

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

U.S. SMALL BUSINESS ADMINISTRATION

INTERAGENCY TASK FORCE ON
VETERANS SMALL BUSINESS DEVELOPMENT

PUBLIC MEETING

WEDNESDAY, JUNE 6, 2018

1:00 P.M.

Recorded by: Jennifer Metcalf Razzino

1 C O N T E N T S

2 PAGE:

3 Welcoming Remarks, Larry Stubblefield 3

4 SBA -- OVBD Updates, Larry Stubblefield 5

5 SBA - OG CBD Updates:

6 OGC - Kenneth Dodds 12

7 OCA - Daniel Upham 15

8 Member Reports:

9 DOL - Bill Metheny 30

10 DoD - Shannon Jackson 35

11 DOVA - Amando Gavino 42

12 OMB - Matthew Blum 50

13 American Legion - Michael Phipps 55

14 StreetShares Foundation - Mark Rockefeller 56

15 SBA - OG CBD Updates:

16 OHA - Christopher Holleman 59

17 Closing Comments/Adjournment 72

18

19

20

21

22

23

24

25

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

2 - - - - -

3 (Meeting called to order, 1:08 p.m.)

4 MR STUBBLEFIELD: Okay, we're going to get
5 started. I guess we've got a few people that will come
6 in. We have folks out in the lobby area. We'll get
7 them down here.

8 For our visitors here today, you're used to
9 Barb Carson. I'm not Barb Carson, obviously. Barb is
10 deployed. She's an Air Force Reservist. She's over in
11 Qatar now, or Qatar, whichever way you present -- you
12 pronounce it. So, in her absence, our administrator
13 asked me if I would mind being dual-headed, so I'm the
14 Acting Associate Administrator in the Office of
15 Veterans Business Development for now.

16 So, I want to thank all of you for being here
17 today. A special thanks to our task force members for
18 your time and diligence in preparing for the meeting.
19 I want to thank all of my SBA colleagues. A special
20 thanks goes to Amy Garcia, sitting here to my left. I
21 know all of you know Amy, and Cheryl Simms for all the
22 work that they've done to prepare for our Task Force
23 meeting here today. And there's Jen over here. We've
24 got our recorder from For the Record. So, thank you
25 all for being here as well.

1 I had another individual I was going to
2 introduce. He'll be back in a little while. We
3 brought an intern on board from Yale to work a special
4 initiative that I think will interest the Task Force.
5 So, when he comes back, he'll introduce himself and
6 talk a little bit about that initiative.

7 I want to say a little bit about my role as
8 the DFO, the Designated Federal Official. You know,
9 I'm the liaison between the Task Force and the Agency.
10 Mostly I'm responsible for ensuring that all the
11 requirements of FACA are met. And also, in my role as
12 the DFO, a critical responsibility is to work with the
13 appropriate agency officials to assure that all
14 appropriate ethics regulations are satisfied.

15 So, in saying that, we have a full agenda
16 today. We put adequate time for the presentations in
17 the schedule, if you will. We want to stick as much to
18 the schedule as possible because we want to leave time
19 here at the end for public comment.

20 Okay, for members of the public requesting to
21 make a comment, we're going to ask that you hold your
22 comments to five minutes. As per FACA rules and
23 regulations, minutes of this meeting are being
24 transcribed, and copies of the minutes will be
25 available on SBA's website within 90 calendar days of

1 this meeting. They'll be at www.SBA.gov/ovbd.

2 So, again, I want to thank the Task Force for
3 your participation in today's meeting. We're looking
4 forward to the discussion. At this time, I'm going to
5 convene this meeting of the Task Force on Veteran's
6 Business Affairs.

7 Just real briefly here, the next meeting is
8 tentatively scheduled for September 5th. It will be
9 held right here in this room. The last thing I want to
10 just say real quick is to, you know, use your mic when
11 you're speaking, and speak directly into the mic, you
12 know, for the folks who are out in the public and so
13 that our recorder can accurately capture you.

14 Okay, so at this time I'm going to give a --
15 we're going to go into an update on some of the
16 highlights and things that are happening in the Office
17 of Veterans Business Development. So, we'll go to --
18 I'll just talk about my office here and then we'll go
19 around to some of our program offices.

20 The National Veterans Small Business Week is
21 scheduled from 5 through 9 November. This year the
22 theme focuses on our Community Partners. I see I have
23 a note here to say the theme has kind of changed to --
24 what is this? -- our hashtag VetBiz Community is the
25 theme? But the bottom line is the theme is going to

1 focus on our partners, the resources partners. So, in
2 developing businesses, as you see on the screen, is not
3 a solo mission. You know, it is really a team effort.

4 So, for the National Business Week, local
5 events will be held and led by SBA District offices.
6 And just so that you know, last year's National
7 Veterans Small Business Week was a huge hit. We had
8 over 6,000 -- close to 7,000 veteran service members
9 and their family members, military spouses,
10 participated in training events all around the country
11 led by the District offices, 150 events to be exact.
12 With our social media engagement, we reached over 6.7
13 million people.

14 The next bullet I'd like to talk about --
15 there's outreach. If you notice -- if you look behind
16 me, you'll see part of our view marketing with our new
17 SBA logo. SBA and Resource Partners are required to
18 incorporate the new branding into related materials.

19 The next bullet talks about outreach. I'm
20 just trying to make sure I follow the slides here with
21 my notes. The Veterans Women Igniting the Spirit of
22 Entrepreneurship will meet in San Diego in September,
23 September, I guess, 14th through the 16th. Last year,
24 that program, we called it Vwise. There was close to
25 450 folks participated in the program. This year we're

1 looking to exceed that number. We have an estimated
2 530 folks that we think will participate in Vwise.

3 Also, there on the screen is the Veteran
4 Institute for Procurement, or we call it VIP. It's an
5 SBA grantee. This program is free, and participants
6 are responsible for their own transportation. This is
7 a very successful program as well, as evident by the
8 number of veteran-owned small businesses who have
9 graduated and are winning contracts and creating
10 thousands of jobs and growing their businesses. This
11 program is kind of like, I'll call it, an intermediate
12 program. It's beyond initially starting the business.
13 It's like business startup 301, if you will, as opposed
14 to 101. So, it's also a very important program here at
15 SBA.

16 Next slide, please.

17 This slide talks about our Boots to Business
18 Program. As you know, the pilot for Boots to Business
19 was initiated in 2013. It was made permanent in 2015.
20 The second quarter of this fiscal year the Boots of
21 Business Program reached a milestone by -- we have
22 successfully trained up to 80,000 transitioning service
23 members since the program began.

24 We've launched a curriculum refresh. Those
25 updates include making the curriculum more practical

1 and less economic, strengthening connections between
2 follow-on resources and adding a USDA rural development
3 section. Also, on this slide it talks about SOP
4 revision. We've got the Boots to Business and our
5 Reboots Lessons Learned that are going to be part of
6 the Boots to Business SOP revision.

7 The annual Boots to Business outcome survey,
8 it's an OMB approved collection tool. We're kind of
9 struggling with this one a little bit. The response
10 rate has been a little low. And we're looking to
11 improve this in terms of looking to long-term versus
12 short-term outcomes. Like a long-term outcome would be
13 how many businesses have been created as a result of
14 Boot -- you know, folks attending Boots to Business.
15 And at this particular time, you know, we are not there
16 in terms of being able to tell those types of results.
17 But short-term is how many folks have followed up with
18 resource partners and so forth.

19 So, we're working to incorporate that into the
20 survey by adding a veteran box, checkbox if you will,
21 on that 641, the Counseling Information Form, where we
22 will be able to better track how many folks have gone
23 to follow on resource partners for additional help.

24 Also, on the survey there, or on the slide
25 rather, it talks about the Carnegie Mellon Reboot

1 Evaluation. We had students from Carnegie Melon
2 University. They volunteered more than 2,000 hours to
3 review and evaluate SBA's Boots to Business Reboot
4 program. Out of that effort, we came away with some
5 recommendations that will lead to process efficiencies
6 and helping us develop better marketing strategies for
7 that program.

8 I kind of skipped over the OIG report. It
9 says it's pending. The report is actually out now.
10 We're -- there are seven findings in the report. The
11 good news is there are no smoking guns or anything like
12 that. Because the audit went over a year, if you will,
13 about 15 months, a lot of the findings were already
14 working on making those improvements. So, that's
15 pretty much a good news story there.

16 All right, next slide.

17 Okay, we -- in terms of our VBOCs, last
18 November SBA released a funding announcement to
19 recompete all VBOCs. As of May 1st, SBA -- we expanded
20 the program from 20 VBOCs to 22 VBOCs. There's new
21 states. Tennessee and North Dakota are covered. As
22 part of the new agreement, VBOCs are responsible for
23 100 percent coverage in their assigned areas. We're
24 going to get all of the VBOCs here in August. They
25 will be here in the building from 7th through the 9th

1 of August for training. At that time, we'll go over
2 new performance requirements, the rollout of new
3 business planning tools, share best practices. What we
4 really want to do is establish a mentorship program
5 between existing and new VBOCs.

6 The slide also talks about VBOC 2.0, which is
7 IBIS World and LivePlan which will be used by the VBOCs
8 to assist clients with business planning and doing
9 feasibility analyses.

10 The last bullet there talks about the VBOC
11 SOP. For the first time ever, SBA has a VBOC SOP.
12 It's in clearance now, and we look for it to be
13 available by the end of the fiscal year.

14 MS. GARCIA: Let's do roll call, and then Sid
15 is here, too.

16 MR. STUBBLEFIELD: Okay, all right.

17 All right, so then that's going to conclude --
18 let's go over to the next slide. That will conclude my
19 portion here. This is kind of like our contact
20 information. I've been reminded that we should have
21 done roll call, so how would roll call work?

22 MS. GARCIA: Just go around the table.

23 MR. STUBBLEFIELD: Okay. Well, I guess we'll
24 start with Bill.

25 MR. METHENY: Bill Metheny from the Department

1 of Labor.

2 MR. PHIPPS: Michael Phipps, American Legion.

3 MR. UPHAM: Daniel Upham, Small Business
4 Administration.

5 MR. DODDS: Ken Dodds, SBA.

6 MR. ROCKEFELLER: Good afternoon, Mark
7 Rockefeller, Streetshares Foundation.

8 MR. JACKSON: Shannon Jackson, Department of
9 Defense.

10 MR. GAVINO: Amando Gavino, GSA.

11 MR. STUBBLEFIELD: That's it? Do we have any
12 Task Force members on the phone?

13 MR. BLUM: Yes, Matthew Blum, Office of
14 Management and Budget.

15 MR. STUBBLEFIELD: Thank you, Matthew, for
16 joining us.

17 Anyone else?

18 (No response.)

19 MR. STUBBLEFIELD: Okay, if not, before we get
20 into the presentations, Sid has come back into the
21 room. Sid, I'd ask you to move to the table where you
22 can use a mic, introduce yourself, and then let the
23 group know why you're here at SBA.

24 MR. SANKARAN: Hi, everyone, I'm Sid. I
25 started here on Monday. I'm a current intern, just

1 finished graduate school a couple weeks ago. I'll be
2 here for a couple months helping the Office of Veteran
3 Business Development with an initiative to get veterans
4 easier capital access via CDFIs. I'm doing this prior
5 to starting full-time employment in management
6 consulting at Boston Consulting Group in August. So,
7 I'm really excited to be here. Maybe I'll get a chance
8 to engage with many of you in the upcoming weeks.

9 MR. STUBBLEFIELD: Okay, thank you very much,
10 Sid. So, we are right back on schedule now. So, it's
11 1:20, and we'll start with Ken Dodds, who is the Acting
12 Deputy Associate Administrator in the Office of
13 Government Contracting and Business Development.

14 MR. DODDS: Okay, thank you. Since the last
15 time we met, we announced the SBA scorecard for FY
16 2017. In late May, we issued it. Overall, the
17 government received a grade of overall of A. We did
18 meet the 23 percent statutory goal, 23.88. We did meet
19 the 3 percent SDVO prime contract goal at 4.05 percent,
20 which is actually the highest percentage we've ever had
21 for service disabled veterans.

22 Just to highlight a couple other things, in FY
23 17, it was the most dollars ever awarded to small
24 businesses at \$105 billion, the most dollars ever
25 awarded to SDBs at \$40 billion. Then, we had the

1 highest dollars ever awarded to service-disabled
2 veteran-owned small businesses at \$17.9 billion. And
3 then, for women-owned, we also had the highest ever at
4 \$20.84 billion.

5 So, overall, we met the small business goal.
6 We did not meet the women-owned goal of 5 percent. We
7 did 4.7, I believe. We did meet the SDB goal. We did
8 meet the SDBO goal. And we did not meet the HUBZone
9 goal.

10 Let's go back to the prior slide. One more.

11 All right, so DOD is here, but I'll highlight,
12 because they are the biggest spender and the most
13 important driver of us actually meeting the goals.
14 They met their small business goal. They did -- their
15 goal was 22 and they did 23 point some percent. They
16 did not meet the women goal, owned goal. They did meet
17 the SDB goal and they did meet the service-disabled
18 veteran-owned goal at 3.33 percent which is about 9
19 point -- I'm having trouble reading it -- 9.8 billion,
20 it looks like. And they did not meet the HUBZone goal.
21 But -- so again, like the Federal Government, they met
22 three of their five -- their five prime goals.

23 Let's go to the next slide.

24 The other really one that you're very
25 interested in, of course, is the VA. The VA, they did

1 not meet their small business goal, or did they? Yeah,
2 I guess they did. They did meet their small business
3 goal. They did not meet the women-owned goal, but they
4 did meet the SDB goal. And of course they met the
5 service disabled veteran goal. They did 19.7 percent
6 because of Kingdomware and VetFirst, 5.1 billion going
7 to service disabled veterans. You know, noted here is
8 that there was low, very low, subcontracting
9 achievement for service-disabled veterans.

10 Then, let's go to the next slide.

11 I just wanted to mention this case for
12 everyone's awareness. Kingdomware is the famous case
13 that went to the Supreme Court about VetFirst and
14 whether the VA had to consider veteran businesses first
15 before procuring from some of the other type of
16 business. In a unanimous decision, GAO said you do
17 have to consider it. In this case, an order is like a
18 contract.

19 This bid protest decision at GAO involved
20 trying to take that logic and apply it to a non-VA
21 procurement. Right now, the rules -- our rules say
22 that agencies have the discretion to do orders set
23 aside for small business, but they're not required to,
24 like if you're trying to order off the Federal Supply
25 Schedule.

1 So, this is the first case. This was issued I
2 think in late May, May 18th. So, it's the first case
3 where someone tried to make that argument that
4 Kingdomware should somehow apply outside of the VA, and
5 GAO did not agree. So, they dismissed the protest.

6 This could end up going to the Court of
7 Federal Claims and maybe even, who knows, back to the
8 Supreme Court. But this is the latest, or the newest,
9 case that's been issued around, you know, kind of how
10 the Rule of 2 applies to orders when you're buying.

11 So, that's all. That's my update for the
12 group. I'm certainly open to any questions if there
13 are any. If not, I'll turn it back over to Larry.

14 MR. STUBBLEFIELD: Okay, thank you, Ken. We
15 will next have a presentation from the Office of
16 Capital Access. We have Daniel Upham here who is the
17 Chief, Microenterprise Development, the chief of that,
18 Microenterprise Development Division.

19 MR. UPHAM: Thanks, Larry. Hi, everybody.
20 Happy to come down and give you a quick update on the
21 Office of Capital Access. As Larry mentioned, my name
22 is Daniel Upham. I'm the Acting Director for the
23 Office of Economic Opportunity, which manages several
24 of the loan programs within the Office of Capital
25 Access. My expertise is in a program known as the

1 Microloan Program, which we'll get into in a couple of
2 slides as we sort of dive down into a few of the
3 different programs offered in the Office of Cap Access.

4 If you can click to the next slide, thanks.

5 MS. GARCIA: Your stuff didn't make it to the
6 disc, but everyone has their handouts.

7 MR. UPHAM: Next slide, please.

8 MS. GARCIA: You're stuff didn't make it to
9 the disc. It just made it to the printout. So,
10 everyone has a print out.

11 MR. UPHAM: Oh, everybody has a printout?

12 MS. GARCIA: Everyone has a printout.

13 MR. UPHAM: Okay. If everybody can -- sorry
14 about that. We're good here. So, if we flip to the
15 first slide, I just wanted to show sort of our flagship
16 programs first, which are 7(a) lending program and 504.
17 This is where the vast majority of the dollars make it
18 to the hands of the small businesses through the SBA.
19 As you can see, these totals are from the beginning of
20 our fiscal year October through April 30th. The bottom
21 line to this slide is that SBA has plenty of Cap Access
22 resources to meet any, you know, veteran entrepreneurs'
23 needs.

24 If we can flip to the next slide, this one
25 shows our 7(a) small dollar loans. I just wanted to

1 show this because this is really where the vast
2 majority of the loans to our veteran entrepreneurs are
3 made. So, this is our 7(a) activity in small loans, up
4 to 150,000 and then 150 to 350. It's a robust area
5 within SBA. And, like I said, this is where the vast
6 majority of those loans to veteran entrepreneurs are
7 made.

8 Next slide. I'm looking at the slide now that
9 says loans approved to veterans as of April 30th. I
10 just wanted to show you the volume of loans as well as
11 the dollar amount of loans. It has gone down year over
12 year. We're not 100 percent sure of all the reasons
13 for that. Just to let you know that there are plenty
14 of resources available to meet the needs.

15 You know, I'd like to think that -- you know,
16 the ultimate goal of SBA and with any of our loans,
17 loan guarantees, lending programs, is to build the
18 capacity of our small businesses so that they no longer
19 need any government support at all. So, my way of
20 looking at this is saying well, we've done a great job,
21 and these guys are now getting conventional loans and
22 no longer need quite as much support from SBA as maybe
23 what they did in the past. That may be a glass half
24 full view, certainly, but I'd like to think that that's
25 the reason for this.

1 I'm just going to flip over to the next slide.

2 MR. ROCKEFELLER: Hey, Dan, it's Mark
3 Rockefeller, if I could, from Streetshares Foundation.

4 MR. UPHAM: Sure.

5 MR. ROCKEFELLER: So, it's gone down now for
6 two consecutive years. I mean, do we have any
7 operating theories here? Have we researched this? Are
8 there any studies? I mean, this seems like for this
9 committee something that we should be concerned about.
10 Should we not be concerned? What's your view on that?

11 MR. UPHAM: Yeah, you know, I don't think we
12 should be concerned. Yes, it has gone down. I think
13 that the -- you know, the dollar volumes and the number
14 of loans being completed are in line with the number of
15 small business starts for veteran entrepreneurs. So, I
16 don't think we're necessarily, you know, underproducing
17 or overproducing in terms of our participation in that
18 market.

19 You know, one of the reasons that could be a
20 direct driver of this volume coming down a little bit
21 is simply SBA subsidy. And we're going to get into
22 this a couple of slides down the road in terms of the
23 fee relief that we make available through our 7(a)
24 program to veterans, especially on the small dollar
25 loans. And I think over the last couple of years there

1 has been a slight reduction in the amount of fee relief
2 that we've been able to make available on the small
3 loans, both to the veteran entrepreneurs and other
4 small businesses that are borrowing in those smaller
5 dollar ranges. You know, so, if there's anything to
6 point to, it might be that.

7 But that is driven by -- that is driven by the
8 requirement for us to operate our lending programs at a
9 zero subsidy, meaning the amount of money we're
10 bringing in in fees equals the amount that we predict
11 that we're going to lose on those loan guarantees or
12 have to pay out on those loan guarantees over the life
13 of those loans. So, as that model changes, our subsidy
14 changes, and that has a direct impact on what we have
15 to charge for fees. And so, that's one thing that
16 might have somewhat of an impact.

17 MR. ROCKEFELLER: When I raised the same point
18 last year, I think, around a similar time, it might
19 have been my first meeting on the Task Force. We had
20 been down at that point for one consecutive year; now
21 we're down two. At that point, I think someone raised
22 from your office, it may have been you or someone else,
23 the theory that it was a coding or a tagging issue.
24 So, basically, the loans were still being made to
25 veterans at the banks, but the banks weren't tagging

1 them as veteran loans so were undercounting.

2 MR. UPHAM: That is a possibility. That's
3 something that's impossible for us to to tell. The
4 information is self-reported and it's not verified.
5 So, we have to go at face value in terms of what is
6 input into the system.

7 One of the things I was wanting to talk about
8 in -- as we go through the slides is, you know, any
9 veteran that is applying for a loan or is getting
10 training technical assistance, any of the support
11 services from SBA, just how important it is for them to
12 identify themselves as a veteran. You know, without
13 identifying yourself, there are at some points
14 benefits, but if we don't know you're a veteran, we
15 don't give you the benefit. So, very important, and
16 then again, you know, so that we have accurate details
17 on exactly what it is that we're doing.

18 So, I'm going to move on to the next slide.
19 This one describes our mission lending program. These
20 are the programs that I have a little bit more
21 expertise in. When we talk about mission lending
22 programs, we're moving from our larger loan guarantee
23 programs into our smaller loan programs where the
24 dollar sizes of the loans in the Microloan program, for
25 instance, are from zero to \$50,000. That's the largest

1 loan a small business can get under that program.
2 Under community advantage, that is a subset of the 7(a)
3 program, but the limit on a loan under that pilot
4 program is 250,000.

5 When we say mission programs, what we're
6 talking about there is that we work with mission-based
7 nonprofit community development organizations that
8 deliver these products. Unlike a commercial lender
9 that has a profit motive, the mission lenders, if they
10 are making any profit from operating in these programs,
11 it's their mission to put that money back into the
12 community, back into doing additional services.

13 With the Microloan program in particular, it's
14 a requirement of the program that the intermediary
15 lenders provide training and technical assistance, and
16 that they provide those services free of charge to the
17 small business.

18 So, in terms of, you know, veterans that are
19 leaving military service, want to start a business, we
20 see a very high percentage of startups being funded
21 through the Microloan program. We see a reasonably
22 high percentage of loans to veterans in that program.
23 And it is a great avenue for any entrepreneurs that
24 wants to start a business to get some of that essential
25 training and technical assistance and know how and

1 have, you know, a partner that's willing to work with
2 you, not just before they make you the loan but for
3 years after that.

4 And SBA does provide a technical assistance
5 grant to help those intermediaries offset the cost of
6 providing that training in TA. But, you know, this a
7 program that is a very good fit for a veteran
8 entrepreneur that's looking to start a business.

9 The next slide. Just a little bit showing
10 some of the numbers in terms of Microloan, the
11 Microloan program in particular, and the underserved
12 markets that it's meeting, this is one of the programs
13 that we can show a year to date. This year is actually
14 putting more dollars on the street to veterans than
15 what was reported for last year.

16 You know, same thing goes, same proviso, you
17 know, all of this information is self-reported and to a
18 large degree unverified, at least by SBA. So, we have
19 to take it at face value for what, you know, what's
20 being entered into our reporting systems.

21 Next slide. The next slide is showing some of
22 the veteran guarantee fee relief. And what we're
23 looking at there is under our 7(a) program. Depending
24 on the size of the loan, this is the amount of closing
25 fees that are being waived by the SBA, or guarantee

1 fees that are being waived by the SBA. I know that
2 these fees do fluctuate from time to time, depending on
3 subsidy modeling and so forth.

4 The decisions on overall fees to be charged
5 under the programs, those decisions are usually made in
6 the September time frame. So, it's possible by the
7 time this committee meets again in September, that
8 we'll be able to update what those rates will look for
9 -- look like going forward to the next year. But these
10 are currently what vets would save on these dollar
11 sized loans.

12 Next slide is titled Lender Match. And this
13 is an important slide. Any veteran that visits the SBA
14 page and is interested or needing capital, the SBA web
15 page has been redesigned so that anybody that has that
16 need is very quickly going to be funneled down to an
17 online service called Lender Match. It's basically a
18 portal where an interested entrepreneur answers a
19 series of questions, I think there are a total of 18,
20 at which time within 48 hours they get replies from
21 interested SBA approved lenders that want to discuss
22 their needs.

23 I know that -- I don't have the exact number,
24 but the system has been very successful in terms of
25 making those matches between small businesses that are

1 looking for capital and our participating lenders that
2 can provide those services and that capital. So, this
3 is an important link at the SBA.gov page,
4 SBA.gov/lendermatch.

5 The final slide just has my contact
6 information, and that's the end of my presentation.
7 I'd be happy to answer any other questions you may
8 have. If not, turn it over to Larry.

9 MR. PHIPPS: Hi, Dan, this is Michael Phipps.
10 You know, this is just more of a question on some of
11 the statistics, especially with the lowering of the
12 dollar amounts to veterans. Do we have a statistic
13 about denied loans, because if we were able to compare
14 proved and denied and see if it's -- if that metric
15 fluctuates, then that might be more cause for alarm as
16 opposed to if it's steady, together, it might not be as
17 big of an issue as we may think.

18 MR. UPHAM: Right, yeah, I mean, great
19 question. You know, the unfortunate answer is that the
20 lenders, when they're reporting into SBA, are only
21 really reporting in on the ones that are approved. So,
22 I don't think we have good statistics on the ones that
23 are declined.

24 MR. PHIPPS: Is there any way to pair this
25 data with any other set of data to give us some

1 insight? I know you can't force the banks to do that,
2 but we're just -- from our perspective, we're just
3 trying to find a way, whether it's IRS or other records
4 that we may -- maybe Census records that we can use to
5 try to dig down into this a little bit deeper.

6 MR. UPHAM: Yeah, I don't know that we have
7 dug down using outside sources of data specific to our
8 lending to veterans. I think it is something that we
9 could take a look at.

10 I know in our CFO's office we have a program
11 office there for performance of reviews of program
12 offices. And every year they will -- you know, they'll
13 choose a program office or two within each of the main
14 areas within SBA and try to dig into questions like
15 that, using outside sources of data as well as
16 surveying and existing data from our systems to try and
17 pull out some of those -- you know, some of those
18 meaningful statistics. But to date, I don't think
19 anything has been done specifically with Cap Access and
20 veteran lending.

21 MR. PHIPPS: Will you be speaking tomorrow at
22 the --

23 MR. UPHAM: I believe so, yeah.

24 MR. PHIPPS: Okay, excellent. I'll see you
25 there.

1 MR. UPHAM: Okay.

2 Anything else?

3 MR. ROCKEFELLER: Yeah, it's Mark Rockefeller
4 from the Streetshares Foundation. I'm very into
5 lending to vets to make sure they have capital. It's
6 kind of my thing, so you've kind of hit a button here a
7 little bit.

8 In responding to Michael's question, you know,
9 you said that those type of deep dives haven't been
10 done with veterans. Have they been done with other
11 groups, women-owned, HUBZone, et cetera? That is, does
12 SBA have the capacity to do that, they just haven't yet
13 done it in veteran's case?

14 MR. UPHAM: Yeah, that's a great question.
15 The office that I was referring to in the CFO's office
16 that is reviewing performance is fairly new. I think
17 that last year was really the first year where they had
18 an operating budget to actually hire contractors and do
19 some of these third party analyses.

20 You know, I think our Office of Advocacy from
21 time to time looks at these types of issues also. But
22 my understanding is that in the CFO's office with the
23 Officer of Performance that they will have the ability
24 to do sort of deeper dives than I think what's been
25 done in the past.

1 And no, I don't think within Cap Access that,
2 you know, looking at minority lending, women lending,
3 startup versus existing business, a lot of those types
4 of issues, you know, what are the drivers of loan
5 defaults, is TA effective, you know, a lot of those
6 types of issues I think have been raised, and it's
7 going to take a little bit of time to, you know, really
8 dive into them and, you know, do the data analysis.

9 MR. ROCKEFELLER: Okay. Could I suggest then
10 that the Task Force may put that down as an action item
11 to make that recommendation of it? It seems like if
12 our job is to sort of, you know, advise the SBA on
13 these programs, and if lending to veterans is now down
14 two consecutive years, that should be -- that should
15 raise enough concern that at least an inquiry or an
16 investigation, you know, should be recommended by the
17 Task Force. I don't know what the process is to get
18 that going, but as a member, I would suggest that we
19 perhaps pursue that.

20 MR. STUBBLEFIELD: Great point. I know it's
21 captured on the record. We will definitely explore
22 that and report out.

23 MR. ROCKEFELLER: Okay.

24 MR. STUBBLEFIELD: In the future.

25 MR. PHIPPS: This is Mike Phipps. I think

1 that would come in the form of a study, possibly, where
2 the office could start -- I think take the initial
3 steps of finding out what additional outside resources
4 are out there and then form -- and maybe we could even
5 see what that study might look like. But I think the
6 recommendation would come in the form of some sort of
7 deeper study.

8 MR. ROCKEFELLER: Okay, thank you. On slide
9 5, where you talked about community advantage, we don't
10 break that out into veterans. Do you know much of that
11 has gone to veterans?

12 MR. UPHAM: I know what it was for last year,
13 just because it on a percentage basis was one of our
14 higher performing offices in terms of veteran lending.
15 I think it, like our other program, 7(a) 504, and it is
16 a subset of 7(a), has come down slightly this year.
17 But I know that last year it outperformed, so to speak,
18 on a percentage basis regular 7(a). I think that the
19 percentage of loans to veterans from a dollar
20 standpoint, if I'm not mistaken, were between 5 and 10
21 percent. So, I know it exceeded 5, and I think it was
22 just under 10.

23 MR. ROCKEFELLER: Okay.

24 MR. UPHAM: So, you know, I know that there
25 are some community advantage lenders that are some of

1 our higher volume lenders that do a significant amount
2 of veteran lending. And that was sort of pushing that
3 statistic for that particular program.

4 MR. ROCKEFELLER: And then, on page 7, where
5 we talk about some of the fee relief here, how do these
6 benefits compare to the Patriot Express Program that
7 was discontinued in 2013? Are these better than that?
8 Are they equal to it? Are they less advantageous to
9 the veteran?

10 MR. UPHAM: I'm not familiar with the Patriot
11 Express Program, unfortunately. I mean, my office of
12 expertise is really in the mission programs, and I
13 believe the Patriot Express was really a 7(a) loan
14 guaranty program. So, I'd give you an answer, but I
15 wouldn't be very confident that it was the right
16 answer.

17 MR. ROCKEFELLER: Okay, thank you.

18 MR. UPHAM: Sure.

19 MR. STUBBLEFIELD: Okay, are there any more
20 questions or comments? Great discussion, by the way.

21 (No response.)

22 MR. STUBBLEFIELD: If not, I -- we're going --
23 if everyone is okay with this, we're going to deviate a
24 little bit from the schedule and go around and do the
25 member updates before we get into Judge Holleman's

1 presentation. We okay with that, everyone?

2 (No response.)

3 MR. STUBBLEFIELD: All right. So, then, we
4 will start with the Department of Labor.

5 MR. METHENY: Thank you. I want to provide a
6 few updates. As always, we like to highlight how
7 veterans are doing in their unemployment numbers
8 overall. May's numbers just came out at the beginning
9 of this month, and veteran unemployment was 3.4
10 percent, 3.4 percent, which is the same as it was one
11 year ago. And it's the same as the nonveteran
12 unemployment rate. So, low numbers across the board.
13 So, we're excited about that.

14 The national unemployment rate for May was 3.8
15 percent. So, if you're trying to do the math, how do
16 those all add up to 3.8? The national number is
17 seasonally adjusted, and that's why there's a little
18 bit of a difference. With the smaller populations and
19 subsets for veterans/nonveterans, it's not seasonally
20 adjusted. So, that's what those are, 3.4, 3.8. The
21 3.8 national number is the lowest it has been in 18
22 years. So, that's also another good number.

23 Shifting from unemployment numbers, one of the
24 other big emphasis in the Department and for the
25 Administration has been apprenticeships. So, about a

1 year ago, an Executive Order was signed to expand
2 apprenticeships in America. And over the course of a
3 year, there's been an interagency task force that has
4 been working on how to do that and what that looks
5 like.

6 So, we are pretty familiar with registered
7 apprenticeships where employers and businesses can meet
8 certain criteria to get registered and then they're
9 entitled to certain benefits as a result of that. But
10 we also know that there are lots of other opportunities
11 that don't need to necessarily go through all of those
12 hoops and all those requirements and can turn around
13 and meet the needs of industry quicker.

14 So, industry recognized apprenticeships as
15 sort of a new term of art that's been evolving over the
16 course of this last year. And the idea there is
17 instead of the government registering apprenticeships,
18 let industry define what those credentials need to look
19 like. And maybe those apprenticeships are instead of a
20 one- or two-year program, they are shorter like a few
21 weeks program. And what we're finding is that those
22 are very popular.

23 The industries are now figuring out what those
24 look like so that they're recognized and have some sort
25 of standardization. What's nice is they still retain

1 the positive aspect of an apprenticeship in that they
2 -- people earn while they learn the new trade and with
3 an apprenticeship, it rolls into full-time employment
4 with that organization. It's not a training program
5 that then you have to go look for another opportunity.

6 What's exciting in this group is that
7 apprenticeships are a great way for transitioning
8 service members to move out of military service, many
9 of whom have completed apprenticeships in their service
10 or have gone a long way towards earning some sort of a
11 certification or credential that a shorter term
12 apprenticeship can meet the need and roll right into a
13 pretty good paying job. And when we look at salaries
14 for those who complete apprenticeships, it's on par or
15 better than some of the other options out there for
16 them, like somebody who has just come out of a four-
17 year degree.

18 So, excited about the growth of
19 apprenticeships, particularly for veteran
20 apprenticeship programs is where our interest is.
21 We're very excited to work with the Department of Labor
22 Office of Apprenticeships who are really fleshing that
23 out with the nation.

24 And then, finally, I've gotten to share a
25 little bit -- again, about a year ago, signed into law

1 was the Hire Vets Medallion Bill, which became an Act,
2 honoring investments in recruiting and employment
3 veterans.

4 And so, this is a national award that
5 employers, businesses can apply for. And if awarded,
6 they will receive a medallion that they can use to
7 highlight the fact that they have met the standards of
8 the Federal Government to be sort of veteran-friendly.
9 Well, what that means is they are recruiting, they're
10 hiring, they're training and retaining veterans in
11 their businesses.

12 There are three different categories, small,
13 medium, large businesses and are two different levels
14 of the award, gold and platinum. That award will kick
15 off and be sort of announced even more formally late in
16 this fall. And then the application system turns on in
17 January of '18.

18 We're talking it up a lot now because we just
19 completed a practice run through in a demonstration
20 project where we opened up the system to try everything
21 out so that we knew what we could make the system do
22 and get some initial feedback on how that went.

23 What we found is we left it open until we had
24 300 completed applications, and then we stopped. Of
25 the 300, most of them were small businesses. So,

1 that's exciting in this particular group. So, what
2 that gave us a sense of is who got the word, who was
3 able to try it, and the fact that the system and the
4 application process was not too cumbersome to cause
5 small business owners to shy away.

6 Now, it's important to note, you know, how do
7 we define a veteran. Well, it depends on who you ask
8 and what we're using. Well, similarly, what is small,
9 medium, and large? With Hire Vets, small is 0 to 50
10 employees, really small. Medium is greater than 50 but
11 less than 500. And over 500 are the larger businesses.

12 There are different criteria for each of
13 those, and that was by design so that the smaller
14 businesses can earn the award and receive it without a
15 lot of the extra requirements that you would expect of
16 a really large organization to be able to do in terms
17 of affinity groups and so on.

18 So, we're excited about how the program
19 demonstration went. We're trying to use this summer
20 and fall to get the word out to folks who might be
21 interested in businesses, employers who might be
22 interested in applying when we turn the system on in
23 the winter time. It will be open from January to April
24 to put applications in. And if -- and we will be
25 looking to get the word out through all of our friends

1 and partners that work in the community.

2 And if you want to know any of the details
3 about what I just described, there's a website that's
4 already set up that lays out the specifics. It's
5 HireVets, all one word, HireVets.gov. It's a great
6 website. It will be up and running. Businesses who
7 are interested can go there and enter to start
8 receiving regular updates on how it's going or what you
9 can be doing now to help get ready and make sure that
10 you're eligible.

11 It's not a competition. As many as apply and
12 meet the criteria will get the award. So, we're hoping
13 that lots will because we want to recognize all the
14 great employers out there.

15 That's all I have for today, thank you.

16 MR. STUBBLEFIELD: All right, all right.
17 Thank you for that report. Great initiative there.

18 All right, next we have the Department of
19 Defense.

20 MR. JACKSON: Shannon Jackson, DoD. So, first
21 I want to definitely highlight that this is the fourth
22 year in a row that the Department of Defense have
23 achieved their overall small business goals, which is
24 huge, from several years of not making those goals in
25 four years straight. Right now I can say that we are

1 continuing to focus in on our goals in a different --
2 with the new -- some of the priorities we're looking at
3 for the Department. So, again, it is still a focus for
4 the Department.

5 One of the things I do want to say is that
6 that also trickles down to the veteran goals, as Mr.
7 Dodds mentioned. You know, again, we're still focused
8 again on the veterans and the companies that are
9 participating in the opportunities currently. We're
10 right now trending above the goal. We're at about five
11 billion for veteran-owned opportunities.

12 So, we're only completing the third quarter
13 here the next couple of -- oh, actually, in the next
14 couple of weeks. And then we're going into that fourth
15 quarter which is where, you know, all of the components
16 will definitely have a huge push.

17 Some of the things we definitely want to
18 highlight, in the third quarter we did have a huge
19 training event, collaborated with SBA and all of the
20 services. I had about 600 and some odd folks
21 participate in an event, a great training event for the
22 Department and SBA as well.

23 Also, one of the things that we're actually
24 doing here in the next couple of months in the fourth
25 quarter in August, we're going to have our Beyond Phase

1 2 mentor/protégé rapid innovation fund event in Orlando
2 from the 14th through the 16th. This is really going
3 to look at innovation for the Department, utilizing
4 these three programs that all work in concert to
5 identify technology to be transferred. The theme of
6 the event is Connect, Collaborate, and Transition, so
7 we're really focused on transitioning technology,
8 utilizing small businesses. So, one of the things we
9 wanted to highlight.

10 Just a couple notes in regards to some of the
11 information that was provided today. Definitely would
12 like to get the information on that Boots to Business
13 study definitely because some of the information we
14 need to help try to shape as military folks retire from
15 the military. And, you know, having that data and
16 finding out those areas that they are focused in on
17 would definitely help us in how we look at doing our
18 own outreach when we're doing our piece.

19 Also, I think you answered the question on
20 that Hire Vets. I wanted to know if it was going to be
21 a competition. But if they do apply, they will get an
22 opportunity, because we have a lot of companies that
23 are doing very well in the Department that I think that
24 would be a great thing to put on their mantle to have.

25 But that is the updates from the Department.

1 I'll take any questions.

2 MR. STUBBLEFIELD: Okay. Oh, I'm sorry, go
3 ahead.

4 MR. PHIPPS: Hi, this is Michael Phipps. How
5 are you doing, Shannon?

6 MR. JACKSON: All right, good.

7 MR. PHIPPS: So, I have -- there's one
8 question that I've had a couple calls about over the
9 last week, and that's the 809 Panel Study. Are you
10 familiar with the 809 Panel Study?

11 MR. JACKSON: I am.

12 MR. PHIPPS: So, the 809 Panel Study is an
13 independent panel commissioned by DoD for best
14 practices and acquisition. Is that --

15 MR. JACKSON: Yes, it is.

16 MR. PHIPPS: That's how I understand it, okay.
17 So, one of the things that kind of people were -- some
18 very good things -- one of the concerns was that DoD is
19 looking to do statutory changes for their own small
20 business goaling. So, the big, big question on the
21 table is, does that mean that they don't have to report
22 to the -- there's a lot of questions, right, but do
23 they not have to report to the SBA? How are small
24 business goalings going to be dealt with? What are the
25 impacts on small business and, for our concern,

1 veteran-owned small businesses if DoD does follow that
2 kind of new legislation? And then, what would that
3 legislation look like? So, those are probably the top
4 questions that I've been -- that are being asked.

5 MR. JACKSON: Those are very good questions.
6 So, as you know, the report was just a report. One of
7 the things Ms. Lorde is actually really looking at
8 doing is she is going through all the reports and
9 figuring out what is the priority for the Department.

10 One of the things that we're, you know, going
11 through right now is this reorganization and really
12 trying to figure out what that looks like. There's a
13 lot of things that are currently on the table. But,
14 you know, from a priority -- from the Department, we're
15 still focused in on our achieving our goals. It's just
16 a matter of how we really shape those goals with the
17 Department.

18 We know that we're going to get our 22 point
19 some percent this year for our goal, and that hasn't
20 changed. Again, it's just a way -- how we get at those
21 goals.

22 So, again, right now, in the foreseeable
23 future, we have not changed the path that we're going
24 in regards to goaling and our focus for the Department.
25 It's just the fact is that you're still going to have

1 those things that we have to do on a regular basis, you
2 know, and we're still going to have to do them. So,
3 there's no change in that.

4 MR. PHIPPS: If there is -- this is Michael
5 Phipps. If there is legislation that's suggested by
6 DoD, could you brief this committee on one of the
7 meetings just so we have a heads-up on it?

8 MR. DODDS: If I could chime in here, if you
9 don't mind, this is Ken Dodds from SBA. I read the
10 January report as well. To me -- I mean, I share your
11 concerns. But to me, they are really telling DoD to
12 focus on getting innovation and technology into the
13 Department because it's so cumbersome and hard to do
14 business with DoD that they won't give us stuff that we
15 need to fight our wars. So, that makes a lot of sense.
16 Yes, make it easier to get the technology we need --
17 and so forth.

18 I don't think it necessarily means that we
19 don't care about the base maintenance or the
20 construction or the other things that small businesses
21 do for DoD. I think those are still important, but I
22 think they want them to kind of change or at least
23 focus even more on getting these rapid technologies
24 into these. So, that's why they focus on rapid
25 innovation, SBIR, things like that. So, I hope that's

1 where it goes.

2 But really, what this is, this panel is making
3 a recommendation to Congress. You're already seeing
4 them take pieces of it and put it into NDAA
5 legislation. So, even if the proposed Senate and House
6 versions, there are pieces of the report in there. I
7 think there's still two more reports to come from 809
8 panel.

9 MR. JACKSON: Yes.

10 MR. DODDS: And so, then, at some point, maybe
11 DoD does have to weigh in on what they agree with and
12 what they don't. But right now, it's really kind of a
13 panel talking to, at least in my opinion, to Congress
14 and then they kind of run with it.

15 MR. PHIPPS: Thank you, Ken.

16 MR. JACKSON: We're going through some
17 changes, but, you know, as Mr. Dodds has basically
18 stated, is that our focus is on the war fighter,
19 whether it's the support on the bases, whether it's
20 technology. I think that's where -- when the final
21 reorganization actually shows up, you'll see where they
22 really tried to look at how best we can do that,
23 because the Services will not go away for the
24 Department.

25 MR. PHIPPS: Thank you, Shannon.

1 MR. JACKSON: No problem.

2 MR. STUBBLEFIELD: Okay. I know you mentioned
3 the data that gets out of our IG report. I guess we
4 can work through the DoD Transition Assistance Program
5 Office to get back with you and figure out where we're
6 going to go with that one.

7 MR. JACKSON: Yes, sir. I appreciate it.

8 MR. STUBBLEFIELD: All right, thank you very
9 much for your report.

10 Okay, I don't know if we have the Department
11 of Veterans Affairs with us in here anywhere on the
12 phone or any place?

13 (No response.)

14 MR. STUBBLEFIELD: If not, we're going to go
15 to GSA.

16 MR. GAVINO: Good afternoon, everyone, again.
17 I'm Amando Gavino for Charles Manger's office. I'm the
18 IT Services Director at GSA. Similar to DoD, GSA has
19 earned an A again for small business, making it its
20 eighth consecutive year. We're pretty proud of that.
21 Specifically, GSA awarded approximately 1.9 billion
22 small business in fiscal year 2017, more than 42
23 percent of our eligible contracts. So, we're -- he
24 wants me to announce that, or he said he's pretty proud
25 of that.

1 Some of the activities that Charles Manger has
2 participated in is basically the SBA-hosted Matchmaking
3 event at the Greater Reston Chamber of Commerce, the
4 BTG Matchmaking Conference for Small Business Expo, and
5 the OSBDU Office have hosted over 300 in person and
6 virtual counseling events nationwide throughout the
7 past year.

8 Something that I'm personally responsible for
9 right now is the Vets2 GWAC contract. Basically, the
10 Court of Federal Claims, COFC, protest was redrawn last
11 month, so we have approximately about 70 SDBOSB
12 awardees on the Vets2 contract. I'm going to meet with
13 them face to face during the Vets18 event next week,
14 Williamsburg, to provide additional information.

15 In addition to that, we plan to do additional
16 GWAC DPA training virtually the next three consecutive
17 months as well.

18 The OSBDU basically plans to have a vets
19 event, virtual coaching event, on August 23rd. And
20 lastly, VetForce meeting will be held at GSA
21 headquarters September 11th. That's all I have for
22 GSA.

23 MR. PHIPPS: This is Michael Phipps with one
24 more question. All my questions are for you guys.

25 MR. GAVINO: Yeah, I've got your question.

1 MR. PHIPPS: So, this is another issue I've
2 been getting a lot of calls about because it just made
3 it into the house version of the NDA 2019. GSA -- and
4 this has been going on I think since mid-2017.

5 GSA is proposing an e-commerce portal that
6 would basically be a portal that the government would
7 purchase goods from. The difference of this portal is
8 that -- some other names you might have heard in the
9 news might be the Thornberry Amendment or the Amazon
10 Amendment.

11 It really doesn't matter what -- who or what
12 the company that would -- or companies that would do
13 this portal. But some of the questions that have come
14 up about this portal is -- and some of the statements
15 that it wouldn't buy America would not apply, the Trade
16 Act Agreement would not apply, no small business set
17 asides would apply, the initial number for the minimum
18 purchase or the maximum purchase is already 25,000 and
19 there's a thought that this threshold may be raised to
20 50,000.

21 So, the real concern -- and GSA is, I'm sure,
22 putting together more information. They have put out
23 some information. The concern is that there's going to
24 be an e-commerce portal where tens and tens of billions
25 are going to go through that -- the normal federal

1 acquisition regulation, the normal rules that all
2 government contractors today have to abide by will no
3 longer have to be followed.

4 So, that's just a big concern I've heard as
5 it's kind of gone further down the path on the
6 legislative side. There's been a lot of -- I've gotten
7 a lot of calls and questions about it. So, it's just
8 something I think we would like to pose what would be
9 the impact to veteran-owned small businesses and maybe
10 to get -- you know, there's a ton of other questions
11 that people have just for procurement questions. If
12 maybe GSA could address some of that and maybe SBA
13 could get involved and see what the impact on veteran-
14 owned small businesses would be.

15 MR. GAVINO: I mean -- this is Amando Gavino.
16 Thank you, Michael Phipps, for that question. I will
17 bring this question forward -- it's a valid question,
18 by the way -- to my bosses back home. It's a valid
19 question. Thank you.

20 MR. PHIPPS: Thank you, Amando.

21 MR. BLUM: This is Matthew Blum at OMB.
22 Michael, I just wanted to jump in here. The program to
23 which you were referring is actually one that OMB also
24 has a responsibility and we're working closely with
25 GSA. The overarching vision of this, of the program,

1 is to creating more simplified and less expensive
2 transactional experience for those buyers and sellers
3 as well as resolutions that -- evolving technology to
4 achieve a contemporary buying experience for comparison
5 shopping that's basically on par with consumer
6 experience in terms of ease, speed, and access to the
7 market.

8 That said, if you look at the legislation --
9 and the FY 17 NDAA, one thing that I think, amongst
10 others, that Congress thought through in anticipation
11 of some of the types of questions you're raising is
12 this is really, you know, a complicated question. Why
13 is there mention to this from -- designing a program to
14 achieve those goals, including impact on salaries, how
15 this could alter the relationship of those sellers on
16 platforms where they currently sell, the way in which
17 our buyers reach them, the way compensation is used,
18 all of these things?

19 So, what Congress did in designing the program
20 that said, you know, the Executive Branch, you need to
21 not only do the implementation in phases, but you have
22 to -- you actually should develop a plan in phases so
23 that -- and they required us this past March as the
24 first phase to kind of lay out the big picture vision,
25 which we did. But they then said you need to span out

1 the next year which we're starting on -- and pressure
2 testing, doing intense market research with platform
3 dividers, with businesses, including small businesses,
4 to understand how the marketplace currently works to
5 figure out -- and what is the best way to approach all
6 of this before you actually fully implement the
7 program. In fact, talk closely with GSA about doing a
8 proof of context.

9 So, there's a lot of discussion about what are
10 the products that might make sense, not just from a
11 small business perspective, but taking into account,
12 for example, supply chain mismanagement. So, one of
13 the things that -- you know, it may create challenges
14 if we just allow people with purchase cards to buy, you
15 know, off of this program.

16 So, we're thinking about all of them. We have
17 a public meeting that GSA is sponsoring, but we will be
18 actively participating in on June 21st. So, that's one
19 form of general outreach. I would encourage my
20 colleagues and folks from the various industry
21 associations to try to join in there if you can make
22 it.

23 There are going to be not one but two requests
24 for information that are going out very shortly that
25 we're working with GSA on. One is specifically asking

1 a bunch of questions to platform dividers, and the
2 other is specifically asking questions to sellers that
3 use platforms and asking types of questions -- I would
4 also note that my understanding of this is that all of
5 the goaling and other small business basic
6 responsibilities of achieving small business
7 participation stay in effect.

8 And just one observation on that, which I
9 realize -- but that is with respect to raising the
10 micro-purchase card, purchase threshold, and the use of
11 purchase cards. Back in 1994, when we created the
12 micro-purchase threshold, I think people have always
13 thought of a purchase card as being a sole source
14 activity. You know, you go through this -- go find the
15 source and you buy from your favorite source. But, in
16 fact, I think when people use the internet today in
17 their personal lives, there are very few people I would
18 argue that click and pick the first source that they
19 find.

20 Therefore, if we use -- if we understand the
21 marketplace and we use it effectively and we build
22 rules which I think need to be modernized but still,
23 you know, take into account, you know, our
24 socioeconomics into consideration in thoughtful ways,
25 we cannot only greatly increase the use of competition,

1 but we should still be effectively achieving our goals
2 and getting better value along the way.

3 MR. PHIPPS: This is Michael Phipps. Thank
4 you very much, Matt. You know, one thing that has been
5 raised that we would like to see is there have been a
6 lot of public hearings. Do you think there's going to
7 be a congressional hearing on this so people can do
8 things on the record to Congress as opposed to just
9 public hearings?

10 MR. BLUM: I can't speak for, you know, what
11 the Legislative Branch will do. I know that they are
12 very interested in this and have had a number of -- at
13 the staff level, had a number of meetings involving
14 GSA. We've been involved in some of them as well. I
15 am certainly happy to, you know, arrange for, you know,
16 discussions, you know, through, you know, your
17 organization and our other -- our members of the Task
18 Force, you know, as these questions come up so that you
19 can, you know, engage directly on some of this, if
20 that's helpful.

21 MR. PHIPPS: That would be great. Thank you
22 very much, Matt.

23 MR. STUBBLEFIELD: Okay, thank you, GSA. I'll
24 see you next week at Vet 18 as well. I'll be there
25 also.

1 All right, so, we have Matt. I guess I might
2 as well just -- you might as well continue, Matt.
3 We're up to OMB next.

4 MR. BLUM: So, thanks. I think since our last
5 time we convened, OMB announced the president's
6 management agenda, which lays out a long-term vision
7 for modernizing the federal government -- to improve --
8 ability to deliver mission outcomes, consistent good
9 service and do effective stewardship in taxpayer
10 dollars on behalf of our citizens.

11 With respect to acquisition, it lays out
12 several cross-agency priority goals. The one that's
13 probably most relevant to the Task Force is there is
14 one on category management. What is particularly
15 important, and I hope consistent with some of the
16 conversations we've had at task meetings, is that in
17 laying out our goals to improve results from contracts
18 for common goods and services that this goal makes
19 clear that agencies are simultaneously required to
20 continue to achieve their small business contracting
21 goals.

22 In other words, you know, achievement of
23 category management goals is not an excuse for missing
24 the Agency's small business goals. Every agency's
25 small business contracting goals and industrial-based

1 difference as a result of benefits and drawbacks of
2 adopting and giving category management solutions, you
3 know, will vary from agency to agency.

4 So, we are working on guidance that will help
5 to reinforce this. As part of that, we have been
6 conducting an outreach tour. We had the pleasure of
7 speaking to the Women's Chamber of Commerce, the
8 HUBZone Council. We're trying to set something up with
9 the National Veterans Small Business Council. Again,
10 we'd be interested in talking to folks of the task
11 force about additional meetings.

12 We've put together a presentation, which we'll
13 make sure that the Task Force members have. Just very
14 briefly, our focus in terms of how to make sure that
15 we're harmonizing the goals of category management with
16 continued achievement of small business goals has
17 really focused on three areas. One is the Agency
18 guidance -- tools to make smart decision-making. The
19 third is to efforts, strategies to increase small
20 business participation on our government-wide
21 solutions.

22 With respect to guidance, we realize that, you
23 know, as well intentioned as our statements are, we
24 need to make sure that, you know, our work force
25 understands the expectations and gives them enough

1 information that they can, you know, harmonize category
2 management with small business participation. That
3 includes, you know, working closely with our OSDBUs so
4 that they have what they need.

5 So, the guidance that we're working on, for
6 example, would recognize that there's a balance,
7 category management being managed much like we have
8 agencies manage achievements of their small businesses.
9 There are directors within the agencies that negotiate
10 goals with SBA, and then we leave it to those directors
11 to work within the Agency's mission and culture to
12 achieve those goals.

13 In much the same way, we have been asking
14 agencies to identify senior accountable officials to be
15 responsible for aligning their -- with category
16 management principles, but leaving it to them to figure
17 out, you know, what that specifically looks like for
18 their agency and to do so working closely with their
19 directors as they consider migrating to a, for example,
20 best in class solution. The OSDBU also has information
21 to evaluate whether it makes sense for the Agency or
22 not.

23 So, this guidance was one, to make sure that
24 there are mechanisms for this collaboration, provides
25 them this flexibility, and you should probably expect

1 to see the word balance in the guidance, that we want
2 to make sure that there's a balanced approach so that
3 agencies can achieve their small business goals, so
4 that they can get new entrance and build a supplier
5 base but still get better value for the taxpayer.

6 This includes providing some examples of why
7 an agency may choose a local solution over a
8 government-wide solution such as the work requires
9 specialized skills not available through small
10 businesses on a government-wide solution that may be
11 available from small business. So, guidance is one
12 criteria we're focused on.

13 The second area, as I mentioned, are tools to
14 support data-driven decision-making. We can't
15 realistically expect our OSDBUs to be able to give
16 advice to senior accountable officials about the
17 impacts of using a government-wide solution in a given
18 instance unless they understand what the makeup, the
19 small business makeup on a contract and what's the
20 nature of the work that we would -- that they would be
21 performing.

22 So, if they haven't already, there is a --
23 small business -- that compiles a detailed -- small
24 businesses on best in class vehicles including --
25 vendors -- opportunities, terms and conditions, so

1 forth -- has been developed with not only our category
2 managers in the agencies, but also with the involvement
3 of a number of --

4 Thirdly, we wanted to form a government-wide
5 solution in order to make them attractive, more
6 attractive. We want to increase small business
7 participation on them. One key way to do that is to
8 emphasize consideration of on-ramps for small
9 businesses during the contract term. This is not a new
10 concept, but it is one that oftentimes gets talked
11 about in theory and not in practice.

12 So, we were very pleased that our GSA
13 colleagues recently used an on-ramp to add 31 new small
14 businesses to OASIS. We want to see much more of that
15 as well as the Agency level. And also to continue to
16 think about opportunities for more government-wide set
17 aside vehicles.

18 So, as contracts expire and new ones are
19 considered, we think about -- like we have the veterans
20 set asides that Amando mentioned a minute ago. We
21 talked to the HUBZone Council about potentially
22 thinking about, you know, reviewing what our experience
23 was with the HUBZone GWAC many years ago -- has changed
24 and, you know, that make it appropriate today. I think
25 similarly in the space of this task fore, you know,

1 making sure that, you know, the GWAC that we had make
2 sense and whether there are more things that we can do
3 with our government-wide solutions.

4 So, a lot more conversations to come. I
5 really appreciate the collaboration that we received
6 and look forward to many more good conversations.

7 MR. STUBBLEFIELD: Okay. Any questions for
8 OMB?

9 (No response.)

10 MR. STUBBLEFIELD: If not, we're going to go
11 to the American Legion.

12 MR. PHIPPS: Thank you very much. The
13 American Legion is hosting a Women Veterans and Spouse
14 Small Business conference in Minneapolis during the
15 Legion's 100th anniversary convention. That's being
16 done with IVMF in Syracuse.

17 On the advocacy part, in April, the Legion
18 presented on a Senate panel discussing career technical
19 education as an alternative to traditional four-year
20 college degrees. There we were able to talk about the
21 SBA's Small Business Education Entrepreneurship
22 Development Program as an alternative to a four-year
23 degree. I think you probably worked with the Legion on
24 that.

25 Today, Davey Leghorn is actually on the Hill.

1 He's at the House Small Business Committee. He is
2 testifying on the adverse effects of the VA's Med Surge
3 Prime Vendor Next Gen Contract. That program's J and A
4 proposal will systematically wipe out small business
5 distributors. Small business wholesalers are starting
6 to feel the pinch, not just from the VA but across the
7 board in federal government contracting due to the
8 manufacturer's anticipation of the implementation of a
9 government's commercially commerce portal. So, we will
10 have some more on that after the testimony.

11 MR. STUBBLEFIELD: Okay, thank you very much.

12 Let's see now, we have Streetshares
13 Foundation, Bill.

14 MR. ROCKEFELLER: Yes, thank you. This is
15 Mark Rockefeller for the Streetshares Foundation. Our
16 foundation exists to support and fund veteran
17 entrepreneurs. That's why we're here. I've got three
18 very short comments here.

19 The first is, I think we should take a minute
20 and just thank and congratulate the agencies on hitting
21 a five-year record. That really is an extraordinary
22 thing. I think, you know, we are all mission-oriented
23 people. When you achieve that mission, it really is
24 important to sit back and pat yourself on the back and
25 enjoy it for just a minute. So, that's an

1 extraordinary thing. So, thank you to the agencies for
2 making that happen.

3 I know on our end, about 30 percent of our
4 members are in GovCom. Set asides for this community
5 is, in my view, the number one way that the federal
6 government can support members of society that deserve
7 that support, like veterans, HUBZone, et cetera. So,
8 it's a wonderful tool that the federal government has.
9 When the federal government hits those goals, in this
10 case hits a five-year goal, that's an extraordinary
11 thing that should be celebrated. So, thank you all for
12 that.

13 Two quick updates on our end. One, we have a
14 partnership with Sam Adams beer. Actually, on my way
15 here, I had a case of Sam Adams beer and then my better
16 judgment took over and I decided that probably
17 shouldn't be brought into the meeting. With this,
18 though, we are giving \$100,000 in grants to veteran
19 entrepreneurs over the next year. We're doing four
20 awards, \$25,000 each.

21 We've done the first of those. The second of
22 those has a food and beverage theme. So, it is to
23 veteran entrepreneurs in the food and beverage space.
24 It's by public vote, which is a lot of fun. So, the
25 public gets to log in to Streetshares and vote for

1 their favorite veteran entrepreneur. The top three
2 we'll bring down to Orlando to pitch in front of a
3 crowd, sort of military influencers and focused media.
4 Then, they will vote on the winner there. So, there's
5 \$100,000 that we're doing this year with our partner
6 Sam Adams for the veteran entrepreneurship community.

7 Lastly, we have a speed coaching event in
8 June, June 21st, up in New York City in conjunction
9 with the BourBiz event that is being held up there in
10 which executives from Sam Adams are coming down to
11 coach and mentor veteran entrepreneurs. So, I just
12 wanted to make folks on the Task Force aware of those
13 two opportunities. Thank you.

14 MR. STUBBLEFIELD: All right, thank you for
15 that report. The next time we'll look for that case of
16 Sam Adams. We can take it outside of the building, you
17 know.

18 All right, so, let's see Student Veterans of
19 America, I don't know if we have anybody. We don't.

20 All right, so what we're going to do real
21 quick, let's just take like about a 10-minute break and
22 then we'll get into the next briefing, which is Judge
23 Holleman. We'll talk about, as you see on the screen
24 there, Center for Verification and Evaluation Protests
25 and Appeals.

1 UNIDENTIFIED MALE: Do you want to ask if
2 anybody from Treasury is on the phone?

3 MR. STUBBLEFIELD: Do we have --

4 MS. GARCIA: I'm not sure. They might have
5 joined.

6 MR. STUBBLEFIELD: All right, good point.
7 Treasury, is anyone on the phone from Treasury?

8 (No response.)

9 MR. STUBBLEFIELD: Okay. All right, so let's
10 be back, like I said -- it's 2:28, so about 2:38, 2:40
11 or so.

12 (A brief recess was taken.)

13 MR. STUBBLEFIELD: We're going to get started
14 again.

15 UNIDENTIFIED MALE: But there's been
16 desertion.

17 MR. STUBBLEFIELD: I know. I thought one
18 person was going to leave, and I thought everybody else
19 was staying. We're just going to get started.

20 Okay, so, with that, I'm going to turn it over
21 to Judge Holleman for his presentation.

22 JUDGE HOLLEMAN: Wow, all right, this is --
23 I'm Christopher Holleman. I'm an administrative judge
24 at SBA's Office of Hearings and Appeals. I'm here to
25 talk today about the new procedure for Center for

1 Verification and Evaluation Protests and Appeals. The
2 NDAA for 2017 gave -- authorized SBA's Office of
3 Hearings and Appeals to handle the protests and appeals
4 coming out of the Department of Veterans Affairs Center
5 for Verification and Evaluation database.

6 So, next slide, please. Who's got the slides?

7 MS. GARCIA: I do.

8 JUDGE HOLLEMAN: Okay, fair enough.

9 So, we'll be starting our regulations to deal
10 with this. We're published on March 30th. Take effect
11 October 1st. We'll be starting to adjudicate them
12 then.

13 Next slide, please. The protests for Veteran-
14 Owned Small Business and Service-Disabled Veteran-Owned
15 Small Business Set Asides.

16 Slide. Who can file one of these protests?
17 Well, a VOSB or an SDVOSB is awarded a Veterans Affairs
18 procurement, the secretary of the VA, the contracting
19 officer, or an unsuccessful small business concern who
20 bid on the solicitation and didn't win, one of the
21 other offerors, all of these parties can file a
22 protest.

23 Next slide. What can be protested? The
24 contracting officer or an unsuccessful business concern
25 can make a challenge to claim that the awardee cannot

1 provide evidence that it meets the definition of a
2 veteran, service-disabled veteran, or service-disabled
3 veteran with a permanent and severe disability. So,
4 the question is, is the person upon whom the company's
5 claim of eligibility based actually a veteran service-
6 disabled veteran?

7 Next slide. The protestor may protest that
8 the concern is not at least 51 percent owned and
9 controlled by a veteran.

10 When can they be filed? Well, if the CVE
11 protest relate to a VA procurement, the contracting
12 officer can file a CVE protest at any time during the
13 life of the contract. An unsuccessful small business
14 concern can only file a protest within five business
15 days after being notified of the awardee's identity.
16 Now, by business days, we mean not Saturday, Sundays,
17 and federal holidays. They don't count.

18 Next slide, please. So, you know, if on a
19 Monday the CO is -- unsuccessful offeror gets the
20 notification of the awardee's identity, you start
21 counting on Monday, count Tuesday, Wednesday, Thursday,
22 Friday. The fifth day is a Saturday, so the conclusion
23 of the time period, your deadline is Monday, unless
24 it's a federal holiday, in which case it's Tuesday.

25 Next, please. Where do you file it? The

1 unsuccessful small business concern has to file the
2 protest with the contracting officer, either in person,
3 by US mail, or by e-mail. The contracting officer must
4 then forward that protest to us at the Office of
5 Hearings and Appeal.

6 What do you include? It has to be in writing.
7 It has to have the solicitation or contract number and
8 the specific allegation, together with credible
9 evidence that the protested business concern doesn't
10 meet the eligibility requirements for inclusion in the
11 CVE database.

12 Next. What must you -- any information the
13 protestor deems necessary for the administrative judge
14 to consider. Anything that backs up your claim, any
15 evidence you have, put it in this protest, and put in
16 your contact information, name, address, phone number.

17 When should a protective order be requested?
18 A protective order will allow counsel for a business
19 concern to review the confidential information of a
20 protested concern as it relates to the specific
21 litigation. If desired, a protestor may request a
22 protective order in its initial protest or within five
23 days thereafter unless good cause is shown. We've got
24 the procedures in our regs. We don't issue protective
25 orders that allow nonattorneys to review a case file

1 that contains confidential business information.

2 Now, there are certain statements counsel has
3 to make in order to be allowed to review the file.
4 Counsel must agree not to pass the protected
5 information on to anyone, including their client. They
6 have to show that they're not involved in the company's
7 competitive decision-making. Those are violations of
8 these terms. There will be sanctions against the
9 attorney, potentially including bar discipline.

10 What are the filing and service requirements?
11 All parties, including the protested concern, must file
12 a Certificate of Service. That's a document signed by
13 a person filing a pleading attesting they have sent a
14 copy of their pleading to all the parties listed and
15 identify those parties by name and address. When
16 filing with us, you can file via our hearings and
17 appeals upload e-filing system or via e-mail at
18 OHAfilings.gov. And we have an example of a
19 Certificate of Service there on our website.

20 What happens after the protest reaches us?
21 The administrative judge issues a Notice and Order
22 notifying all parties that we've received the protest
23 and establishing a due date for responses, usually 15
24 days. Then the protestor may supplement their protest
25 within that 15-day time day -- frame. After the date

1 for responses is passed, the record will close and the
2 administrative judge will not allow further pleadings
3 unless there's good cause shown. The VA has to send us
4 the case file.

5 When will we dismiss a protest? If it's
6 untimely, if it's late, if it's nonspecific, if it
7 doesn't contain specific allegations. If it's based on
8 allegations that aren't protestable, then in those
9 cases, we'll dismiss the protest and notify all parties
10 of the dismissal.

11 Who can respond? The protested business
12 concern, the director of CVE, the contracting officer,
13 and any other intervening offeror if the protest stems
14 from a VA procurement. The response has to be filed by
15 the date specified by the judge. If a party wishes to
16 reply to a response, the judge has to approve it first.

17 How do we decide the case? We base it on the
18 case file and the information provided by the parties.
19 We reserve the right to request further information if
20 necessary. We're going to give greater weight to
21 specific signed factual evidence over unsupported
22 allegations and opinions and base our decision on a
23 preponderance of the evidence. The contracting officer
24 can award the contract after the protest is filed. It
25 has to hold off until we issue a decision unless they

1 determine the award is necessary to protect the public
2 interest and they notify us.

3 What happens when the protested concern is
4 found ineligible? The director of CVE must immediately
5 remove that concern from the CVE database. The awarded
6 contract may be deemed void ab initio, invalid from the
7 outset. The business must not submit an offer in a
8 future VA procurement until it's been readmitted into
9 the CVE database.

10 Can a decision by the Office of Hearings and
11 Appeals be reconsidered? Well, any party to the case
12 can file a petition for reconsideration with us within
13 20 business days of receiving our initial decision. It
14 has to show that we've made a clear error of fact or
15 law in the initial decision. Since we don't make
16 errors, of course you -- but, in any event, that's
17 protest.

18 Appeals, who may file a CVE appeal? If CVE
19 status is denied or cancelled, the company can file an
20 appeal with OHA challenging the decision if they're
21 denied entry into the database or VA cancels them.

22 A business concern may only file if the
23 decision was not based on the failure to meet any of
24 the veteran or service-disabled veteran eligibility
25 criteria. That's because that's a decision that's

1 going to have been made by the VA. We won't second-
2 guess the VA on an issue like that. The only thing
3 we're going to consider are ownership and control of
4 the business concern.

5 When can you file the appeal? Within 10
6 business days of receiving that denial or cancellation.
7 If it's late, it's late, and we dismiss it.

8 What you must include? Copy of denial and the
9 date it was received. An explanation, including any
10 pertinent information we should consider on why the
11 cancellation or denial was made in error. Again, if
12 you're the appellant, this is your shot. Put in all
13 your information here to support your claim and include
14 the appellant's contact information or that of their
15 attorney.

16 Again, the appellants have to file a
17 Certificate of Service. That's a document signed by
18 the person filing a pleading attesting they've sent a
19 copy of the pleading with all parties and identify them
20 by name and address. Again, we've got a template of
21 that on our website so you can see what it is.

22 Who do you serve? You serve the director of
23 CVE and Veterans Affairs. When you file with us, again
24 you file on our e-filing system at SBA.gov/OHA or
25 OHAFilings@SBA.gov.

1 How does the case file reach the Office of
2 Hearings and Appeals? The director of CVE at Veterans
3 Affairs has to provide us with the entire case file.
4 Further, once we get that, we issue a Notice and Order
5 notifying all parties that we've received the appeal,
6 and we set a due date for responses, again usually
7 within 15 days.

8 Who can respond? The director of CVE or a
9 designee, usually VA counsel, can file a response to
10 the appeal. If they want to serve the response, it has
11 to be served upon the appellant and anybody else
12 identified in the Certificate of Service. If the
13 director of CVE files a response, the appellant may
14 file a motion seeking to reply and attach the reply.
15 We'll ultimately decide whether we'll allow the reply.

16 The standard of review is whether the denial
17 or cancellation is based on a clear error of fact or
18 law. The burden is upon the appellant to show by a
19 preponderance of the evidence that an error has
20 occurred. However, we will not allow evidence beyond
21 the case file unless the appellant has shown good
22 cause. So, there's no new evidence, there's no
23 discovery, there's no oral hearing. The hearing takes
24 place on paper.

25 What are our criteria? We base it on the case

1 file and the information provided by the parties while
2 also reserving the right to request further
3 information. We give greater weight to signed,
4 specific, factual evidence over unsupported allegations
5 and opinions. We will also be able to consider that
6 we're not -- issues not raised in the pleading or the
7 denial or cancellation letter.

8 What are the effects of our decision? It's a
9 final agency decision. If we dismiss or deny the
10 appeal, the director of CVE's determination remains in
11 effect. However, if we reverse the denial or
12 cancellation, the director of CVE must reinstate or
13 include the appellant in the database.

14 Can a decision be reconsidered? Yes. Any
15 party can file a PFR, Petition for Reconsideration,
16 within 20 calendar days of receiving our decision.
17 Again, they have to show that we've made a clear error
18 of fact or law. There are the new rules. They were
19 published in the Federal Register on March 30th.

20 And that concludes the little presentation.
21 Do we have any questions?

22 MR. PHIPPS: Can you say that one more time?

23 JUDGE HOLLEMAN: Sure, but I need some of that
24 Sam Adams that he neglected to bring us.

25 MR. PENTINO: I have one. Marc Pentino, US

1 Department of Transportation. I work on disadvantaged
2 business enterprise appeals, among other things.

3 Sir, you mentioned on slide 13 that the
4 petitioner can't be a competitor?

5 JUDGE HOLLEMAN: Wait a second.

6 MR. PENTINO: To get a protective order.

7 JUDGE HOLLEMAN: No. Protective orders, okay.
8 We're going to get the file from the VA on this
9 company. That's going to contain confidential business
10 information. That sort of thing is not given directly
11 to a company, to one of the other offerors, like a
12 protestor.

13 But there is a procedure -- it's been worked
14 out in procurement law and places like GSA and the
15 Court of Claims and also with us with size appeals
16 where if the company has independent counsel, not
17 involved in their competitive decision-making, that
18 counsel can have access to the file under a protective
19 order. He's got to agree not to release the protected
20 material to his client or to anybody. They can use
21 that then to prepare their pleadings.

22 MR. PENTINO: Okay.

23 JUDGE HOLLEMAN: And to make their criticisms
24 of the protested concern. All of this happens under
25 the protective order. We would issue the final

1 decision under a protective order and then give the
2 company whose information is involved the opportunity
3 to request redactions from the final decision before
4 it's published.

5 Mr. PENTINO: Okay. I misunderstood the
6 competitor reference.

7 JUDGE HOLLEMAN: So that's why -- it can't go
8 directly to the company. But an independent attorney
9 can have the opportunity to review the file.

10 MR. PENTINO: Got you. And in this rule or in
11 any other SBA rule, do you ever get deep or any of the
12 OHA hearings on the burden of proof definitions,
13 preponderance of evidence, clear and convincing?

14 JUDGE HOLLEMAN: No. It's preponderance in
15 all of our proceedings except employee grievances, and
16 that doesn't apply here. It's preponderance. Clear
17 and convincing is a higher standard than preponderance,
18 and we don't apply that to anything.

19 MR. PENTINO: Okay.

20 JUDGE HOLLEMAN: You know, the standards --
21 you know, there's beyond a reasonable doubt for
22 criminal cases. That's the highest standard.

23 MR. PENTINO: Right.

24 JUDGE HOLLEMAN: And there's clear and
25 convincing. Then there's preponderance which is the

1 usual for most civil cases. Then, for some
2 administrative cases, there's the substantial evidence
3 standard. It just requires more than a scintilla to
4 uphold an agency action. But we're not -- we don't
5 allow the Agency to have that here. It's a
6 preponderance standard.

7 MR. PENTINO: Okay. We struggled with that.
8 We have a few spots where we declare clear and
9 convincing as needed. We have some of our recipients
10 who make these decisions before they come to appeal to
11 us struggle with the burdens.

12 JUDGE HOLLEMAN: Clear and convincing is a
13 tougher standard to meet than preponderance, sure.

14 MR. PENTINO: Sure, okay. Those are the only
15 two questions. Thank you.

16 JUDGE HOLLEMAN: Welcome.

17 MR. STUBBLEFIELD: Okay, do we have any other
18 questions or comments on the presentation?

19 MR. PHIPPS: This is Michael Phipps. This
20 only applies to VA procurements or to other SDVOSB set
21 asides?

22 JUDGE HOLLEMAN: Okay. We have -- of course,
23 the SBA has -- am I not on? Okay, how about that? Am
24 I on now? Okay, I'm on, great.

25 For some years now, we've been handling SBA's

1 procurements for service-disabled veteran-owned small
2 business concerns. We've been continuing to do those
3 and will continue to do those for the procurements
4 outside the VA or from the SBA's program. We're adding
5 these. So, it's going to be -- so, that particular
6 part of the CFR will remain undisturbed. We're adding
7 these two new sections dealing with CVE protests and
8 appeals.

9 MR. PHIPPS: Thank you.

10 JUDGE HOLLEMAN: You're welcome.

11 I feel lonely.

12 MR. STUBBLEFIELD: Okay, any other questions?

13 MR. PHIPPS: Will you be presenting tomorrow,
14 at tomorrow's --

15 JUDGE HOLLEMAN: Yes, I will be.

16 MR. PHIPPS: You'll have a lot more questions
17 tomorrow.

18 JUDGE HOLLEMAN: Okay, fair enough.

19 MR. STUBBLEFIELD: Okay, I guess we're a
20 little ahead of time. I don't know if we go straight
21 to the public comments period.

22 All right, is there anyone on the phone who
23 would like to make a public comment or add to the
24 discussion here?

25 (No response.)

1 MR. STUBBLEFIELD: Okay. Well, then, I'm
2 getting my directions here from Amy.

3 Okay, well, then, that concludes our session.
4 Again, thank you all very much. For those of you I'll
5 see tomorrow, I look forward to getting together for
6 the committee meeting.

7 So, thank you. Thank you very much.

8 (The meeting was adjourned at 3:01 p.m.)

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

I, Jennifer Metcalf Razzino, do hereby certify that the foregoing proceedings were recorded by me and reduced to typewriting under the supervision of For The Record, Inc.; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were transcribed; and further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of the action.

s/Jennifer Metcalf Razzino
JENNIFER METCALF RAZZINO