



16 2006

The Honorable John F. Kerry
Ranking Member
Committee on Small Business and Entrepreneurship
U.S. Senate
Washington, DC 20510-6350

Dear Senator Kerry:

I have been asked to respond to your letter of January 27, 2006 to Secretary Chao concerning the measures taken by the Department of Labor to fully utilize the procurement program for small businesses owned and controlled by service-disabled veterans.

The Department of Labor shares your interest in increasing contracting with service disabled veteran owned small businesses as mandated by the Veterans Benefits Act of 2003 (P.L. 108-183) and reinforced by the President's Executive Order 13360. The Department has placed an emphasis on contracting with service-disabled veteran owned small businesses (SDVOSBs). We have increased use of SDVOSB set asides and have reached SDVOSB firms through the 8(a) Program and placement of orders via GSA Federal Supply Schedules.

To date, the Department has not utilized the sole-source tool available under P.L. 108-183. The Federal Acquisition Regulation stipulates that, unlike sole source contracting in the 8(a) Program, contracts may be awarded to SDVOSBs on a sole source basis when only one SDVOSB firm can satisfy the requirement. To date, the Department has been able to identify adequate competition for its requirements.

The Department has communicated with current agency contractors about opportunities available to eligible firms through the SDVOSB program and about prime contractors subcontracting obligations. We have coordinated with GSA and VA's Center for Veterans Enterprise to assist current agency contractors in obtaining their SDVOSB designation.

The Department has taken a number of steps to actively seek out eligible SDVOSBs and inform them of the Department's contracting opportunities. Our Office of Small Business Programs has reached many firms through participation in a number of

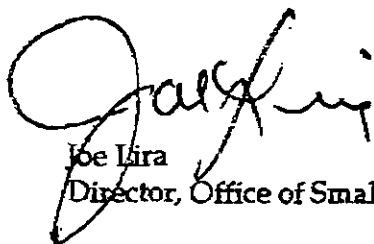
SDVOSB targeted procurement conferences sponsored by the Department of Defense, the Veterans Business Journal and others. The Department of Labor produced its own SDVOSB Vendor Outreach Session on February 9, 2006 to permit SDVOSBs the opportunity to market their capabilities directly to agency program officials and learn about potential procurement opportunities. Additionally, the Office of Small Business Programs counsels SDVOSBs on doing business with the Department during office visits, and in response to numerous phone calls, e-mails and letters.

Departmental contracting officers have placed a number of "sources sought" notices in FEDBIZOPPS seeking SDVOSBs to fulfill various Departmental contracting requirements. Information about Departmental Vendor Outreach Sessions, Office of Small Business Programs staff, our Procurement Forecast, component agency small business and information technology contacts, and more is available from our Small Business Procurement Power Page on the Department's web site. This information is provided for pro-active use by SDVOSBs and other small businesses in marketing their capabilities.

As part of their activities under the Department's strategy to implement Executive Order 13360, the Office of Small Business Programs has coordinated with our Veterans Employment and Training Service and the Assistant Secretary for Administration and Management to produce a number of training sessions for the Department's program, administrative and procurement staff concerning identification and use of SDVOSBs. The Office of Small Business Programs also produces and distributes a Directory of SDVOSBs, organized by product/service, for use by agency program, administrative and procurement staff.

We appreciate your support of this important program. If you need more information, please have your staff contact me at (202) 693-6460 or lira-jose@dol.gov, or contact the Office of Congressional and Intergovernmental Affairs at 202-693-4600.

Sincerely,



Joe Lira
Director, Office of Small Business Programs