

**ARMY OFFICE OF SMALL AND DISADVANTAGED
BUSINESS UTILIZATION INITIATIVES FOR
VETERAN-OWNED AND SERVICE DISABLED VETERAN-OWNED
SMALL BUSINESSES**

The Department of Army Office of Small and Disadvantaged Utilization (OSADBU) has undertaken an aggressive outreach initiative to improve prime and subcontracting opportunities for Veteran-Owned Small Business (VOSB) and Service Disabled Veteran-Owned Small Business (SDVOSB) concerns. The initiative has both short and long-term objectives with the intent of reaching the Congressionally-mandated goal of 3% of the total Army contracting base within three years. Despite increasing total contracted dollars to SDVOSB by 47% over the past two years, the Army, along with every agency in the federal government, is challenged to meet the 3% mandate.

The first phase of the initiative focuses on forming strategic partnerships with federal agencies currently engaged with VOSB and SDVOSB concerns and leveraging currently available resources; most notable through the Veterans Administration (VA) and the Small Business Administration (SBA). Forming strategic partnership will serve to maximize the use of dedicated resources and reduce duplication of effort.

The second phase will focus on an aggressive outreach effort to identify eligible VOSB and SDVOSB entities and enlighten them on business opportunities with the U.S. Army. OSADBU is redesigning its website to increase functionality and usability. The website will feature a customized view based on the user's demographics and will match vendors by Federal Supply Code (FSC) or nomenclature. OSADBU has developed an exportable turnkey outreach program to increase marketing efforts through the over 200 small business specialists within the U.S. The small business specialist will be provided the capability to download outreach material from the OSADBU website or order material through an automated system. OSADBU also plans to work closely with private veteran organizations to reach eligible individuals through letters, emails, and conferences.

The third phase will focus on long-term growth of VOSB/SDVOSB entities. OSADBU will seek to counsel and advise potential VOSB and SDVOSB entities of opportunities and grow these companies to ensure they are providing supplies and services relevant to the US Army. Emphasis will be placed on education and opportunity.

In an effort to increase VOSB/SDVOSB participation in Federal contracts, legislation known as H.R. 1460 "Veteran Entrepreneurship and Improvement Act of 2003" was introduced. The objective of H.R. 1460 is to improve education and entrepreneurship benefits for veterans. The bill has passed the House of Representatives and is currently in Conference Committee. Specifically H.R. 1460 would:

- Authorize the use of Department of Veterans Affairs (VA) education benefits to pay for non-degree, non-credit entrepreneurship courses for eligible veterans at approved institutions.
- Provide federal agencies discretionary authority to create “sole-source” contracts for disabled veteran-owned and controlled small businesses – up to \$5 million for manufacturing contract awards and up to \$3 million for non-manufacturing contract awards.
- Provide federal agencies discretionary authority to restrict certain contracts to disabled veteran-owned and controlled small businesses if at least two such concerns are qualified to bid on the contract.
- Require the Administrator of the Small Business Administration, in consultation with the Secretary of Veterans Affairs, to complete a survey of service-disabled veterans receiving compensation under title 38, United States Code, to determine the number, identity, and primary industry classification of small business concerns owned and controlled by service-disabled veterans; and report same to Congress. The survey would be conducted within two years of enactment and every three years thereafter.
- Establish a four-year pilot program in the Department of Veterans Affairs in which service-disabled veteran owned and controlled small businesses would have the same contracting priority as the 8(a) program.

Information related to H.R. 1460 can be viewed on the House Committee on Veteran’s Affairs’ website at: <http://www.house.gov/va/>.