



**Testimony of Ramsey Sulayman
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Senate Homeland Security and Governmental Affairs Committee
Contracting Subcommittee
June 5, 2012**

Madam Chairwoman, Ranking Member, distinguished members of the subcommittee, on behalf of more than 200,000 members and supporters of Iraq and Afghanistan Veterans of America (IAVA), I thank you for the opportunity to share the views of our members on this important issue.

My name is Ramsey Sulayman and I am a Legislative Associate with IAVA. I am a veteran of Iraq where I was an infantry platoon commander and company executive officer. I have spent 14 years in the Marine Corps trying to execute the Marine Corps' two missions: winning battles and making Marines. As an IAVA staff member, I don't make soldiers, sailors, airmen or Marines but I do try to make their lives better. The views expressed in this testimony reflect the views and analysis of IAVA and not the United States Marine Corps. Thank you for your attention to the pressing issues facing our nation's veterans.

Unemployment is clearly one of the most pressing issues facing veterans today. While recent unemployment statistics may indicate that the employment outlook is potentially getting better for veterans as a whole, the situation is still worse than it ought to be. For example, the unemployment rate for veterans 18 - 24 years old is nearly double the rate for 18 - 24 year old civilians. Many people have suggested that empowering veteran entrepreneurs and incentivizing the growth of veteran-owned small businesses by setting aside a percentage of government contracts will help reduce the level of veteran unemployment. Many people question whether that goal is currently being met and if it is not, then why? IAVA agrees that helping veterans who own businesses is the right thing to do: it is a small helping hand in return for the sacrifices of service and will help make our nation and our economy stronger. However, there are several issues that need to be addressed.

IAVA believes that the logical place to begin helping veterans break into federal contracting is through the Transition Assistance Program (TAP). Because TAP is now mandatory for all service members, it is a convenient touch-point that will allow for the dissemination of information on federal contracting processes and opportunities, as well as the most basic level of information and training, to the widest possible audience. The Small Business Administration is currently developing an entrepreneurship track for TAP and we believe that this will be a key component in setting veterans up for success. We also believe that allowing veterans and their spouses to re-take TAP after separating as proposed in S. 2246, the TAP Modernization Act of



2012, is a necessary step. Allowing a veteran or spouse who has completed one track of TAP, education for example, to retake a different TAP track based on new circumstances, in this case the entrepreneurship track, is a small investment on the frontend. It will pay dividends in greater veteran success and lesser use of safety net programs on the backend.

Another necessary step is understanding the landscape of veteran-owned small businesses and service-disabled veteran-owned small businesses. Acquiring meaningful, complete and easily accessible data is critical to this endeavor. Unfortunately, the VETS 100 and VETS 100A forms, the main source of data on veteran prime contractors and sub-contractors, are not particularly useful. The information contained in VETS 100 and 100A is meaningful data, but only as a snapshot of those actually employed as prime contractors or subcontractors. Even then, the information is more akin to head count and it misses some crucial information. Because VETS 100 and 100A allows reporting of veterans employed at any point during the filing year, there is no guarantee that the level of veteran employment by a federal contractor or subcontractor is consistently reliable or accurate. In addition, without the inclusion of other relevant information, the value of the VETS 100 and 100A forms is limited. A good example would be the North American Industry Classification System (NAICS) that would allow tracking the number of veteran contractors by industry type or the era from which the veteran hails. These pieces of information would help elucidate in which industries veteran contractors are most heavily and lightly concentrated and whether that workforce is declining due to age.

The information contained in the VETS 100 and 100A forms is also not easily accessible. Few groups will have the stomach or resources to go through the difficult process of liberating that data. This is an important issue because in order to determine if there is difficulty in meeting the goal of no less than 3 percent participation in federal prime contracts and subcontracts by service-disabled veteran-owned (SDVO) small businesses that was established by the Veterans Entrepreneurship and Small Business Development Act of 1999, we must first have reliable data that will allow us to determine: 1) how many SDVO businesses exist; 2) how many SDVO businesses have (or are being awarded) government contracts; 3) the kinds of industry in which SDVO businesses operate. Lacking clear and reliable figures makes determining whether there is a problem and its extent nearly impossible.

IAVA also believes that the certification process for a SDVO business or veteran-owned small business should be easy and consistent. While we appreciate and support efforts at curbing fraud and abuse by definitively ascertaining the veracity behind claims SDVO or veteran-owned small business status, we also recognize and appreciate the fact that the certification process should be as painless as possible so as not to discourage small businesses with limited resources. We are concerned that the statutorily mandated certification process currently used for SDVO and veteran-owned small businesses doing business with the Veterans Administration (VA) is too cumbersome. Extending this system to all federal agencies would be unnecessarily burdensome



on both the government and small businesses. The Small Business Administration (SBA) has relied on self-certification as a SDVO or veteran-owned small business and has experienced little fraud. IAVA believes that maintaining this system with some enhanced documentation requirements will help ease the burden on SDVO and veteran-owned small businesses while helping to guarantee that the consideration earned through service to country is not abused.

During research for this testimony, IAVA staff has pursued many different leads on making the system more efficient and to increase the number of veteran contractors. Many of the recommendations we heard often already exist in some form. For example, the idea of a searchable, centralized database of veteran contractors that could be used by federal contracting officers and federal contractors already exists as the Central Contractor Registration (CCR) and Dynamic Small Business Search (DSBS). The use of those resources to find veteran contractors, even by federal contracting officers, appears to be less than optimal because, we were told, many choose “the path of least resistance.” Therefore, part of the assessment of the problem will require a review of existing systems and processes. Some of these reviews are already underway and ideally will result in clarifying best and worst practices so we don’t waste our veterans time and money and tax-payer dollars.

IAVA strongly welcomes the efforts of Congress, the executive branch, and private industry in increasing the number of veteran contractors whether those contractors are fulfilling government or private contracts. As part of our commitment, IAVA is willing to spread the word about available opportunities or training to our membership and the greater population through our extensive social media outreach. We are also able and willing to partner with either government agencies or private corporations in targeted efforts to help increase veteran employment through our programs, such as our Smart Job Fairs held in partnership with the U.S. Chamber of Commerce. We believe that employment is the number one issue facing veterans of Iraq and Afghanistan and will only become more important as the war in Afghanistan ends. IAVA appreciates the efforts of this subcommittee and the other witnesses and we look forward to helping in any way that we can. Thank you.