

# Advisory Committee on Veterans Business Affairs (ACVBA) Meeting Minutes June 8, 2023

### Members present:

- Timothy Green, Acting Associate Administrator, Office of Veterans Business Development (OVBD), U.S. Small Business Administration (SBA)
- Robert Bailey, Chairman, ACVBA; President, Bailey Information Technology Consultants, LLC
- Gregory Bier, Executive Director of Entrepreneurship Programs, Griggs Innovators Nexus
- Dan Clare, Chief Communications & Outreach Officer, Disabled American Veterans (DAV)
- Glenett Hannah, CEO/President, Hannah Innovative Solutions
- Gregory Hill, Owner, G.B. Hill Medical Supply
- Scott Jensen, Executive Director, National Veteran Small Business Coalition
- Jorge Rodriguez, CEO, Steri-Tech Medical Innovations, LLC.
- Melissa Washington, CEO & Founder, Women Veterans Alliance
- 1. Call To Order The regular meeting of the ACVBA was called to order at 9:00 AM ET on June 8, 2023, by Timothy Green.
- 2. Welcoming Remarks Timothy Green
- 3. Opening Comments by ACVBA Chairman Rob Bailey: Thanked committee members, veterans, family members, and the public who are supporting the meeting today. Mr. Bailey reflected on the work that the committee has been doing that revolves around procurement policy strategy, the rule of two, access to capital, and subcontracting plans. Mr. Bailey stated that these elements of focused areas are key aspects to how we go about doing business every day in the federal space marketplace and some aspects of commercial regarding veteran businesses being successful.
- 4. Presentation #1 OVBD Updates, Timothy Green, Acting Associate Administrator.
  - **a.** Nominee for SBA Deputy Administrator A nominee for SBA's Deputy Administrator is likely to be confirmed on June 9, 2023, and is expected to be on board later this summer.
  - **b.** National Military Appreciation Month The month of May was recognized as the National Military Appreciation Month that started with the Small Business Week and the

- VBOC in the Seattle area, "Business Impact Northwest", was recognized as a VBOC of the year by the Administrator Guzman at a ceremony in Washington, DC.
- **c.** National Veterans Small Business Week SBA's 10<sup>th</sup> Annual Event. The SBA normally has over 200 different events across the country that are hosted by the District Offices and SBA Partners. The SBA Administrator wants more federal agencies participating in the events to spread the word.
- d. May 18, 2023 SBA and the Chamber of Commerce Partnered on the Military Spouses Employment Summit – Administrator Guzman attended this event and provided remarks. The Summit was hosted in collaboration with the U.S. Chamber of Commerce Foundation's Hiring Our Heroes. It highlighted entrepreneurship training and counseling resources, and networking opportunities for military spouses interested in starting or growing a small business.
- **e.** May 25, 2023 SBA Virtual Military Spouses Entrepreneurship Summit Administrator Guzman provided a video for the Military Spouses Entrepreneur Summit.
- **f.** May 22-25, 2023 VETS23 Conference The Administrator traveled to Orlando, FL for the VETS 23 Federal Contracting Conference. The Administrator was able to do a fireside chat type of event and engage with many business owners for VETS23.
- g. June 5, 2023 The Citadel, Charleston, SC Administrator Guzman did the opening for our Veterans Business Outreach Center (VBOC) in South Carolina. Administrator Guzman along with Charleston, SC Lieutenant Governor Pamela Evette, and the President of the Citadel, General Glenn M. Walters USMC (retired), was able to engage with a Medal of Honor recipient of that event. The Administrator spoke about how impactful the Center will be.
- h. July 7, 2023 VBOC Grand Opening in Omaha, NE The next VBOC grand opening ceremony will be on, July 7, 2023, at the Nebraska-Iowa VBOC, in Omaha, Nebraska.
- i. July 20, 2023 VBOC Grand Opening in Colorado Springs, CO The Colorado Springs VBOC will have a grand opening ceremony. The Administrator will try to attend this event.
- j. July 24 27, 2023 Veterans Business Outreach Training Conference Acting Associate Administrator Tim Green is scheduled to attend the VBOC Training Conference that will take place on July 24-27, 2023, at a facility in Dupont Circle. Training will be provided to the 6 new VBOCs as well as the other 22 existing VBOCs. The training conference will be held in conjunction with the Association Women's' Business Conference, which is also held in Washington, DC.
- k. VetCert Program Update: On January 1, 2023, the VetCert Program is doing extremely well. This function, formally known as the Center for Verification & Evaluation Program (CVE) was transferred to the SBA by the National Defense Authorization Act 2021. The SBA started taking applications on January 9, 2023, and received well over 3,500 approved applications and continues to go through them. The SBA has received great feedback regarding the VET Cert Program. Please visit SBA's website:
  www.sba.gov/vetcert or email vetcert@sba.gov or toll-free call center at 800-862-8088.

- Visit the <u>Frequently Asked Questions</u> on the VetCert platform at <u>Veteran Small Business</u> Certification (sba.gov)
- **I. SBA 70**<sup>th</sup> **Anniversary** SBA will start planning for its 70<sup>th</sup> anniversary and SBA will highlight some veteran-owned businesses that have been assisted by SBA and now are doing great work out in the communities, where they're underserved, and how they progressed from going from a small business to a large business.
- 5. Presentation #2 Office of Government Contracting and Business Development (GCBD), Updates Larry Stubblefield, Deputy Associate Administrator
  - a. SBA Veteran Small Business Certification Program (VetCert) VetCert is up and running and doing extremely well. GCBD has processed over 4,000 certifications. The processing time for those certifications is about 32 days from the time that an application is successfully entered into the system until the certification. GCBD is looking into why the processed times have increased, which generally was around 21 days. Overall, the program has been receiving positive feedback daily from the veteran small business community regarding the ease of using the system and the customer experience. Mr. Stubblefield stated as a reminder to the 4,000 plus certifications, that they are only focused on new applications.
  - **b. Re-Certification** September 2023, GCBD will be sending out the 120-day notifications for re-certification, for firms whose certification period will end beginning on January 1, 2024.
  - c. One-Year Grace Period The legislation allowed for a one-year grace period for using your self-certification between January 1, 2023, and January 1, 2024. As of 1 January 2024, self-certification for prime contracting will go away. GCBD is urging veteran business owners to come in and get the certification process started.
  - d. Unified Certification Management Initiative Program (MySBA) The latest initiative at SBA is to have its four standalone platforms (Veteran Certification System, 8(a) Mentor Protégé Program, Women Owned Small Business Program, and the HUBZone Program) under the Unified Certification Management Initiative Program. This unified platform is going to allow a customer or business owner to come through a single portal, that will have a single sign-on, one set of questions, and upload documents on a one-time basis.
  - e. HUBZone Map Will be updated on July 1, 2023. Every 5 years, the SBA is required to update the HUBZone designations to ensure that the program continues to serve the communities that are most in need of assistance. To do this, GCBD will be using the census data from the 2020 census. Most companies will probably not be affected, but if you're no longer eligible to participate in the program, you can continue in the program by your annual re-certification.

- 6. Presentation # 3 Office of Government Contracting and Business Development (GCBD), Sam Le, Director of Policy, and Government Contracting Business Development
  - a. Executive Order 13985 GCBD has been working very closely with the White House and the Domestic Policy Council to advance equity in federal procurement. On January 20, 2021, President Biden signed Executive Order 13985 entitled, "Advancing Racial Equity and Support of Underserved Communities through the Federal Government", which calls on every agency within the federal government to look at all their programs, systems, and practices, to ensure that those practices are not discriminatory, and work to advance equity. SBA is committed to advancing equity through the federal procurement process. The Executive Order calls for a comprehensive approach to advancing equity for all, including "people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality."
  - b. OMB Memorandum: Advancing Equity in Procurement In June 2021, the President's commitments to increase spending to Small Disadvantaged Businesses (SDBs) to 15% by fiscal year (FY) 2025 and to increase baseline spending for the additional socioeconomic small businesses and traditionally underserved entrepreneurs recognized in the Small Business Act. These additional businesses include Women-Owned Small Businesses (WOSBs), Service-Disabled Veteran Owned Small Businesses (SDVOSBs), and Small Business Contractors in Historically Underutilized Business Zone (HUBZone).
  - c. Office of Federal Procurement Policy (OFPP) Memo on SDB Strategies Mr. Le provided a copy of a memorandum from OMB outlining the "Strategies for Meeting and Exceeding the Small Disadvantaged Business Goal for Fiscal Year 2022". It suggests that agencies maximize the use of the 8(a) program, review acquisitions under the SAT, and refer to the GSA Schedule, SBA's DSBS.SBA.gov, and SBA PCRs as other resources to facilitate awards to SDBs.
  - d. OMB Memorandum: Increasing the Share of Contract Dollars Awarded to Small Disadvantaged Businesses Mr. Le discussed the contents of the memo, for FY 2023, each of the Chief Financial Officers Act agencies and SBA must negotiate SDB contracting goals that will allow the Federal Government to cumulatively award at least 12 percent of Federal contract spending to SDBs. Agencies and SBA will build upon last year's agency goals and consider their recent levels of SDB prime contracting to allocate the Government's increase to 12 percent among the various agencies.
  - e. OMB Memorandum on New and Recent Entrants This memorandum details the focus on new and recent contractors to provide fresh innovative thinking, Common definitions of "new entrant" and "recent entrant". The memorandum also details a Supplier Base Dashboard to track an agency's mix of new entrants, recent entrants, and established vendors, the Priority Supply Chains-market segments where agencies have experienced challenges finding contractors. Last but not least, the memorandum also details a Government-Wide Procurement Equity Tool to support outreach for greater geographic and demographic diversity in procurement competitions.

**f. Data Developments** – Mr. Le provided data that shows the percentage of small business goaling eligible dollars in federal contracting utilization by small business category, the number of small business vendors decreasing, the number of SDVOSB vendors holding steady, service-disabled veteran set-asides up 2x since FY16, 45% of SDVOSB dollars come from set-asides, declining percent of SDVOSB dollars from all other set-asides, the number of new SDVOSB set-asides off the FY19 peak, and the average value of new SDVOSB set-asides growing.

## 7. Presentation # 4 Legislative Updates presented by Elizabeth and Ann Sullivan, Madison Services Group, Inc. & Women Veterans Business Coalition.

- a. What's Happening in Washington:
  - i. The Debt Ceiling Bi-partisan deal signed into law to raise the debt ceiling through 2025. Additional components are Government Spending Caps, Energy Permitting Changes, Unspent IRS/COVID Funds, Federal Student Loan Payment Collections, and Work Requirements for Federal Programs.
  - ii. FY 2024 Government Funding Appropriations work delayed in May for Debt Ceiling negotiations, House Appropriations Subcommittees expected to hold bill mark-ups in June, Senate Appropriators have indicated a desire for potential June mark-ups, Continuing Resolution (C.R.) potential, and Potential for 1% automatic cuts from debt ceiling agreement.

### b. Congressional Actions Impacting Veterans: Veterans Affairs Committee Actions

- i. House Passed seven bills during the first full markup of the 118th Congress, H.R. 1530: The Veterans Benefits Improvement Act, H.R. 1669: The VET-TEC Authorization Act, and Seeking clarification on the \$4.5 billion COVID supplemental funding spent by the VA.
- ii. Senate Unanimously passed the Veterans' cost-of-living bill COLA Act of 2023, Veterans' Health Act, Elizabeth Dole Veterans Programs Improvement Act of 2023, and Chairman Jon Tester modified contract agreement on the EHRM program.

# c. Congressional Actions Impacting Veterans: House Small Business Committee Actions New Legislation –

- i. H.R. 3511 Service-Disabled Veteran Opportunities in Small Business Act Requires Federal agencies that don't meet the 3% SDVOSB contracting goal to provide agency employees training to increase contracts to SDVOSBs.
- ii. H.R. 1606 Veteran Entrepreneurship Training Act of 2023 Codifies the SBA's Boots to Business Program until September 2028.
- iii. H.R. 1744 Transparency in Government Contracts Act Requires SBA to separate data in the annual procurement scorecard for prime contracts/ subcontracts awarded to SDBs, and Data separated by race, ethnicity, gender, and participation in the 8(a) program.

### Recent/Upcoming Hearings -

- i. Leveling the Playing Field State of Small Business Contracting.
- ii. Taking on More Risk: Examining the SBA's Changes to the 7(a) Lending Program Part II.
- iii. Assisting Entrepreneurs: Examining Private and Public Resources Helping Small Businesses.
- iv. Six Bill Markups held on May 23.
- v. Focus on recent 7(a) Regulations.

# d. Congressional Actions Impacting Veterans: Senate Small Business Committee Actions SBA Reauthorization Effort and New Contracting Legislation

- i. S. 1469, Stop Stolen Valor for Service-Disabled Veteran-Owned Small Business Contractors Act:
  - Eliminates the ability to self-certify as an SDVOSB.
  - One-year grace period.
  - Awards to self-certified firms no longer count toward SDVOSB contracting goal.

### ii. S. 1470, Accountability in Women-Owned Small Business Contracting Act:

- Eliminates ability for WOSBs to self-certify, and gives self-certified firms a one-year grace period.
- Only counts awards to SBA/third party certified firms towards WOSB contracting goal.
- Require any federal agency that fails to meet its WOSB goal to submit a report to Small Business Committees and testify.
- Focus on SBA lending regulations "Oversight of SBA's Implementation of Final Rules to Expand Access to Capital."

## e. Agency Actions: Agency Actions for Government Contractors

### **Small Business Administration:**

- i. Final Rule with Changes Across Contracting Programs
- ii. Updated SBIR/STTR Policy Directive

### **Department of Defense:**

- i. Updated Prompt Payment for Small Business Primes
- ii. Policy Impacts Due to Termination of COVID-19 National Emergency

### **General Services Administration:**

- i. Policy Changes Due to the End of COVID National Emergency
- ii. Inaugural Members of Federal Secure Cloud Advisory Committee Appointed

### **FAR Council:**

- i. Withdrawal of Lower-Tier Small Business Subcontracting Proposed Rule
- ii. Proposed Rule to Update SBIR/STTR Requirements
- iii. Final Rule to Include Construction Payment Bond Requirements to the Periodic Inflation Adjustments Threshold Exemption List

## f. Agency Actions: VA Agency Actions

### **Updates to Loan Repayment Program:**

- i. The final rule revises VA regulations for the Program for the Repayment of Education Loans (PREL) and Specialty Education Loan Repayment Program (SELRP)
- ii. Addition of OMB approval number for the associated collections of Information **Tuition and Fee Amount Changes Under Post-9/11 GI Bill:** 
  - i. Increases the Post-9/11 GI Bill maximum tuition and fee amount payable and increases the amount of reimbursement of a licensing, certification, or national test.
  - ii. The increase will be effective from August 1, 2023, through July 31, 2024.

## Addition of Chiropractic Services to Medical Services and Preventative Care Definition:

- i. The final rule to amend VA medical regulations to include chiropractic services in the medical services and preventive care definitions.
- ii. Medical regulations updated to be consistent with the current practices and to include rehabilitative services consistent with the statutory definition.
- **8.** Next meeting: The next meeting will be held September 7, 2023, at 9:00 a.m. ET. Platform to be determined.
- **9.** Adjournment: The meeting was adjourned at 12:44 p.m. EST by Tim Green.

All SBA programs and services are extended to the public on a nondiscriminatory basis.