

**Veterans Small Business Enhancement Act of 2018, Public Law No. 115-416**  
**Adding Veteran-Owned Small Businesses as Eligible Recipients of Surplus Property**

**Frequently Asked Questions (FAQs)**

*Updated: December 10, 2020*

**1. What is the Veterans Small Business Enhancement Act of 2018?** Public Law No. 115-416, the Veterans Small Business Enhancement Act of 2018, directs the U.S. Small Business Administration (SBA) to give certain veteran-owned small businesses (VOSBs) access to federally-owned surplus personal property, pursuant to a memorandum of agreement (MOA) between the SBA, U.S. General Services Administration (GSA), National Association for State Agencies for Surplus Property (NASASP), State Agencies for Surplus Property (SASP), and the U.S. Department of Veterans Affairs (VA). Each organization plays a role in supporting VOSBs who seek donated property for use in their small businesses.

On November 2, 2020, SBA published in the Federal Register at [85 FR 69120](#) a final rule that authorizes VOSBs [verified](#) by the VA's Center for Verification and Evaluation (CVE) access to surplus personal property no longer needed by the federal government and which has been donated to GSA's surplus property program.

**2. What is the Federal Surplus Personal Property Donation Program?** GSA's regulations that govern the donation of surplus property are found in [41 CFR Section 102.37](#). The Program enables certain nonfederal organizations to obtain personal property that the federal government no longer needs. Surplus personal property includes all types and categories of personal property except 1) Land or other real property; 2) Certain naval vessels; and 3) Records of the federal government. GSA and [SASPs](#) plays a central role in the process of reusing and disposing of excess property that the federal government no longer needs; the GSA-administered program makes excess federal property, such as vehicles, computers, office equipment, tools, heavy construction equipment, and any property not considered "real property", available to non-profit organizations.

**3. Who is eligible to benefit from GSA's Federal Surplus Personal Property Donation Program?** Only state and local government agencies and public organizations carrying out certain activities qualify to receive surplus federal property. Small businesses are for-profit organizations and do not fall under 40 U.S.C. § 549, which regulates the federal surplus property program. However, through the program's partnership with SBA's 8(a) Business Development Program, minority-owned small business owners have participated in the federal surplus property program since 1999. Public Law No. 115-416 amends the Small Business Act to add certain VOSBs as eligible to receive donated federal surplus personal property. SBA's regulatory authority and guidance on how VOSBs participate in the property donation program can be found at [13 CFR 125.100](#).

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**4. When can VOSBs begin to obtain federal surplus personal property?** VOSBs may begin to receive surplus property once agreements are implemented at the state level. VOSBs work directly with the SASP respective to the state where the VOSB business is located to receive donated property. VOSB verification by the VA CVE is required for VOSBs to be eligible to receive property. If a VOSB is not yet verified, they will need to contact VA CVE to begin the verification process. Prior to receiving donated surplus property, VOSBs should become familiar with the obligations that come with receiving it.

**5. Are there associated costs to receive donated surplus property?** SASPs help coordinate the transfer of the federally donated property to public, tax-supported entities and eligible private nonprofit tax-exempt organizations. Most SASPs operate on a self-sustaining basis and may require recipients to pay a service charge to cover handling, transportation, and administrative expenses, which may be partly based on percentages of the value of the property.

**6. Who is NASASP and what do they do?** [NASASP](#) is a 501 c (6) non-profit organization whose mission is to speak as one voice for the 56 SASPs to the Federal government, Congress and other national organizations. [NASASP members](#) are dedicated to promoting ways and means of acquiring and distributing equitably federal personal property to eligible entities. They provide resources to help the public understand the utilization of surplus property and cooperate with the federal government in developing, promoting, and maintaining standard practices throughout the nation in warehousing, distributing, accounting, and transferring of surplus property.