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U.S. SMALL BUSINESS ADMINISTRATION

INTERAGENCY TASK FORCE ON
VETERANS SMALL BUSINESS DEVELOPMENT

OPEN MEETING

WEDNESDAY, MARCH 4, 2020

1:00 P.M.

Reported by: Jennifer Razzino, CER

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1 P R O C E E D I N G S

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3 (1:08 p.m.)

4 MR. STUBBLEFIELD: So welcome to our
5 Interagency Task Force meeting. I guess we'll start
6 the meeting by a roll call. I'll start here to my
7 right.

8 MS. PEREZ-WILHITE: Fran Perez-Wilhite with
9 the North Carolina Military Business Center. Good
10 afternoon.

11 MR. PHIPPS: Michael Phipps, American Legion.

12 MR. METHENY: Bill Metheny with the Department
13 of Labor, Veterans Employment and Training Service.

14 MS. TORRES: Beth Torres, VA.

15 MR. CARTER: DeWayne Carter, GSA OSDBU.

16 MR. TAYLOR: Houston Taylor, GSA.

17 MS. GARCIA: Amy Garcia, SBA.

18 MR. STUBBLEFIELD: All right. Do we have any
19 members of the Task Force on the phone?

20 (No response.)

21 MR. STUBBLEFIELD: Okay. If not, we'll get
22 started. Again, thank you. Thank you for being here
23 for our meeting today. Our agenda, I guess we're going
24 to get slides up here, but our agenda starts off with
25 the OVBD update. And I'll turn it over to Amy Garcia

1 to start the update.

2 MS. GARCIA: Thank you, Larry. Really quick
3 update today. We've got two regulatory updates. There
4 are two proposed rules that are SDVO-related that are
5 open for comment right now. So I wanted to make sure
6 everyone had that information today.

7 There's a proposed rule as part of the
8 regulatory reform initiative, and the Federal Register
9 -- it's really the link, but it would be the reference,
10 and you can do an internet search and it will come up.
11 85F, Federal, R, Register, 6106. 85FR6106. SBA has
12 issued a proposed rule to remove from the CFR four
13 regulations in the SDVO SBC program that are no longer
14 necessary because they're either unnecessary or
15 redundant.

16 This is part of the administration's efforts
17 to reduce regulatory burden. The removal will assist
18 the public by simplifying SBA's regulations in the CFR.
19 And comments are due April 6th. So that one's pretty
20 straightforward. When you go in and look, you'll see
21 that they're either regulations that are part of
22 another program that may be mentioned as guidance or
23 something like that in the SDVO program. So I wanted
24 to bring your attention to that.

25 And then the surplus property for veteran-

1 owned businesses, which also includes Puerto Rico and
2 disaster-affected small businesses, is open for
3 comment. The reference for that is 85FR, for Federal
4 Register, 3273. This proposed rule implements three
5 provisions of the Small Business Act to get access to
6 and manage the distribution of U.S.-owned surplus
7 personal property to three additional groups of small
8 businesses: small businesses owned and controlled by
9 veterans. And this was actually added when they went
10 through interagency review to write the bill -- I mean,
11 write the regulation. They added small businesses
12 located in major disaster areas and also small
13 businesses located in Puerto Rico.

14 So that was not part of the original act, but
15 it was included in the writing of the reg. So SBA will
16 execute a memorandum of agreement between SBA and GSA
17 and head of the state agency for surplus properties.
18 So, again, comments are due March 23. I think we've
19 received about 25 comments so far.

20 And then another thing I just wanted -- it's
21 Women's History Month, so can't go by without
22 mentioning the women-owned small business federal
23 contracting program certification updates. We're --
24 SBA is getting ready to launch that certification
25 program in summer 2020. There will be changes to the

1 certification process for WOSBs and EDWOSBs,
2 economically disadvantaged WOSBs.

3 Once the changes go into effect, firms will no
4 longer be able to self-certify as a WOSB or an EDWOSB.
5 Firms will have to either certify through an approved
6 third-party entity or go through SBA's free online
7 certification at Certify.sba.gov. That site's
8 available now.

9 WOSB Ready is SBA's campaign to raise
10 awareness of the upcoming changes to the WOSB federal
11 contracting program. SBA wants small business owners
12 to consider if they're eligible and ready to compete in
13 the federal marketplace.

14 For more information and to keep informed of
15 events, you can go to www.sba.gov/wosbready, WOSBready.

16 MS. PEREZ-WILHITE: Can I ask you a question
17 about that?

18 MS. GARCIA: Yeah.

19 MS. PEREZ-WILHITE: So I guess the women-owned
20 businesses that are already self-certified are
21 grandfathered in?

22 MS. SIMMS: So for technical questions --

23 MS. GARCIA: For technical questions, there is
24 a fact sheet on there and I think it addresses that.
25 But I think -- I don't -- you have to -- I don't think

1 they're grandfathered in. I think you have to be --
2 sort of go through that certification.

3 MR. PHIPPS: Michael Phipps. So I know we
4 talked about this previously, that Certify.gov was
5 supposed to streamline all certification. So if we
6 have a veteran woman minority business center, we don't
7 want to triple the burden, right, on their
8 certifications.

9 So is there -- is that process streamlined
10 with these new regulations for Certify.gov if somebody
11 is already in that certification process for another
12 socioeconomic area?

13 MS. GARCIA: So I apologize that I don't have
14 the technical answers to your questions.

15 MR. PHIPPS: But we can --

16 MS. GARCIA: And we've asked the WOSB program
17 to come to the next meeting because really it will be
18 started to roll out by then. This was just kind of a
19 heads-up. And you can actually start to submit as of
20 May 1st, I believe, although, you know, we're still
21 finalizing things. So until the actual reg is
22 finalized and we've got the program things in place,
23 they won't be evaluating the applications. But you can
24 still get in the pipeline.

25 It's my understanding the SBA will accept CVE

1 verification with proof of gender.

2 MS. GARCIA: Yes, that's correct. Thank you.

3 MS. PEREZ-WILHITE: Which SBA department is
4 this?

5 MS. GARCIA: So the WOSB program runs out of
6 Government Contracting and Business Development. And
7 there's -- they've been staffing a program office
8 specifically for WOSB, whereas before it was just, you
9 know, staff that was supporting the larger
10 organization. Now they've got a dedicated WOSB program
11 staff.

12 MR. STUBBLEFIELD: I was thinking also, Amy,
13 like maybe what I'll do after this, because we got the
14 large committee meeting tomorrow, we'll see if we can
15 get somebody to come down, you know, like around 9:15
16 or so and just give an update on Certify.gov, because
17 there is some things going on with Certify.gov. Any
18 time you're trying to stand something up, you know,
19 there's always things going on. So we'll reach out and
20 see if we can't have somebody here in the morning.

21 MS. GARCIA: And actually I can do a printout
22 of some of the FAQs just to hand them out today for
23 folks.

24 MR. STUBBLEFIELD: Okay. That would be great.

25 MS. GARCIA: Yep.

1 MR. TAYLOR: Houston Taylor, GSA. I think
2 that's an important point, Larry, because as we're
3 going through some shifts in dot-gov and SAM and IE,
4 you're starting to see recertification kind of take a
5 slide shift. So it is important to the rulemaking
6 process to see where that -- where that actually ends
7 up. But you're starting not just in these categories
8 starting to see in the rulemaking, particularly in the
9 GSA portfolios where self-certification is no longer
10 going to be the flavor of the day. So you're going to
11 start to see some shifts inside of the regulatory body.

12 The other place -- I'd like to just jump back
13 to 85FR3273. That's a big point on that surplus. And
14 you guys know that GSA has several warehouses. I think
15 it's a great opportunity. I take great pride and joy
16 when you talk about Computers for Learning, the ability
17 to give back. And now that we're going to do it for
18 vets, it's even a bigger deal.

19 I actually run the warehouse down in
20 Franconia, right down the road. It's just part of my
21 day-to-day job, and I would love for you guys and vets
22 to take advantage of that. So as this comes in -- and,
23 you know, what some would consider trash is a treasure
24 to others. So I open that up and even taking that a
25 step farther. So it's something, DeWayne, I think as

1 this evolves, we should be able to have -- and we've
2 hosted open houses where people just come, take a tour
3 and do some shopping. So keep that in mind. It's good
4 to see this happening.

5 MR. PHIPPS: Mike Phipps. So we've always
6 kind of wondered how that process works. Like, is
7 there a website or do we go visit and how do we get the
8 word out to other veterans, because veterans being on
9 this committee are kind of the tip of the spear when
10 all these subjects come up. People just constantly ask
11 and email us.

12 MR. TAYLOR: Yeah, great point. Clunky is the
13 answer. It works right now. It's totally manual.
14 There is -- you can go to a website and deal with a
15 vendor and say, hey, how do I go in and grab some
16 furniture? I'm starting up a business, you know,
17 there's some stuff here. How would I get a hold of
18 GSA's computers and access?

19 And I've got to tell you guys, we at GSA are
20 getting better at it. Right now it's purely manual.
21 There isn't no quick fix to that. So it comes down to
22 us communicating -- sharing and overcommunicating.

23 And my job is to have you guys tell me where
24 it's at and then let me shepherd that. Let me have the
25 people at the warehouse. An open house is a great way

1 to do it. We do it for the schools. We host open
2 house communities for local schools. We have political
3 interest in it as well. That's not the point, but it
4 serves a purpose for we're giving back to the taxpayer.
5 It would serve a purpose giving back to service-
6 disabled vets.

7 And there are certainly some good
8 opportunities. There's some good stuff inside that
9 warehouse. We can take that on to see how that would
10 evolve; what that relationship would look like; have an
11 open house for service-disabled vets; have them show
12 up. It's a manual registration, walk the warehouse,
13 get a tour and then talk about how do you fill out
14 paperwork to actually get something and what's involved
15 there.

16 MS. PEREZ-WILHITE: If you do an open house --
17 this is Fran Perez-Wilhite. If you do an open house,
18 we'll happily get the word out to veteran business
19 owners.

20 MR. TAYLOR: One of the things we've learned
21 over the last year or so, a lot of oversight from the
22 Inspector General and actually from criminal activity.
23 We have individuals that show up at the warehouse who
24 perpetrate to be something they're not, whether they're
25 school, charter schools. And so there's information

1 that we actually ask of the individuals, like TINs, and
2 we do some background checking. So that's the kind of
3 information we get up front.

4 So if you're interested in coming on a tour
5 and receiving some of these goods, here's what we would
6 ask of you. So that's the preparatory piece. We have
7 the education, information and how to do that. It
8 takes some time. But I think we should take that on,
9 DeWayne, as an activity.

10 MR. CARTER: I agree.

11 MS. GARCIA: And I just wanted to also add to
12 that. So once we go through the rulemaking process, it
13 will kind of lay the law of the land and how we
14 approach it. So we're ready to promote that within SBA
15 at our district offices. As you may remember, we have
16 veteran business development officers located at each
17 district office with collateral duty. So I do a
18 monthly training with them. So there's internal
19 mechanisms to, you know, push outreach on the program.
20 So that will happen once the rulemaking process
21 completes.

22 MR. PHIPPS: Do we have a date?

23 MS. SIMMS: No. But I think --

24 MS. GARCIA: I think in general the program is
25 ready to go. I think a lot of work went into the

1 interagency rulemaking process before we put it on the
2 street. So I guess the intent of that was to get
3 everybody to the table on the front end and then see
4 what comments roll in. So, thanks.

5 MR. STUBBLEFIELD: I was just going to tell
6 you, when you open up for an open house you're going to
7 have some visitors because we hear from small business
8 owners all the time. We hear from staffers on the
9 Hill, you know, the senator who sponsored the bill
10 we're reporting back to on a regular basis.

11 MR. TAYLOR: Mm-hmm. It's a great
12 opportunity, Mr. Stubblefield. We just had Eleanor
13 Holmes and actually the First Lady last year were
14 giving to a chartered school. So it draws that -- it
15 draws that interest. And I go back to what it really
16 points out is giving back that opportunity. And it's a
17 good feeling because I've got to tell you, just walking
18 the warehouse you'll see that there is equipment. I'm
19 not a techy guy, but computers and printers and stuff,
20 some never used. And agencies turn stuff into GSA,
21 hence the surplus. And so then it's our job to dispose
22 of it, and we do as best we can.

23 So we'll keep -- we'll keep this dialogue up.
24 I think it will be a great opportunity.

25 MR. STUBBLEFIELD: All right. Anything else,

1 Amy?

2 MS. GARCIA: No, nothing for me.

3 MR. STUBBLEFIELD: Okay. So I'll just go into
4 a couple of updates for you -- for everyone here before
5 we go around the room and talk about updates from the
6 agency updates.

7 First, I just want to let you know that we
8 have a new Administrator on board. Jovita Carranza has
9 been our Administrator now for close to two months.
10 Ms. Carranza has an aggressive agenda, if you will, on
11 things that she wants to get done before the election.

12 And her priorities are as follows: Disaster
13 is a -- disaster recovery and support is number one.
14 And we're already up and running with Nashville right
15 now with the tornadoes that just went through Nashville
16 earlier this week. So disaster, women, veterans,
17 underserved communities and rural are the
18 Administrator's initiative.

19 She is -- I'm bringing up the fact that she's
20 interviewing several candidates to serve as the Deputy
21 Administrator for SBA. And the reason why I bring that
22 up is because historically the chairperson for this
23 committee has been the Deputy Administrator. So I've
24 asked Administrator Carranza what is her thoughts on
25 the Deputy, once she brings the Deputy on board, will

1 that person chair this committee. And that's still
2 something, you know, she's thinking about, that she's
3 rolling over in her mind, if you will.

4 Just real quick, National Veterans Small
5 Business week is historically in November. This year
6 we're looking at two time periods, if you will, because
7 of the election. So the first time period is the 26th
8 through the 30th of October, and then the second one,
9 the second alternative, if you will, is the 9th through
10 the 13th of November.

11 And the Administrator -- the reason why she's
12 looking at possibly switching the date to October is
13 she wants to make sure that the emphasis on veterans
14 and veteran small businesses are not, you know, impeded
15 on because of the election. If people are going to be
16 moving around a lot, things are going to be happening
17 and she wants to make sure that it doesn't affect our
18 recognition of Veteran Small Business week, as well as
19 she wants to participate, you know, 100 percent
20 participation on her part in National Veterans Small
21 Business week.

22 So it remains to be seen exactly when we're
23 going to have -- between those two time periods, the
24 9th through the 13th of November. The 11th, I know is
25 Veterans Day, and we're also partnering or partners at

1 VA because, you know, you have a lot of things going
2 on, too, and we don't want to take away from there. So
3 there will be more discussion on that, if you will.

4 The next thing I'll just talk about real
5 briefly is, you know, we at SBA, we received the
6 \$100,000 gift from the President. Every quarter he
7 donates his salary to a federal agency. And in our
8 case, he donated his FY18 second quarter salary to the
9 Office of Veterans Business Development. And we took
10 that funding and established a training program that's
11 going on -- ongoing right now in New Hampshire where we
12 have 20 veteran business owners who are in the space of
13 business owners who have, you know, an additional
14 employee other than the owner, \$75,000 in revenue, and
15 in that space between startup and emerging leaders.

16 For those of you who are familiar with SBA's
17 program on emerging leaders, the criteria there is
18 revenue of \$300,000, you know, four or five employees
19 and so forth. So what we've heard for many years is
20 after you go through Boots to Business and Reboot and
21 there's a startup, there's nothing in that space to
22 help, you know, a business owner who's been in
23 business, like I say, for a year. Because I think all
24 of us here would agree that the first one to five years
25 are tough, you know?

1 Now, once you get to \$300,000 revenue, you
2 pretty much got your legs under you. So we're trying
3 to use that -- the President's gift to fill that space.
4 And the plan is hopefully to -- we're looking at this
5 as a pilot and we're doing it in conjunction with the
6 VA.

7 And, by the way, you had folks up in New
8 Hampshire who walked the business owners through the
9 CVE process. And all of the feedback that we're
10 getting is just tremendous. You know, we're partnering
11 with an organization that's called Veteran
12 Entrepreneurial Training and Resource Network, and the
13 CEO and president is a guy named Lee Goldberg. Mr.
14 Goldberg is a Vietnam veteran. He's been a CEO, like,
15 in 30 different companies. He's part of the Turnaround
16 Management Association, which is a worldwide
17 organization that go into businesses to either help
18 them turn around when they're having problems or
19 rightsizing and things of that nature. So he has an
20 extensive amount of experience.

21 And then the Turnaround Management Association
22 is also a part of this effort. So every business owner
23 has a mentor for life. And after they graduate on the
24 14th of March, the first cohort graduates on the 14th
25 of March, I'll be there for the graduation. They'll

1 have access to the Veteran Entrepreneur Training and
2 Resource Network. They're broad resources. They've
3 got, you know, just all kind of additional resources
4 that they'll be able to tap into.

5 And these mentors come from, like I said, the
6 Turnaround Management Association. So now we're
7 talking about legal people, you know, financial folks,
8 bankers. You know, people that really know business
9 and work with the business community.

10 So we're very proud of what we're doing in New
11 Hampshire. The second cohort, we're looking at
12 starting it up in New Jersey. And this is a 26-week
13 program. So it would run from April to September. So
14 we're in the process right now of getting the
15 instructors, going out with the announcements so
16 business owners who want to participate can apply.

17 And it's done on -- it's on the weekends,
18 because, you know, during the week business owners are
19 busy. So it's -- it's a Saturday session from 9:00 to
20 noon for that 26-week period.

21 So more to follow on that trend. And then in
22 addition to this graduation that's going to occur on
23 the 14th of March, we're also having a Veteran Summit
24 in Las Cruces, New Mexico, from the 17th to the 18th of
25 March. And, again, a lot of help with the federal

1 agencies.

2 This is a result of partnering with the
3 American Legion and Joe Sharpe. Joe and the American
4 Legion have -- they sat down and they've looked at
5 where are veterans settling and looking at that in
6 conjunction with poverty levels. And so they've come
7 up with 15 most distressed areas, if you will. And
8 Mississippi being number one, and we were going to go
9 to Mississippi, but our Regional Administrator --
10 because this is an SBA effort. Our Regional
11 Administrator who covers Mississippi is detailed to the
12 White House working on -- I believe it's the
13 opportunity zones and things of that nature.

14 So number two on the list, surprisingly, was
15 New Mexico. And so, like I said, we're going to be in
16 Las Cruces. That's the 17th and 18th. And I have the
17 agenda here for what we're going to be doing. But, you
18 know, the focus is going to be on access to capital,
19 you know, training and education, government
20 contracting, all of the things that we talk about on a
21 regular basis.

22 So we're up to this point, like we're over,
23 what, 300-and-something folks, I believe, Stan.

24 MR. KURTZ: 331 as of this morning.

25 MR. STUBBLEFIELD: Okay. These are -- because

1 it's out there and folks are signing up. And, like I
2 said, it's going to be an all-day session on the 18th,
3 to include, you know, lunch and everything at the Las
4 Cruces Convention Center. So this is a really big
5 deal.

6 And, again, to show your Administrator's
7 emphasis on veterans, right off the bat she told her
8 staff to block those two dates on her calendar and only
9 change those dates if there's something coming from the
10 White House. So, in fact, after this meeting I'm up on
11 the -- up with the senior leadership running them
12 through, you know, what the Administrator is going to
13 do and everything. So she is totally focused on what
14 we're doing, you know, in regards to helping veteran
15 business owners and so forth.

16 So the next thing on the agenda, I see we've
17 got the slides up here. This comes from a request from
18 Joe Wynn. I believe Joe is probably sitting behind me.

19 MR. WYNN: Yeah.

20 MR. STUBBLEFIELD: I just want to make sure,
21 Joe, you know when you speak I'm listening. And Joe
22 had asked me before about the charter, the charter for
23 this Task Force. And the question then, you know, that
24 we need to maybe review the charter and then kind of
25 focus our effort a little bit more on the deliverables,

1 if you will, in the charter. So what I thought I would
2 do is just kind of, you know, walk through the -- walk
3 through the charter and then maybe we could have a
4 couple minutes to discuss how we think this committee
5 could better focus on the goals in the charter.

6 So the slide you see up here now just talks
7 about the background on how the charter came about, and
8 there was the 2008 time period when, you know, we had
9 the economic downturn, you know, veteran unemployment
10 was very high and the Federal Government at that time
11 looked to see what we can do -- what can we do to help
12 veterans.

13 So at the bottom of the slide there it just
14 talks about the membership of the Task Force. And then
15 with that we'll go to the next slide, if you will.

16 So this is -- this is a slide that I want to
17 focus on and then just open it up for -- open it up for
18 discussion. Because the bullet points there, after
19 coordinate administrative and regulatory activities and
20 develop proposals relating to improving -- improving
21 access to capital, achieving the federal contracting
22 goals, and here's a big one, and this has come up a
23 lot. I'm pretty sure we've all seen the IG report at
24 DoD about the integrity of the certification process.
25 And then improving training and counseling services.

1 So with that I'm going to -- I'll just open it
2 up for a minute because I know every federal agency is
3 involved in government contracting, if you will. And I
4 know you may not be able to talk to it today. I'm sure
5 VA could probably talk about it all afternoon. But
6 just think about government contracting and access to
7 capital is two areas that we hear all the time. You
8 know, improving access to capital and federal
9 contracting.

10 And I know there's -- I know we'll say that
11 we're meeting the goals, but then there's some
12 underlying things where, you know, veteran business
13 owners may say we're meeting the goals, but then at the
14 same time maybe we're not. Like, I know Shannon is not
15 here, but like DoD, for example, I mean, one of the
16 largest -- probably the largest federal agency. you
17 know, what are they doing to improve government
18 contracting.

19 And this is really important now looking at
20 things like category management. You know, this best
21 in class and how contracting officers are beginning to
22 bundle. And so there's more dollars out there but
23 fewer people being able to participate in these
24 programs.

25 So I'll stop right there and just see if

1 there's any initial thoughts. And, you know, we have
2 to -- as part of the Task Force, we do an annual
3 report. Our report needs to focus on the areas that I
4 just mentioned, improving access to capital, federal
5 contracting goals to include helping DoD improve the
6 certification process because, you know, there's always
7 -- Beth, you run into it all the time with folks coming
8 in with a protest and things of that nature. And then
9 improving training and counseling.

10 MR. PHIPPS: This is Mike Phipps. So this is
11 a subject that we've covered for many years. High
12 level, there's a little bit of conflict with the DoD IG
13 report. And so I would really like to dig down into
14 that IG report. I read it in detail. And there's some
15 -- there's some thoughts on that. However, we've
16 always heard from the VA that the numbers of people
17 that are fraudulently going through the process are
18 very, very low; not even 1 percent. All right?

19 So then when you read this IG report, you
20 think the earth is falling because there are millions
21 of veteran businesses out there defrauding the
22 Government. But when you read the IG report, to me it
23 seems a little disingenuous about the statistics and
24 how -- they chose 29 companies, which is not even a
25 percent of a percent of a percent, but it seemed like

1 they chose those 29 companies on a single procurement
2 and not as an actual study or an actual high level
3 picture.

4 So it also -- that report gives everybody
5 outside of our community, oh, yep, there go the
6 veterans stealing business again. As we know, Congress
7 never -- there's a history of Congress using those
8 reports or using materials like that to vote against
9 some -- against small business programs from the '70s
10 on. Right?

11 And so when you see a report like that, it
12 seems now -- I would love to talk to SBA and have SBA,
13 okay, is it really the extent of that, like, 80 percent
14 fraud compared to the 1 percent the VA says? Like,
15 there's a huge gap in that report with what we've been
16 briefed over the years.

17 And so maybe what that report is, a little bit
18 of a catalyst or an opportunity for us to dig down to
19 that from a larger picture. Because -- and to find out
20 what that IG report really entails and how they did
21 that study, because I couldn't discern what was going
22 on from that report. I don't know however many people
23 read it. But it seems like from the SBA standpoint,
24 especially with certification on the table, you know,
25 let's get a better idea and maybe dig down into that

1 and then address certification.

2 And there's still a lot of veterans that don't
3 even know there is one standard now. What's happening
4 is is that standard too stringent, and then we have all
5 these -- you know, and then if you're one or more
6 socioeconomic classes, you know, the burden on
7 maintaining three or two -- one, two, three
8 certifications, you know, small businesses, it becomes
9 their job to maintain certifications at one point.

10 So -- and that is not only applied to
11 government contracting because we know from the VA a
12 lot of companies don't even do government contracting.
13 They just want that seal of approval. So those are
14 just my initial high-level thoughts.

15 MR. STUBBLEFIELD: No, no, no, I agree with
16 you. And one of the things we've done in the Office of
17 Veteran Business Development, like I just had Amy here
18 briefing out of this, created an additional duty, if
19 you will, for Amy as the liaison to Government
20 Contracting and Business Development.

21 So we're looking at these things. I agree
22 with you about the report and I know the DoD, I guess,
23 decided not to make a counterstatement but did give
24 indication -- an indication that, you know, there was,
25 like you said, some things that really need to be dug

1 down a little bit deeper.

2 So as far as Certify.gov, I mentioned getting
3 somebody from Government Contracting and Business
4 Development here. This will be another topic that we
5 need to add to the list because this thing about --
6 and, you know, looking at the report, you know, kind of
7 talking to companies that are not necessarily veteran-
8 owned where fraud is coming in.

9 And as you indicated, we are in a position
10 where we could hurt legitimate veteran business owners
11 when people read things like this and if they propose
12 legislation that doesn't address the fraud that ends up
13 hurting and sometimes we can swing the pendulum too far
14 to the left, if you will.

15 MR. HUBBARD: So the other comment, and we've
16 talked about this at this committee, is -- and this is
17 government contracting specific. The Federal
18 Acquisition Regulation really doesn't have a benefit
19 for service-disabled veteran-owned small businesses.

20 The FAR, when you really break it down, the
21 benefit is just the same as a small business. And so
22 we've always had this issue, and this is maybe a great
23 opportunity -- and I was recently looking at something
24 you guys are doing with the Veteran Business Program.
25 But to get the FAR -- to get language in the FAR that

1 gives veterans the true opportunity that they need
2 that's similar to an 8(a) set-aside, there's no reason
3 that the veterans don't; have that same opportunity in
4 the FAR.

5 And so this was a topic told to me five years
6 ago by Vietnam veteran business owners that were
7 complaining about this issue in Congress that Congress
8 voted against those types of things in the past, and I
9 didn't understand those -- you know, those issues until
10 kind of -- I mean, Joe Wynn and I have talked about
11 this before, you know, why doesn't the FAR have very
12 specific set-aside opportunities for veterans. And if
13 you had it in a veteran business development program,
14 you would -- it would also circumvent all these other
15 issues that you're having with fraud. Right? Because
16 in the 8(a) program you don't have that much fraud
17 because it's in -- you have Federal Acquisition
18 Regulation that wraps a program around that process.

19 So what we have with veteran businesses is a
20 lot of disjointed programs, a lot of support, and what
21 the SBA has done since I've been on these committees
22 has been really amazing. I mean, it started out with
23 nothing with Barb and you, Larry. You've really -- you
24 guys have really done a lot. But if we had that as a
25 program, you wouldn't have these issues in those OIG

1 reports.

2 So, to me, the opportunity is take that OIG
3 report, and if it is that bad or if we are having these
4 issues, let's get a government contracting program that
5 has the same parameters as the 8(a) program and wrap it
6 into one program so you avoid all this fraud.

7 MR. STUBBLEFIELD: All right.

8 MR. HUBBARD: That's my soapbox.

9 MR. STUBBLEFIELD: I was going to say I didn't
10 know if there was anything you wanted to say from the
11 VA point of view.

12 MS. TORRES: This is Beth Torres from VA. I
13 think, first of all, we've got to be very careful about
14 throwing around the F word.

15 MR. PHIPPS: I agree.

16 MS. TORRES: We tend to call it ineligible
17 because fraud is illegal. So we're very, very careful
18 with that. My thoughts on this is that if a company
19 knows they are ineligible, if they have not been found
20 to be eligible in VA, for example, they do tend to
21 self-certify and go to other agencies where they can
22 self-certify. So that's why you might find a higher
23 instance of ineligible firms getting contracts.

24 So I think that that's really where that comes
25 from, where it seems like it's such an egregious

1 problem and we're not able to say, VA, we're having a
2 big problem with it because we do take steps. I mean,
3 we have spent -- and the certification programs work.
4 Our Veterans First program, we spent \$6.4 billion with
5 SDVOSBs last year. It was over 23 percent of our
6 procurement dollars went to SDVOSBs in 2019. So it's
7 something that really can work.

8 So I think that in the long run we -- all the
9 programs are going towards cutting out the self-
10 certification. I think it needs to happen across the
11 board.

12 MR. STUBBLEFIELD: Okay. So --

13 MR. TAYLOR: I thought the F word was the FAR.
14 I'm sorry --

15 (Laughter.)

16 MR. TAYLOR: But I want to kind of circle back
17 to really what the VA has done and Small Business
18 Administration, when we talk about -- you implied 8(a),
19 FAR 19, if we got into some language like that. But
20 even in that space we want to be careful because when
21 you look at the data, the fact is VA, SBA, GSA, we sit
22 down and we really do hammer out the numbers and goals.

23 And you're right, Larry, we are meeting our
24 goals and we are exceeding the goals. But there's a
25 story behind the numbers. And we talk about what we

1 can do up here to better that. And that's when we
2 start peeling back the numbers.

3 You know, for example, I could sit here all
4 day long and tell you the schedule is a \$40 billion
5 portfolio; 80 percent is spent on 20,000 supplies -- I
6 know the numbers. I also know the story behind the
7 numbers says that when you start breaking that down, of
8 the \$40 billion, that's a small percent that really
9 will get to a service -- even a vet, let alone disabled
10 vet.

11 So that's when -- if we can bring some real
12 value here to operationalize those kind of
13 conversations, it doesn't necessarily mean changing the
14 goals. I think it's a behavior. I think you'd get a
15 lot farther dealing with the behavior than trying to
16 put a FAR change in front of the CAC Council. Because
17 I'm going to tell you, you will spend years going
18 through the live process trying to change the FAR. And
19 we'll be here another five years if that would be the
20 goal, to get some language in FAR 19 to reflect 8(a),
21 opposed to coming up with some operational, more
22 tactical on how we could actually touch some of the
23 vets.

24 And that -- one example of that is the
25 warehouse, but taking that a step further and then

1 using GSA in the space because it is what we do.
2 Acquisition service, public building service, it's not
3 that easy. I pick on schedules just -- I was hoping
4 Matthew would be here, a dear friend of mine. It's not
5 that easy to, say, get into the multi-award schedule.

6 And I know now we're going to a process where
7 we're going to one schedule. Well, what does that look
8 like? That's hard work. And if you don't do that on a
9 steady basis -- now, you talk to the big boys, that's
10 easy. They're staffed for it. They've got the capital
11 for it. But if you're a one -- if you're a small
12 business veteran-owned, it's not so easy. And we send
13 you all over to trainings and certifications and you're
14 still somewhere where you're looking at a schedule, no
15 business, no volume; now what do I do?

16 So if we're going to help really move this
17 ball some from where we sit, grab something that we can
18 digest, a big elephant, or maybe grab a hold of one or
19 two real initiatives that we can operationalize and
20 show something where we've gained. And I don't have
21 those answers. I just hear it all the time from the
22 GSA side in-house. You know, we get companies all day
23 long, it took me a year-and-a-half to get on the
24 schedule, I have zero sales.

25 And you know what we do? After a couple of

1 years, we knock on your door, tell you you got to go;
2 you have no sales. Low or no sales because a whole
3 'nother issue, we talked to the supplier today, he
4 says, look, I'm been competing; I'm not winning. You
5 know, what can -- what do I need to do? And then you
6 get into things. One thing -- just a small example.
7 We were doing some things with the -- with one of the
8 federal agencies, and, you know, we started having one-
9 offs with suppliers. So this was real tactical but it
10 worked. You know, like you have an industry day,
11 people come in and everybody golf claps and they walk
12 away and nobody shares anything.

13 But when you -- when you bring suppliers in
14 one-on-one so you set aside something and if you bring
15 them in and start saying what do I need to use you to
16 do business and professional services? How would your
17 company do this? They start sharing ideas.

18 Now, if you're doing that in a presolicitation
19 phase, now you're driving behavior, we got the program
20 shop, we got the acquisition shop, you really want to
21 make their job easier for them? Because in exchange
22 they're going to go and put out the solicitation. So
23 if you're having those kind of dialogues, you're
24 looking at a forecast, you pick one or two actual
25 procurements out and then we try some of this.

1 You can't be afraid to fail, too. That would
2 be my last point. Because some of these things we take
3 on, but the training, the education piece up front, and
4 then operationalize. Grab hold of something and see
5 what it looks like.

6 And I don't know where GSA sits in all those
7 spaces. It's a big portfolio. You got a public
8 building, that's brick and mortar. Federal acquisition
9 service typically is schedules. There's a whole lot
10 more there. There's GWAC, there's Alliant, \$40 billion
11 portfolio across all of the schedules.

12 Yeah, I would just go back to the very first
13 part, training, education and developing; then give
14 some hands-on training. Give some hands-on training to
15 the veterans that are sitting down. Look, I'm slow
16 when it comes to technology. I'll tell you that. I'm
17 dated. But if you sit down and take me through a
18 process, I can get it. And I think we need to do that
19 with some of our vets. And I'd be willing to help out
20 in any way that I can.

21 So I just share that. But back to the F word,
22 showing me FAR is one thing. We want to operationalize
23 and get something done, I think we're in a better space
24 to actually achieve something as a committee.

25 MR. PHIPPS: I agree with everything you're

1 saying. I still think the FAR needs to be changed.
2 I'm willing to sit and go through the long process.
3 The issue with veteran entrepreneurship is right now
4 it's a very popular activity to support veterans.
5 Historically, going from the '70s, you see this big --
6 these big swings depending on what's going on in war
7 zones, and without legislation, without FAR changes,
8 the minute veterans are not the flavor of the month,
9 that support drops off like a -- just straight down.

10 And so -- and I'm saying this from a point of
11 being educated by somebody who did a report from the
12 1970s and showed us the historical value. There's a
13 lot being done for veterans right now. But that can be
14 changed in just a simple vote of the -- of your budget
15 here. Right? When that is in the FAR -- and the
16 reason I -- it's going to take years to get that
17 changed.

18 But, Eric, I mean, and I've said some things
19 about the SBA where they voted against this in 2005
20 because of these types of reports that have come out.
21 So getting -- getting the FAR -- getting that into the
22 FAR clause allows that stability blanket that's going
23 to happen when there's not the support. And, you know,
24 back to the fraud versus ineligible, other than these
25 GWACs that have -- other than the VA, because for the

1 VA, 100 percent. Other than the VA, there are those
2 GWACs where, you know, that certification does mean
3 something.

4 But other than that, there's no -- one of the
5 issues that people have and they don't go to the -- go
6 through the CVE program is because it's -- there's a
7 lot of -- there's a lot of -- there's been a lot of
8 issues with the process. To this -- to the advisory
9 committee over the years, we've been -- we've been
10 misinformed by the VA repeatedly. And that's a whole
11 'nother subject. But there's issues with that
12 certification program. People drop out because they
13 don't want to go through that process. And so they go
14 to the other agencies. And I'm not against
15 certification, but that process has got to be a good
16 process. But other -- we're putting that process on
17 veteran businesses without the benefit of some of those
18 FAR -- to take advantage of some of those FAR rules.

19 MR. STUBBLEFIELD: Okay. Great discussion.
20 So what I'm going to suggest to the Committee is that
21 we do this: Like, we want to focus this year on some
22 things for our report. So I know during the public
23 comment period we're going to invite Joe Wynn to speak.
24 And what I would like to do in addition to capturing
25 Joe's thoughts is for the -- and I'll get Amy Garcia to

1 work this around through all of you, is for the next
2 meeting to have a -- what I'm calling a white paper
3 developed on our thoughts on what needs to be done
4 short-term, medium-term, and long-range. Long range
5 would be something like the FAR. But what can we do in
6 the short-term, in the medium and long range.

7 And I'd also like to share that information
8 with the Administrator, who we were going to have her
9 at the committee meeting. She was interested in coming
10 to the committee meeting tomorrow. But because a
11 number of people can't make it or they're going to be
12 calling in, you know, we didn't want to bring her in,
13 you know, if we didn't have a full committee here,
14 because one of the things we were going to do is take a
15 committee photo with the Administrator. But she wants
16 to know what the committees are doing and she wants to
17 come and actually sit down and participate.

18 So now we have her on for June and she's going
19 to block time on her calendar to come down and spend
20 time with the committee in June. So we're going to --
21 we'll be in touch with you and we can do a lot of this,
22 I guess, through -- speaking of technology, you know,
23 if we were -- you know, we can work our comments
24 through the group, like use the technology as best as
25 we can, and then have a plan for our next meeting in

1 June. What do we need to attack? You know, the 25-
2 meter target, 75-meter, then 300-meter target.

3 MR. TAYLOR: I think it's great, Larry. Then
4 break that bucket out in a policy, process, people.
5 To your point long-term plan, you want to change the
6 FAR. That's a policy bucket. Then you can get to the
7 people, then get the process. And it's those different
8 ways to dice and slice the pie. But it helps bring
9 some clarity and it also helps us start to zero in
10 tactically risk managing where we can and cannot be
11 successful to support the people in charge.

12 And that's part of the deal, too. That's
13 another P, or called politics, and it plays as well.
14 So if we're trying to drive change, we want to be able
15 to take what we can and then show where it benefits.
16 So putting together a paper like that and then dicing
17 and slicing it helps bring some clarity to what we're
18 trying to do.

19 MR. STUBBLEFIELD: Absolutely. I agree with
20 you 100 percent. And Mike makes a very good point
21 about the future because I know we're going to go
22 around the room in a second here and get member
23 updates, but we always hear from Labor on how well
24 veteran employment is going. And in our office and the
25 Office of Veteran Business Development, you know, we --

1 we interact a lot with, you know, Fortune 500
2 companies, you know, the JPMorgan Chase and others, and
3 they all -- and their HR departments all have hiring
4 initiatives for veterans. You know, veterans are
5 usually doing better employment-wise than the rest of
6 the nation.

7 And there were things like I mentioned
8 earlier, the -- some of the initiatives, category
9 management comes to mind right away. If we don't keep
10 our interests on the front burner, it can easily --
11 easily fade away.

12 So that's what we're going to do. So I'll
13 have Amy reach out to all of you. What we'll do is it
14 will be -- and Amy will probably do this better than
15 I'm saying we're going to do it. But it will be
16 sharing revisions, you know, until we finally get to
17 what the group agrees with as the final piece for our
18 meeting in June and when we meet with the
19 Administrator.

20 So, with that, I know we're supposed to take a
21 break and we have a -- Larry Webb, who's our senior
22 legal counsel is coming in to ethics at 2:30. But if
23 you'd like we could continue on right now and just do
24 -- okay. So I see people nodding saying let's continue
25 on. So I guess we'll start for the update with Bill

1 and Department of Labor.

2 MR. METHENY: Thank you. So thanks, Larry. A
3 few things to update the team on. VETS, Veterans
4 Employment Training Service, has a new Assistant
5 Secretary that came on about two months ago as well.
6 Fifty-nine days ago, John Lowry was sworn in and joined
7 VETS as our Assistant Secretary. Since then, he has
8 been very active engaging partners and stakeholders
9 around our veterans employment community.

10 He has deep business roots and background with
11 20 years in manufacturing with Harley-Davidson and
12 other companies, running factories and so on. So great
13 experience there. And he is leading us to achieve the
14 vision that he's expressed, which is enabling all
15 veterans to reach their full potential in the
16 workplace.

17 So we're very excited to have him and he is
18 making great strides already just in his first couple
19 months with us. Larry mentioned it wouldn't be a good
20 Task Force meeting if I didn't give some veteran
21 employment numbers, so let me do that. In January, the
22 report that came out just about a month ago, the
23 veteran unemployment rate was 3.1 percent, which was up
24 slightly from 2.9 percent the month prior in December.

25 The comparable nonveteran employment rate for

1 that same period, though, in January was 3.4 percent.
2 So veterans are still doing better than their
3 nonveteran counterparts. That was the 17th consecutive
4 month that veteran unemployment rate was lower than the
5 nonveteran unemployment rate.

6 Tim Green, if he were here, would tell you
7 that was partly his responsibility when he was over at
8 VETS. But since he's not, I'll fill in that blank.

9 MR. STUBBLEFIELD: He might be on the phone.

10 MR. METHENY: Uh-oh. The veteran employment
11 numbers come out the first Friday of every month. So
12 this coming Friday they will be released as well. So
13 if you would like to get those automatically, you can
14 subscribe. Go to veterans.gov and you'll see where to
15 subscribe and get those emails yourself rather than
16 waiting to hear about this quarterly.

17 One other thing that I would highlight is that
18 the wrap-up numbers for 2019 for all of our annual
19 veteran unemployment numbers plus a supplement that
20 happens in the August time frame that asks some very
21 specific questions of veterans, all those get wrapped
22 up and they will be released later this month on March
23 19th.

24 So if you watch, if you subscribe to that
25 newsletter, you'll get it. If you go to the Bureau of

1 Labor Statistics page, it will be -- that report will
2 be released there Thursday, March 19th, of this month.
3 Great, great data on all kinds of parameters about
4 veterans unemployment based on their service, their
5 disability, the kinds of thing they do, how long they
6 served, their age and so on. So I would encourage
7 everyone to keep an eye out for that.

8 I think we're probably all tracking that the
9 Transition Assistance Program went through some major
10 renovations as a result of last year's National Defense
11 Authorization Act. It reorganized how it happens. It
12 spread out the time period for when transitioning
13 service members start, meaning they're required to
14 start earlier in the process so they don't get jammed
15 up at the end so they get to take advantage of some of
16 the opportunities.

17 On the employment side, there are -- there's
18 some restructuring that happened, some curriculum
19 updates. And those all took effect January of this
20 year. So it's up and running, happening all over the
21 country, working out some of the bugs from that. But
22 pretty excited about what we're seeing and hearing.
23 And just to circle back to our Assistant Secretary, his
24 number one priority is that transition program right
25 now. So he's really putting a lot of energy into that.

1 With that, we, the Department of Labor, are
2 also doing an apprenticeship pilot program associated
3 with the transition program. So in addition to a
4 service member going through and deciding do I want to
5 be an entrepreneur, go to Boots to Business; do I want
6 to go use my GI Bill; do I want go to the workplace?
7 They can choose to go into a location track which can
8 often lead to an apprenticeship.

9 So we, VETS, are setting out at eight
10 installations around the country apprenticeship pilot
11 staff to work on those installations to help veterans
12 get into apprenticeships as a part of their transition,
13 not later stumbling into them or whatever.

14 So we're really excited. That will kick off
15 later this year. We will run, learn from it at those
16 eight installations spread around the country that the
17 services have told us that they recommended that we
18 use, and we'll let you know how those results are and
19 what we're learning from those.

20 It is a pilot, so what we learn from those we
21 will try to institutionalize into the broader system of
22 the transition experience. Yes?

23 MS. PEREZ-WILHITE: Do you know how long this
24 apprenticeship program is, and do you know the eight
25 installations? And this is Fran Perez-Wilhite.

1 MR. METHENY: Thanks, Fran. The pilot will
2 kick off later this year. It will go for about a year
3 based on our funding, unless we get more funding. And
4 then we'll take those results, compile them and figure
5 out how we can apply them.

6 The installations, I can tell you some of them
7 off the top of my head, but I'll miss some of them.
8 Several are out in California. Fort Bragg is one of
9 them. And I can provide the list and add them to our
10 minutes for this if that would be helpful. And I'd
11 certainly be glad to share them with the committee
12 before that so we don't have to wait. But that was a
13 great question. And I knew it would be asked and I
14 forgot to write them down, so I apologize.

15 We are always excited about the HIRE Vets
16 Medallion Program, and because this is an opportunity
17 to recognize employers who hire and retain and train
18 veterans. The award is in statute. The application
19 period is open now. It goes until the end of April.
20 And so if you know of veteran-friendly businesses and
21 we -- there are small, medium and large categories. So
22 we would love to put the word out for that. The
23 information is very clear and available on the website
24 called hirevets.gov. So that will be coming out.

25 We know that this award is a very powerful way

1 for employers to win the war of trying to get talent
2 into their businesses. And one of the ways we
3 emphasize that, circling back to the Transition
4 Assistance Program, is that when service members go
5 through that program we highlight the fact that they
6 should be looking for that HIRE Vets Medallion award
7 winner category when they're looking at employers. And
8 we even give them an interactive map that they can go
9 to to find out where the past recipients have been and
10 why not start your search there.

11 So that's out there. It goes until the end of
12 April. We announced the winners of this year's right
13 around Veterans Day, plus or minus a few days, for each
14 category.

15 And lastly we mentioned apprenticeships
16 earlier. We believe that veteran business owners make
17 great employers of other veterans. And so one of the
18 things that we've heard is obviously you talked about
19 large organizations can do apprenticeships and put all
20 those resources, but there's been a lot of interest and
21 emphasis from the Department of Labor to find smaller
22 businesses to get those apprenticeships stood up, to
23 include those that are focused on veteran businesses.

24 One article that came out just yesterday, if
25 you go to the website Entrepreneur, there's a cool

1 article called Small Businesses Are Now Hiring
2 Apprentices; Should You? Anyway, so a great article,
3 very timely, and it has a couple great examples, but
4 also the principles behind why it's easier and easier
5 and makes good business sense for small businesses to
6 take advantage of apprenticeships.

7 And, lastly, for now, the Department of Labor
8 and the VA's Voc Rehabilitation Employment Program are
9 looking to partner to figure out how can we get the
10 100-and-something-thousand veterans that apply for that
11 program each year to consider and enroll in
12 apprenticeships. Right now we know that that number is
13 smaller than it could be, and so we're looking at ways
14 to bolster that. And we will be trying some pilot
15 experiments around the country over the coming year to
16 track -- we think that the major obstacles are not the
17 right information and not the right clear business
18 processes to make that an easy thing to happen.

19 So we're going to pick a few states. We're
20 going to try it out. We're going to learn as we go,
21 cycle through it so that we can provide the materials
22 out broadly across the country.

23 I shared this last week in Dallas with 21
24 states of VETS state directors and their state veteran
25 program coordinators, and they were excited and came up

1 to me afterwards saying please put me in for one of
2 your pilot states because this sounds like something we
3 should do. So I will keep -- report back to the Task
4 Force on that as well.

5 That's all I have to report for this week or
6 this quarter.

7 MR. STUBBLEFIELD: Okay. Thank you, Bill.

8 Any questions for Bill?

9 (No response.)

10 MR. STUBBLEFIELD: Comments? Great report. I
11 will tell you I'm on Mr. Lowry's calendar and we've
12 moved the meeting a couple times, but I appreciate
13 everything you just said. That's great background
14 information.

15 And I have to give the VA kudos for the
16 Medallion Program because when you had your annual
17 conference, you had reps there and they allowed us to
18 set up Ms. Harvey. And he got a lot of attention
19 there, too. So it was really good.

20 MR. METHENY: Thank you.

21 MR. STUBBLEFIELD: Okay. So we don't have the
22 Department of Defense here, but if they were here one
23 of the things I know that's out there is the CMMC, the
24 security piece. And so we're going to call Shannon.
25 Because, I mean, again, this is going to really affect

1 -- I mean, it's going to affect all small businesses.

2 But, you know --

3 MS. PEREZ-WILHITE: Can they come tomorrow and
4 talk about CMMC?

5 MR. STUBBLEFIELD: We can definitely reach out
6 to them. I see Stan shaking a no here. To see if
7 that's a possibility.

8 MS. PEREZ-WILHITE: I'd like to make one
9 comment about CMMC. There are already -- I guess you
10 can call them predators that are approaching business
11 owners, a lot of them veteran business owners, saying
12 that to get CMMC-certified, you can just give us
13 \$50,000. It's already out there.

14 MR. TAYLOR: So, Fran, this is just -- what is
15 that -- are we talking clearances for personnel? What
16 is that? Educate me, please.

17 MR. PHIPPS: I'm not exactly sure of the
18 CMMC --

19 MS. PEREZ-WILHITE: It's a clearance, right?

20 MR. PHIPPS: Yeah. We actually talked about
21 this during our last committee. It's a certified --
22 it's a certification for your -- for cyber-security for
23 your infrastructure for all businesses doing businesses
24 with DoD. And DoD is going to have different levels of
25 certification. So that's small business, you know,

1 medium size, and they're not sure how it's going to --
2 they did say it's going to be easier for the small
3 businesses.

4 But in order to do business, this is a
5 different type of certification because in order to
6 just get any contract you're going to have to be --
7 you're going to have to have this. So it's not like,
8 you know, I don't have my veteran-owned certification
9 so I can still participate --

10 MR. TAYLOR: In addition to.

11 MR. PHIPPS: Right. This is in addition to.
12 And so these companies are already -- it's not -- DoD
13 hasn't come out yet and said this is what you have to
14 do. They've given some IT standards, some special
15 publication standards, 870 -- security -- IT security
16 standards. So these companies are coming out and
17 saying, hey, we can do it, but DoD doesn't even know
18 the final certification program. But it's -- there's a
19 lot of people concerned because if they don't get it,
20 they can't even participate at DoD.

21 MR. STUBBLEFIELD: Okay.

22 MS. PEREZ-WILHITE: I would like to add also
23 -- this is Fran Perez-Wilhite. I believe there's also
24 a date that you have to have this by. Isn't it
25 September or October of this year?

1 MR. PHIPPS: So DoD came out -- Mike Phipps.
2 DoD has come out and given some timelines. There's a
3 grace period. I think they said a year. They're going
4 to have this about a year gross period. We talked
5 about it last -- we talked about it during the last
6 meeting and they're going to come out with hard dates,
7 and they have some things published on their website,
8 but to the extent -- you know, you're going to have to
9 spend money most likely to get some of these systems or
10 use very certain products like, you know, Microsoft
11 email, for example, has some security standards. So we
12 don't know what all that is going to look like. And
13 some of it is process-based. This is how you have to
14 treat information.

15 MS. PEREZ-WILHITE: And this is Fran Perez-
16 Wilhite again. Larry, I'm hoping -- I'm hoping we can
17 bring someone tomorrow. I was going to bring this up
18 tomorrow at the meeting. There are so many veteran-
19 owned businesses already beyond concerned about this.
20 I'm not really sure we can wait until our June meeting
21 to discuss it. If possible, tomorrow would be great.

22 MR. STUBBLEFIELD: I was going to say, I know
23 Stan is taking a note. And if nothing more than if
24 they could call in, if we could just give them, you
25 know, 15 minutes or so to call in and have it on the

1 record.

2 All right. So DoD is not here. We would hit
3 them up on CMMC. If the Treasury was here, we'd hit
4 them up on the CDFI and let them know that --

5 MR. PHIPPS: They call in a lot. Treasury,
6 are you on the line?

7 MR. STUBBLEFIELD: I didn't -- we asked if
8 there were any members on the phone; there weren't. So
9 we're going to reach out to Treasury because, you know,
10 our Associate Administrator in the Office of Capital
11 Access is still looking to have veterans classified as,
12 you know, other targeted populations. And, you know,
13 Treasury has told us repeatedly that that's a steep
14 climb. And so we're going to make another effort at
15 it. And we're also going to discuss it a little bit in
16 this year's annual report. And Treasury needs to know
17 that. And our new Administrator came from Treasury, so
18 this is going to be -- it's going to be a different
19 discussion now.

20 Okay. So we will go over to our partners at
21 VA and turn it over to Beth.

22 MS. TORRES: Hi. I guess just a few things.
23 We don't have a lot right now. We had a pretty
24 successful NVSBE in the first quarter of this fiscal
25 year. We are looking at next year moving it out of

1 first quarter. So for FY21, it looks like it may be
2 more like late spring. They're still looking at
3 venues. We don't know any venues. It's still in the
4 very early stages. So we have -- I'm sorry I don't
5 have much more to report on that, but it is more than a
6 year out.

7 As far as the -- every time, I know everybody
8 is interested in what's going on with verification.
9 The database itself has remained fairly static in size
10 over the last several months, last year or two, right
11 around the 14,000 mark.

12 Now -- and that is -- has a lot to do with
13 companies not re-verifying. Now, a few months ago, we
14 did reinstitute our simplified renewal where if they'd
15 gone through the whole verification process after their
16 first three years they can fill out a questionnaire of
17 15 questions and submit that. That gets looked at only
18 by our Feds. And that usually can get an approval
19 within one to five days on a renewal. So it's very
20 easy. There's not the whole big pile of paperwork. So
21 that's been pretty successful.

22 As far as the actual certification and
23 verification process right now, the processing times
24 are dropping month by month. For FY20, we're at an
25 average of 17 days. But for the month of February,

1 we're at 14 days. And it's even dropping from there.

2 We've only had 10 denials this fiscal year.

3 So, you know, a high percentage of those that go
4 through the full certification process do -- you know,
5 it's up in the 99 percent rate.

6 Now, there are a great deal of companies who
7 basically we consider their applications abandoned when
8 they haven't replied to us in 30 days. We remove them.
9 And that's over 50 percent of the applications that we
10 get.

11 We have some webinars coming up, both pre-
12 application webinars that help firms get together their
13 paperwork and know what to expect in the process. We
14 had one on Friday and the next one after that is on
15 March 20th, Friday, the 20th. And the we have -- on
16 March 24th we have a webinar on how to stay verified.

17 And I think that's -- we are still working
18 with SBA and OMB on the HR1615, the VA/SBA act. We've
19 got another meeting here coming up. We're meeting
20 quarterly at OMB. So we've got another meeting coming
21 up at the beginning of April. So we're preparing for
22 that. And that's about it that I've got for VA right
23 now.

24 MR. PHIPPS: This is Mike Phipps. Over the
25 last, say, six months to a year, we've noticed a huge

1 improvement with the communication from the VA, the
2 numbers that have come out. You guys have really --
3 going back even three, four years, it's -- we've gotten
4 a lot of improvement getting information about the
5 certification process.

6 One of the issues that we addressed, and I
7 think this is still in the works behind the scenes, the
8 10 -- the percentage of people that are passing versus
9 people -- they don't pay attention for 30 days and they
10 dropped out. About six months ago we stated that and
11 we got so many phone calls that were saying I was
12 automatically dropped from the system and I wanted to
13 get an extension. And we got some -- you guys have
14 given us some updated numbers on how you're fixing that
15 issue with the automatic drops, which kind of skew
16 those numbers about people getting certified or bowing
17 out of the system or dropping out of the system in 30
18 days on their own.

19 And so I know you don't have those numbers
20 now, but I just want to kind of put out there if we
21 could get an update on that because I know you guys
22 were working on getting us some of that information
23 back, especially -- we even -- I'm not sure if we gave
24 you the individual names, but we had some people that
25 were, like, you know, that's not our experience. And

1 so you did a very good job about getting some of that
2 information back to us, and I just wanted to have that
3 as a -- as just a followup, because those statistics,
4 when we put them out there, we get a lot of feedback
5 and know people like to talk about their own
6 experiences. So we don't know if that's anecdotal or
7 if that's, like, you know, bigger issues.

8 MS. PEREZ-WILHITE: This is Fran Perez-
9 Wilhite. Are you actually capturing those businesses
10 that are dropped out, whether it's on their own or --

11 MS. TORRES: Yes.

12 MS. PEREZ-WILHITE: -- it just happens?

13 MS. TORRES: Yes.

14 MR. STUBBLEFIELD: Okay. Any other questions
15 or thoughts for the VA?

16 (No response.)

17 MR. STUBBLEFIELD: If not, we will go to our
18 friends at the GSA.

19 MR. TAYLOR: Thank you, Larry. A couple
20 points. First off, on behalf of Emily Murphy, the
21 Administrator of GSA, big, big supporter of small
22 business, Office of Small Business and veteran, to the
23 point I'd like to make a point from a culture
24 leadership perspective.

25 One of the things that Emily did with all

1 senior executives was sit us down on our performance
2 review. You say, what does that have to do with this
3 committee? It has a whole lot to do with it when
4 you're changing leadership and culture; to the point
5 that in every senior executive performance plan in GSA,
6 you have small business goals, including service-
7 disabled vet goals, inside your performance plan. That
8 helps drive behavior. What gets measured gets done.

9 And to the point when we look at our vet
10 numbers for this year, first off, GSA's number, \$1.4
11 billion in spend. That's where we are right now as of
12 the end of February. So that's our business. Two
13 percent of that, that's \$140 million, just went to
14 service-disabled vets. So that's 10 percent of where
15 our money is. And that's tax dollars. That's not just
16 what GSA spends.

17 I want to be clear because, you know, agencies
18 come to us and we, in turn, go out. So that says that
19 GSA is doing their job to educate and perform. DoD,
20 Labor, says, hey, here's what we have to offer inside
21 the socioeconomic environment, and agencies are taking
22 advantage of that. So that's a great number. We're on
23 target to meet that goal and far exceed it.

24 In fact, what we're tracking right now, I
25 would lean forward and say we're on track -- Larry,

1 look, we're looking for another A because we're on
2 track right now to exceed all of our goals in that
3 area. Emily is a no-nonsense leader when it comes to
4 achieving that.

5 And as of either last week, she sits down and
6 says, okay, spend under management. Where are your
7 dollars going? How are we spending it? So all of that
8 is a culture leadership change that helps drive the
9 numbers. You say, you know, I just threw -- that's 10
10 percent out that's going to service-disabled. That's a
11 big number. It can be better.

12 The other piece, I want to kind of throw out
13 something for the committee, too. Larry, you here?

14 MR. STUBBLEFIELD: Yep.

15 MR. TAYLOR: I know Matthew has got his arms
16 all around this category of management, best in class,
17 big stuff, a lot happening in there, a lot of concerns
18 there. We, as a committee, want to continue to be
19 educated and informed. That's constantly moving. And
20 you guys know that. So we want to -- we want to stay
21 informed to take the story back because unless you're
22 sitting in that space constantly, say, as a federal
23 category manager, there's no way you're up to speed on
24 what's happening because it's moving that quickly. And
25 it will fit back into the FAR.

1 Supply chain, strong risk management, and even
2 IT certifications, there's some new -- these are new
3 things coming on. We're asking acquisition contracting
4 officers now to take additional training, and they're
5 going to tie it right into the FAR. There's one for
6 you, Michael. They're going to tie it into the FAR
7 where contracting officers or program folks will have
8 to get certain type of supply chain risk management
9 training and when we start talking about intellectual
10 property.

11 Now, you think about what happens. If you put
12 that on the acquisition work force, industry feels it.
13 Whether you're a vet, small business, women-owned,
14 you're going to feel it because the contracting officer
15 is no better than the service that they're providing.
16 So these things are happening right now. We, as a
17 committee, need to be smart about it: How does it
18 impact not just how we hire but how we service other
19 federal agencies?

20 So these are things when we start talking
21 about FAR updates and -- it would be great if we could
22 get some FAR updates on what is moving because, you
23 know, you heard a little bit about moving to the CAC in
24 OIRA. It is painful. But if we got some folks in here
25 to kind of take us through that update. And GSA is one

1 of the voting members of FAR. I hope I'm not giving
2 you more work, DeWayne.

3 But I think what happens is to hear some of
4 what's being talked about because some of that
5 legislation moves through quickly. You can have
6 interim rules to the FAR done and you'll turn around
7 and it's in the FAR and you'll be finding out after a
8 CO is asking you about it. So I think that's another
9 important part where we can stay more informed and
10 engaged.

11 Last thing on the numbers with GSA. I want to
12 go back to the point that really Labor was making with
13 the VA. It is core to what GSA does. Small Business
14 Administration is a great, great partner of ours and we
15 want to continue to do that.

16 And then I haven't asked really, have we made
17 any progress as a body in SBA or GSA when we talk about
18 8(a) set-asides and businesses getting credit on --
19 when they do an 8(a) contract with GSA? Has there been
20 any movement. You know, I'm an old, crusty contracting
21 officer, but I remember way back when you would get
22 credit that we're a small business, veteran-owned small
23 business, and you did work with GSA, you'd get credit
24 through the 8(a) for that for dollars spent. And I --
25 there was an MOU done years ago. And I'm really dating

1 myself. But I think that's just kind of faded away,
2 Larry.

3 MR. STUBBLEFIELD: Okay. We will have to take
4 that as a due out to you. I will tell you tomorrow for
5 our Advisory Committee on Veteran Business Affairs, we
6 do have the 8(a) staff coming to talk about 8(a). So
7 if you're -- if you're available to come back over or
8 call in --

9 MR. TAYLOR: That's a real -- it's a wonky
10 thing, but the truth is that's -- you were talking
11 about driving behavior and change. If agencies get
12 credit for 8(a) contracts under GSA schedules, that
13 helps the business proposition. They're trying to
14 achieve their goals at the same time. And I just
15 appreciate the time being with you guys, and if I can
16 help any way I'll certainly do that.

17 MR. STUBBLEFIELD: One thing that does, like,
18 come to mind listening to some of the things you're
19 suggesting, I'd like to just say to the body if there's
20 anything that you think we should have on the agenda,
21 you know, feel free to reach out to us. You know, it
22 will give us time -- I mean, because, like, say for
23 example if we need an update on category management or
24 something like that, it will give us time to be able to
25 reach out to the relevant folks and see if we can't get

1 them here.

2 MR. TAYLOR: And I can help with that because
3 GSA has several federal category managers. So, you
4 know, and I mean that sincerely. I have them bringing
5 Lauren in, but if they come in here and talk to the
6 committee about what is the impact, process, policy,
7 procedures, where is that, because, look, that's part
8 of our message to take back and be educated and
9 informed. So, yeah, that's a great thing.

10 And then my last plug would also be -- and I'm
11 just putting it out there. I'm feeling a lot of
12 pressure around clearances for contractors dealing in
13 the IT world. There is a lot going up into the space,
14 into the cloud, a lot of federal agencies, a lot of the
15 intel community, this is big business. It is
16 professional services. And it's integrated services of
17 IT. It's a lot going on in that space.

18 And one of the major issues we're having --
19 and I would say to any veteran on small business, you
20 know, Mike, we joked about it when we introduced
21 because I asked you, do you got TS clearances? Because
22 if you have that, that is leverage. It's cost, but it
23 is leverage.

24 And back to what Larry's talking about, when
25 we start talking about what's happening in the cloud

1 and IT, that's another must have. And it's a big deal
2 because agencies are doing more and more outsourcing in
3 that space and it's not just -- it's the operations and
4 the infrastructure associated with it.

5 MR. PHIPPS: And you can't get those
6 clearances unless you have won a contract. You can't
7 get those clearances until you've won that contract.
8 So if you're competing for that work, you have to have
9 a contracting officer willing to write you that
10 paperwork, State Department paperwork, in order to do
11 that. And if you don't get the -- you know, so you
12 kind of are --

13 MR. TAYLOR: Yeah, you're in a tough space.
14 You're really in a no-win situation because really in
15 the intel community they wouldn't even raise a nothing
16 option, particularly in the DoD. If you're not already
17 there, you're not playing. So you're going to have to
18 do some up-front investment in that kind of space.

19 And so, Larry, I think going forward helping
20 us help ourselves, those kind of things will be a big
21 benefit.

22 MR. STUBBLEFIELD: I guess and then basically
23 so up-front investments but no guarantee that you're
24 going to get the contract. That's what you're saying.

25 MR. TAYLOR: And spend -- a lot of spend

1 there.

2 MR. PHIPPS: So this is Mike Phipps. There is
3 a clearance for the individual, but then the company
4 gets a facilities clearance. And so you can't get a
5 facilities clearance unless you have a contract. There
6 are companies that would spend the money to get the
7 facilities clearance so they could bid, but they're not
8 allowed because that facilities clearance has got to be
9 attached to a contract.

10 So if I want to compete, I would be willing,
11 for example, to say, hey, look, I'll invest in a
12 facilities clearance, DoD; what would that cost for me
13 to do that, to at least get the ball rolling so I can
14 compete. But you can't do that yet. So that's one of
15 the things that Mr. Taylor is right on about.

16 MR. STUBBLEFIELD: And you wonder if this will
17 be -- you can partner with somebody, too.

18 MR. TAYLOR: That's a good point. That's
19 something to think about.

20 MR. PHIPPS: This is Mike Phipps. You can
21 partner, but if they're going to sponsor your
22 facilities clearance paperwork, they have to put you on
23 one of their contracts. So what happens in the intel
24 community is there's all these small businesses that
25 are attached to these contracts that aren't really

1 doing anything because large businesses -- they have a
2 hold on there and they can say, well, you know, we can
3 do you this favor, but they're not really -- you know,
4 they're consulting on. So I'm sure if you peeled back
5 that onion, if DoD peeled back that onion, there would
6 be all sorts of facilities clearances that would just
7 drop into the water. But that partnership, there's a
8 whole layer of onions.

9 So, so I don't grab the mic again, what Mr.
10 Taylor just said about his Administrator making
11 performance review tied to their goaling is something
12 we have talked about over the years. If this committee
13 could get -- and I don't know what that looks like for
14 all the other agencies.

15 That's something that we brought up, I want to
16 say, three years ago. We said this -- if that was
17 happening at all agencies, this goaling would be a
18 game-changer. And that was one of our recommendations.
19 And I think that there's probably a little bit -- if we
20 have one Administrator doing it on one of the largest
21 agencies, that would be a huge thing to keep the ball
22 rolling, which leads to the next thing he said, which
23 was -- hold on -- so we have some of these subjects
24 that come up all the time. They should just be
25 permanent subjects, category management, something we

1 know. If we know -- if we have a permanent subject for
2 people to report on, then it's not like, hey, let's go
3 get questions. And it's the same -- 80 percent of the
4 questions are the same every time.

5 MR. STUBBLEFIELD: Would that be -- would that
6 be Matthew, too, category management?

7 MR. TAYLOR: Absolutely. Matthew is -- I
8 ain't going to speak for Matthew, but I will. So how
9 do I speak for Matthew? He is really at the tip of the
10 spear obviously where he's at. And then when we
11 operationalize the conversation, it's going to cascade
12 down to the General Services Administrations. The VA
13 has some players, DoD has grabbed some of the
14 categories, if you will. The business lines, I like to
15 just talk business, the business lines themselves.

16 I would submit the space I'm in to facilitate
17 what we do here is GSA has the lion's share of those
18 federal category managers. These are senior executives
19 that have taken on these categories. I'll use just our
20 professional services which takes into every -- IT is
21 another huge one, surprise, surprise.

22 So these are category managers. It would
23 behoove us to have at least a pro service category
24 manager in here explaining about what is best in class;
25 what does that look like; oh, give me some numbers

1 behind small businesses, and then talk to us about that
2 process and how those opportunities exist.

3 I couldn't tell you that we actually set aside
4 a category -- not talking Federal Acquisition Schedule.
5 I know that answer. But how do we approach that from a
6 business standpoint? Those are the kind of dialogues
7 -- and we become more educated and informed in that
8 space.

9 Larry, I will reach out to my colleague to get
10 us -- get on the agenda to have at least an hour brief
11 to the council here on category management. I'll
12 promise to have IT, pro services, but I'll work that
13 out.

14 MR. STUBBLEFIELD: Okay.

15 MR. TAYLOR: To have them come in and give us
16 an overview, and it will stimulate some conversation.

17 MR. PHIPPS: And my last comment is what you
18 were talking about with contracting officer training.
19 It all starts with the contracting officer in
20 government contracting. We don't know what is the
21 training contracting officers get about hiring veteran-
22 owned small businesses. If we could get into a little
23 bit of just that knowledge, that's -- that's the
24 tactical versus, you know, getting into what -- and we
25 can influence that.

1 What does contracting officer training look
2 like? We can influence what that training looks like.
3 They are scared to do -- contracting officers are
4 scared to do set-asides for SDVOSB. They're terrified
5 about it because the FAR is so terrible about the way
6 it's written. It's like -- we've gone through this at
7 the other committee. But that's why they're worried.
8 And that, to me, talks to what Mr. Taylor was talking
9 about, contracting officer training. And then for us
10 at the tactical level, if we knew that, that would be
11 something we could probably make a recommendation on.

12 MR. STUBBLEFIELD: You know, I'm just going to
13 say in the interest of time, a lot of this is going to
14 be in the paper we're talking about. I'm sitting here
15 thinking, wow, we've got a lot of ideas and thoughts
16 right here. So we're just going to move real quick to
17 -- because I believe --

18 MR. CARTER: Hey, Larry, can I just add one
19 more thing?

20 MR. STUBBLEFIELD: Sure.

21 MR. CARTER: So William had brought up a great
22 point about the Voc Rehab Program. And just to add on
23 to that, so we at GSA, at GSA OSDBU, have had four
24 individuals come through the program. We've hired two
25 as full-time employees. We currently have one as

1 administrative staff and one gentleman went on to go
2 outside the Federal Government into private industry.
3 And so it's a wonderful program. It's also throughout
4 a couple of other divisions are doing it, but I don't
5 have their numbers. But we are a constant reaching
6 back in and not only from a central office standpoint,
7 our regional people have also reached out as well. So
8 it's a great program. I just wanted to touch upon that
9 and how we're using it at GSA.

10 MR. STUBBLEFIELD: That's great feedback.

11 MR. METHENY: Larry, if I can interrupt. I
12 apologize, everybody. I do need to step away, but I
13 didn't want to just disappear without offering any
14 questions before I leave before the open comments.

15 (No response.)

16 MR. METHENY: Okay. I apologize for leaving.
17 I'll see you soon. And I will send those materials
18 that you asked for, Fran, as well.

19 MS. PEREZ-WILHITE: Thank you.

20 MR. STUBBLEFIELD: Okay. So we're up to --
21 thanks a lot, Bill. Take it easy. We'll see you on
22 the trail. So we're up to North Carolina Military
23 Business Center.

24 MS. PEREZ-WILHITE: Good afternoon, everyone.
25 Once again, I'm Fran Perez-Wilhite with the North

1 Carolina Military Business Center.

2 The NCMBC is hosting multiple subcontractor
3 events due to the construction projects necessary
4 resulting from the effects of Hurricane Florence. The
5 NAVFAC projects to be discussed will be performed at
6 Cherry Point and Camp LeJeune.

7 At these events, North Carolina subcontractors
8 are able to meet face to face with the prime
9 contractors that have been short-listed by NAVFAC to
10 win the construction packages. Regardless of whether
11 or not the individual prime contractor eventually wins
12 the construction package from NAVFAC, this is still an
13 excellent way for our subcontractors to meet these
14 prime contractors.

15 For most subcontractors, these free events are
16 the only way they are able to meet the primes, and it
17 may lead to future collaboration and/or subcontracting
18 regardless of whether or not they are Hurricane
19 Florence-related.

20 Today, on the 4th of March, the NCMBC team is
21 at Havelock, North Carolina, and the event is called
22 Hurricane Florence Package 1, Cherry Point. The primes
23 involved are Whiting-Turner, Poettker-Millstone Weber
24 and the ECC.

25 The next event will be held on 10 March in

1 Jacksonville, North Carolina, and focuses on contracts
2 at Camp LeJeune. The primes will be RQ Construction,
3 Caddell Construction and Mortenson Construction.

4 If you have any questions or would like to be
5 a part of our events, please let me know. If you would
6 like to do an event similar to this with NCMBC, please
7 contact me.

8 We are holding the new Southeastern Regional
9 Federal and Defense Textile Summit, also known as
10 FedTex, on the 21st and 22nd of April in Charlotte,
11 North Carolina. We will connect DoD and federal
12 agencies to textile manufacturers, supply chains, and
13 R&D resources from across the southeastern U.S. If you
14 would like to participate, please let me know.

15 Our annual Medical, Biomedical and Biodefense
16 Support to the Warfighter Symposium is scheduled for 17
17 and 18 June in Chapel Hill, North Carolina. This event
18 connects North Carolina businesses with military and
19 other federal agencies that purchase medical supplies,
20 equipment, devices, pharmaceuticals, medical IT, and
21 medical services. If you would like to be a part of
22 this, please let me know.

23 And since the VA is here, Ms. Beth Turner
24 [sic], we'd appreciate if the VA OSDBU participated
25 again this year. The VA OSDBU has made a great

1 difference to our events in the past couple years and
2 we'd like to have them there again.

3 Senator Tillis' office just sent the official
4 invitation to VA OSDBU and also for VA Secretary Wilkie
5 to be a part of our event and to do the keynote
6 address, if possible.

7 If anyone would like to contact me, please
8 give me a call at (704) 806-6858. Once again, that's
9 (704) 806-6858. Thank you.

10 MR. STUBBLEFIELD: All right. Thank you,
11 Fran. Before we take a 10-minute break, I just want to
12 just take one or two seconds to congratulate Fran on --
13 she is our new chairperson, if you will, for our
14 Advisory Committee on Veteran Business Affairs. She
15 brings a lot to the table. And I really appreciate her
16 passion and drive, if you will, for helping our veteran
17 business community. So congratulations, Fran.

18 MS. PEREZ-WILHITE: Thank you.

19 MR. STUBBLEFIELD: All right. Let's take a
20 10-minute break. And I just want to say this real
21 quickly, too. There's one thing I want to talk --
22 speak with the committee to make you aware of, but I'm
23 going to do it off the record. Okay? So we're going
24 to take a 10-minute break and then we'll come back for
25 the ethics piece.

1 (Whereupon, a brief recess was taken.)

2 MR. STUBBLEFIELD: Okay. So we are back on
3 record and we are up to the public comment period.
4 And, you know, we're exactly on time, too. 3:15 is the
5 time for the public comment period.

6 All right. So is there anyone in the room in
7 the public or anyone on the phone who would like to
8 bring up an issue or put something on the record with
9 the committee? Anyone on the phone who would like to
10 speak with the committee?

11 (No response.)

12 MR. STUBBLEFIELD: Okay. Anyone in the room
13 in the public domain? I guess Joe Wynn is not here.
14 He had to leave.

15 MS. HERRIMAN: Can I ask a question?

16 MR. STUBBLEFIELD: Yes, you may. State --
17 please state your name for the record and then ask your
18 question.

19 MS. HERRIMAN: My name is Chris Herriman and I
20 am with the Vermont District Office of the Veteran
21 Business Development offices here in Vermont. And I --
22 I was not on the very beginning of the call because I
23 had another webinar to do, but was this -- were the fee
24 discounts discussed for SBA loan programs for Veterans?

25 MR. STUBBLEFIELD: No, they were not. No,

1 they were not.

2 MS. HERRIMAN: Okay. Can I bring that up as
3 something that has come up quite frequently since they
4 were eliminated?

5 MR. STUBBLEFIELD: Yes, you may.

6 MS. HERRIMAN: That's really all I need to do
7 is just bring up the fact that it has been brought up
8 to me and the DVBO and my office, that it's not really
9 sending a good message that we eliminated the veteran
10 discount for our loan program.

11 MR. STUBBLEFIELD: Okay. Thank you very much.
12 We've captured that for the record.

13 MS. HERRIMAN: Thank you.

14 MR. STUBBLEFIELD: All right. Any other
15 public comments?

16 (No response.)

17 MR. STUBBLEFIELD: If not, we will close the
18 public comment period.

19 MR. PHIPPS: Larry, can we -- can we get --
20 this is Michael Phipps. It would be good from your
21 standpoint, whoever is on the phone, if you could
22 understand why that is because it's a zero subsidy
23 program. So as veterans understand why the fee program
24 and that education part we had talked about so they
25 could advocate or they could go -- you know, whether

1 it's the congressional route or the SBA route so they
2 could participate in understanding why that fee program
3 was eliminated and at least have a voice in this
4 process as opposed to just, like, it's eliminated.
5 Because --

6 MS. HERRIMAN: Okay. What do we do?

7 MR. PHIPPS: Well, first understanding why it
8 was eliminated. And we don't have probably the time to
9 talk about that it's a zero subsidy program --

10 MS. HERRIMAN: No, I do understand that. And
11 I do explain that to people, yeah.

12 MR. PHIPPS: Okay. And so what's the
13 feedback?

14 MS. HERRIMAN: Well, for me personally, of
15 course I don't speak for anyone else, but for me
16 personally the biggest concern is that it appears that
17 we have "veteran programs" and there really aren't any.
18 There aren't any benefits or -- and I'm talking about
19 monetarily. I mean, there are no, you know, benefits
20 to being a veteran-owned small business besides the
21 training and counseling, which they get a lot out of
22 and they really appreciate those.

23 But a tangible thing that is not necessarily
24 based on, you know, if you're an existing business and
25 you want to get an equipment loan, you know, you're not

1 going to go to a training program, you're not going to
2 do a lot of the stuff that we have with the newer
3 businesses.

4 But that fee discount was definitely something
5 that we could go out and pitch when we're at events and
6 we're at outreach activities and you can say, you know,
7 this is a tangible thing that we offer for veterans.
8 And I do explain it. And, you know, I don't know if it
9 goes over their head, but I don't know if they just
10 think that it should be a -- more like a grant program
11 or something like that. But I just thought I would
12 bring it up because it has come up.

13 MR. STUBBLEFIELD: No, no, no, that's a great
14 point. And we do -- we hear it here at the
15 headquarters as well. You know, I know this is -- you
16 know, this is above SBA because, you know, we're really
17 not the ones who, you know, recommend and put the fee
18 relief out there. And as Mr. Phipps indicated, you
19 know, it all ties into the program being under the zero
20 subsidy piece. In other words, you know, we're not
21 doing this at the expense of the public.

22 So if the committee thinks it would be helpful
23 maybe for the next meeting to have someone just come in
24 and discuss it from Cap Access, we can certainly do
25 that.

1 MS. PEREZ-WILHITE: This is Fran Perez-
2 Wilhite. Will the caller -- is that what we call them?
3 The public comment person, give me a call sometime at
4 (704) 806-6858, (704) 806-6858. It's about a different
5 topic, but I reach out to Vermont often to get word out
6 to veteran-owned businesses. I'd love to collaborate
7 with you.

8 MS. HERRIMAN: Sure, I'd be happy to.

9 MS. PEREZ-WILHITE: Thank you.

10 MR. STUBBLEFIELD: Okay. Thank you very much
11 for the comment, and we've captured that for the
12 record.

13 Okay. Well, the end of the public comment
14 period. This is closing comments. Any final thoughts
15 from any of the committee members? And, if not, the
16 big takeaway is we're going to -- I just spoke with
17 Amy. We're going to start working on that paper and
18 we'll circulate it around, get everyone's thoughts.
19 And then that's going to be the basis of what we share
20 with the Administrator and the basis of what we're
21 going to focus on for the annual report.

22 All right. So thank you all very much for
23 your time and attendance here today.

24 MR. KURTZ: Larry, there is a couple -- this
25 is Stan Kurtz with OVBD. Just a couple other things I

1 want to make sure that we capture. One was the paper
2 you had just discussed. But I'm also trying to get
3 Shannon Jackson to either call in -- so I have an email
4 in to them. We tried to call them as well. But we'll
5 try to get them on the schedule either, you know, as
6 soon as possible. And maybe he's even open to doing a
7 separate call. So we'll look into that.

8 MR. STUBBLEFIELD: Okay. And then for him to
9 call tomorrow if at all possible.

10 MR. KURTZ: Yes, sir. I left a message --
11 well, I emailed him.

12 MR. STUBBLEFIELD: Okay.

13 MR. KURTZ: And then one of the other things
14 is we were going to look into the certification issue
15 that Larry brought up. I guess we're going to pursue
16 that and take a look at that. And then I'll reach out
17 to Treasury and see if they can get him on the next
18 meeting as well.

19 MR. STUBBLEFIELD: Yeah. Treasury needs to
20 know that this is going to be on the Administrator's
21 calendar now.

22 MR. KURTZ: Okay.

23 MR. STUBBLEFIELD: If that's coming from
24 Treasury, you know, it's going to be a different
25 discussion.

1 MR. KURTZ: So is there anything I missed as
2 far as our do-outs and what we talked about?

3 MR. STUBBLEFIELD: Not -- I was going to
4 say --

5 MR. KURTZ: All right, thank you.

6 MR. STUBBLEFIELD: -- I know we talked about
7 category management, too. So we're going to reach out
8 to, I guess, GSA and OMB. And, Mike, you were getting
9 ready to add --

10 MR. PHIPPS: So when you had discussed earlier
11 that we were going to go -- we were going to put in
12 their topics in terms of, you know, your 10, 50, and
13 300-meter targets --

14 MR. STUBBLEFIELD: Mm-hmm.

15 MR. PHIPPS: -- how are we going to -- are we
16 just going to -- do you have a format you want us to
17 correspond in? Are you going to send us an email?

18 MR. STUBBLEFIELD: Yeah, I'm going to leave
19 that up to Amy. Amy, if you could come back to the
20 table for a minute and just kind of talk about how to
21 do it. I know if we were, like, all in a shared Skype
22 type of forum where we could, you know, share input and
23 see what people are doing and things of that nature,
24 but we're not. So I know Amy's got some thoughts on
25 how we're going to do this.

1 MS. GARCIA: I think we'll just get started
2 with initial input. So we'll just frame it up maybe
3 like a matrix or something and add some bullets, make
4 it kind of easy so we don't have to spend lots of time
5 writing lots of content just to get the ideas rolling.
6 And we're just looping it back around and it will just
7 be a work in progress. And as we send that out, maybe
8 we'll talk internally about a good time frame, what we
9 want that to look like and add some time frames and
10 next steps to the paper. Because we want to have this
11 all kind of wrapped up by -- well in advance of the
12 next meeting.

13 MR. STUBBLEFIELD: Yeah. And any of the -- if
14 the members are available, I guess from time to time we
15 could probably have maybe what I would call an in-
16 process reviews where we're kind of on the telephone,
17 on a call-in and just discuss it. You know, and I know
18 everyone's busy, but, you know, we can do something
19 like that as well.

20 We want to have a really good product. And at
21 the discussion, I'm really glad we captured everything
22 on the record, too. It was a robust discussion today.
23 And if we can capture that, you know, for moving
24 forward, you know, it will be a great thing.

25 UNIDENTIFIED FEMALE: Hi, excuse me?

1 MR. STUBBLEFIELD: Yes?

2 UNIDENTIFIED FEMALE: May I speak to the
3 advocate about a number that I can contact that is able
4 to help with the veterans and spouses that are
5 currently overseas? I'm having a hard time finding
6 information that I need to get my business launched and
7 I was just hoping to hear some on the call, but is
8 there a special office? I know there's not, like a
9 region for over here, per so...

10 MR. STUBBLEFIELD: Okay. Where are you at?
11 Where are you located?

12 UNIDENTIFIED FEMALE: I'm currently in Tokyo.

13 MR. STUBBLEFIELD: Oh, you're in Tokyo.

14 UNIDENTIFIED FEMALE: I am.

15 MS. GARCIA: Hi, this is Amy. If you could
16 send an email, if that's possible, to veteransbusiness
17 @sba.gov, with just some minimal information about --
18 you know, you said you were located in Tokyo, but about
19 your company, then we'll have something that we can
20 connect internally with and get back to you to find
21 out what the best way is, you know, who covers
22 international.

23 UNIDENTIFIED FEMALE: That's great. I just
24 have some questions about (inaudible) over here
25 (inaudible) -- and I either get, hmm, that's a great

1 question or I have no idea. So I'm trying to find
2 somebody that knows the answer to that question.

3 MS. GARCIA: Okay. So that's veterans with an
4 S, business, veteransbusiness@sba.gov.

5 UNIDENTIFIED FEMALE: Fine, will do. Thank
6 you.

7 MS. GARCIA: Oh, and (202) 205-6773.

8 MR. STUBBLEFIELD: 6773.

9 MS. GARCIA: Is our main line, too. So if
10 you're able to call that when we're back at the office,
11 we can have a personal conversation about that, too.

12 UNIDENTIFIED FEMALE: Yes, ma'am. That would
13 be great. Thank you so much and sorry for
14 interrupting.

15 MS. GARCIA: No problem. And actually if you
16 could ask for Larry Stubblefield when you call in, that
17 would be great.

18 UNIDENTIFIED FEMALE: All right, will do.
19 Thank you very much.

20 MS. GARCIA: Thank you.

21 MR. PHIPPS: So tomorrow there is a committee
22 called the Advisory Committee on Veteran Business
23 Affairs that you can dial into as well. And those are
24 veteran business owners on that committee. There's a
25 lot of information you can get there. We've actually

1 addressed the OCONUS entrepreneurs that are out there
2 for the SBA. And so at some point there were actually
3 Boots to Business programs going on in different
4 overseas locations. So -- still is. So, yeah, so
5 definitely try to call in tomorrow. You'll get a ton
6 of information. And that OCONUS piece is something
7 that our committee has addressed in the past. So, you
8 know, as Amy said --

9 MS. PEREZ-WILHITE: Did she already start her
10 business?

11 UNIDENTIFIED FEMALE: Would it be the same
12 phone number and same (inaudible)?

13 MS. GARCIA: Yes.

14 MR. STUBBLEFIELD: Well, I mean, if the -- I
15 mean, she got the number, so I think for the public
16 information that we put so I would imagine she'd have
17 that. The main thing I wanted to make sure she just
18 had a name because, you know, sometimes you can call an
19 office and you can go crazy trying to get in touch
20 with --

21 UNIDENTIFIED FEMALE: Just bounce from phone
22 number to phone number, yeah.

23 MR. STUBBLEFIELD: No, we're just -- like Amy
24 said, when we call the (202) 205-6773, just ask for
25 Larry Stubblefield.

1 MR. KURTZ: Have you had a chance -- this is
2 Stan Kurtz with OVBD. Have you had a chance to look at
3 our website? Because it also talks about Boots to
4 Business. And so we do Boots to Business overseas,
5 OCONUS. Have you attended any of the Boots to Business
6 classes?

7 UNIDENTIFIED FEMALE: I have not. They
8 haven't had them at the OCONUS as far as I know
9 (inaudible) year. So I'm not sure. I've never heard
10 of them having one here (inaudible).

11 MR. KURTZ: Okay. Yeah, just give us a call
12 and we'll figure it out.

13 UNIDENTIFIED FEMALE: Sounds good.

14 MR. KURTZ: All right. Thank you.

15 UNIDENTIFIED FEMALE: May I ask what time the
16 call is tomorrow?

17 MR. KURTZ: Yeah, it starts at 9:00 eastern
18 standard time.

19 UNIDENTIFIED FEMALE: It is a different
20 conference ID number, though.

21 MR. KURTZ: It is.

22 UNIDENTIFIED FEMALE: Okay. Does anybody
23 happen to have --

24 MS. HERRIMAN: I do.

25 UNIDENTIFIED FEMALE: Oh, that'd be awesome.

1 Thank you.

2 MS. HERRIMAN: 137290192.

3 UNIDENTIFIED FEMALE: Wonderful. Thank you
4 very much, ma'am.

5 MS. HERRIMAN: You're welcome.

6 MR. STUBBLEFIELD: We got an international
7 caller. Okay. Again, this concludes the meeting.
8 Thank you all very much for being here. Great
9 discussion and work going forward. Thank you.

10 (Whereupon, at 3:29 p.m., the meeting was
11 adjourned.)

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