSB program is complex and no one action will overcome the hurdles and issues we face. Many people I now talk to, outside the community, respond with disbelief when I discuss the lack of opportunities and the barriers in place. There is an art and science that has come to drive the SDVOSB program that make it elusive and exclusive. The SDVOSB community is prepared not only to identify the problems, but provide solutions.

The two over arching measures that need to be taken are:

- Legislative loopholes have to be closed and the SDVOSB program needs to be on a level playing field with other small businesses; oversight and accountability must be a cornerstone of the process.

- We must gain the will of Federal Departments and Agencies, in word and deed, to take down the hurdles, work with SDVOSBs to find innovative and concrete solutions and make their SDVOSB program inclusive not exclusive.

Today I have addressed a fraction of the hurdles that face the SDVOSB community. I am always available to discuss issues in detail or advocate for our SDVOSBs. I have met so many great people in the movement that I feel honored just to stand shoulder to shoulder with them and be counted among the SDVOSB ranks.

The SDVOSB community has convinced many that the hard work and ethics of our SDVOSBs will build the country as a whole and improve our government, economic and moral institutions. We have a great opportunity to tap into the motivation, skills and knowledge that our veterans can give back to our country. This opportunity may perish if we don't make an effort to exploit it. I am optimistic that 2012 will be the tipping point for the SDVOSB program and we will meet and exceed our goals in the near future. The SDVOSB community will work to ensure that those service disabled veterans who have the will to continue to contribute to our national defense and infrastructure will have ample assistance and opportunity. We hope federal departments, agencies and large prime contractors will do the same.