

InterOffice Memo

To: Jeremy Ben-Ami
From: Robert L. Jones
Date: June 22, 1995
Subject: Veterans Small Business Issues

I was contacted by Sharon Thompson (395-7468) requesting assistance to clarify an "affirmative action" issue raised by John Lopez, Chair of the Association for Disabled Veterans.

The Association for Disabled Veterans based in Stanford, CA is a veterans advocacy group that has its purpose the promotion of business and contracting opportunities for former POWs and Service Connected Disabled Veterans. Lopez claims to have 7000 members with chapters in 17 states. The organization is a splinter group of the Disabled American Veterans (1.2 Million members). The group is separate from DAV having split approximately 10 years ago. However they are closely aligned and DAV supports many of the Associations objectives.

Lopez has never heard of Bob Sniffen - who is also from CA and claims to have networked the veterans business community. Sniffen attended the White house Conference on Small Business as a reporter and created a stir as he pursued his agenda. Lopez though he does not know Sniffen he is aware of the issues and supports Sniffens stated goals of transferring the SBA veterans program to VA. Both the Senate and House Veterans Affairs Committees are drafting legislation (?) to enact this transfer.

Lopez believes that the SBA is not helping veterans. He wants Service Connected Disabled Veterans and former POWs to have the same preference in obtaining business opportunities as other "favored groups" (women, minorities). Lopez wants the President to issue an Executive Order to expand the definition of Socially and Economically Disadvantaged to include Service Connected Disabled veterans and former POWs for purposes of contracting and business opportunities. He believes that his proposal is budget neutral. He claims to have written the President with no response. I requested he provide me a copy of his correspondence. He did not provide a copy of a letter to President Clinton but provided copies of his letters to President Bush.

Lopez attended a local White house Conference on Small Business and felt that the agenda was "stacked" and veterans and others could not bring issues up for fair consideration as agenda items.

Recommendations;

• SBA be contacted to determine their position concerning the "draft legislation" and associated cost.

• Determine the impact of the Administrations to be announced affirmative action position on the 8A program.

Determine if the ADA language addressing Socially Disadvantaged is applicable to SBA programs

Mary
P.S. consult w/ Bob on this.
Wildman is a good contact on Aff. Action Situation.

use a few of the staff, VA

Are we sure who is proposing? - Dan DeVine Staff, VA
NDPR considering

What does it think?

JB/Wildman

Diana

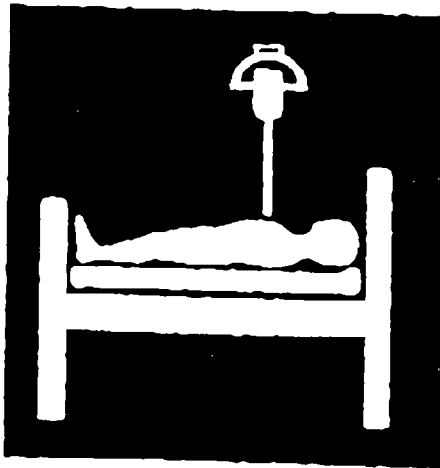
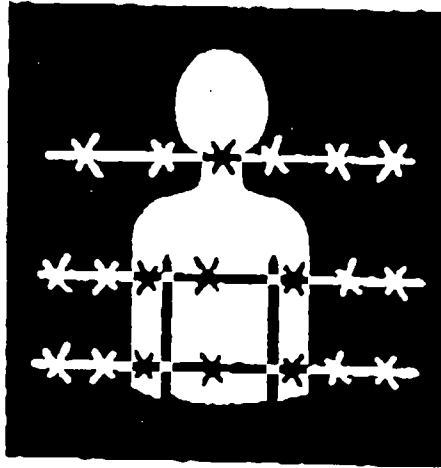
Ron Duck says legit - 1/4 ship didn't know him

Lopez be responded to by the appropriate White House Staff .

Attachments:

CC: Steve Hilton, Scott Denniston

ASDV ASSOCIATION FOR SERVICE DISABLED VETERANS
P.O. Box 2312 · Stanford, CA · 94305 · (415) 949-3751 · Fax 949-0336



ASDV ASSOCIATION FOR SERVICE DISABLED VETERANS

P.O. Box 2312 • Stanford, CA • 94305 • (415) 949-3751 • Fax 949-0336

FACT SHEET "SERVICE DISABLED VETERANS IN BUSINESS"

BACKGROUND

Over 635,000 men and women have died in the wars of the United States of America, including 17,034 who dies in prison camps and an estimated 10,414 persons that remain classified as missing in action/prisoners of war. An additional 343,000 veterans have subsequently died from their service disabilities.

THE SURVIVING 28,000,000 VETERANS OF OUR NATION INCLUDES OVER 100,000 WHO WERE PRISONERS OF THE WARS AND 2,100,000 WHO WERE DISABLED IN SERVICE (SDV)

As the products of direct and deliberate actions of our government, these 2.2 million service disabled veterans are entitled to unique INDEMNIFICATION.

"Veterans have been obligated to drop their own affairs and take up the burdens of the nation, subjecting themselves to the mental and physical hazards as well as the economic and family detriments which are peculiar to military service and which do not exist in normal civil life."

"Our country has a long-standing policy of compensating veterans for their past contributions by providing them with numerous advantages. This policy has always been deemed to be legitimate." (Supreme Court Justice William H. Rehnquist in a decision reaffirming the special rights of veterans. May 23, 1983)

In one area of opportunity, access to participation in the nation's economic system through small business ownership, the service disabled and prisoner of war veterans of the United States have been the victims of discrimination.

ISSUE

"Disabled workers were almost twice as likely to be self-employed as were members of the non-disabled population. Finding it difficult to secure gainful employment from others, persons with disabilities may elect to become self-employed. Disabled women were self-employed twice as often as were non-disabled women; 10.8% versus 5.3% among men, 16.8% of disabled persons as against 10.1% of non-disabled individuals were self-employed." (U.S. Bureau of the Census, President's Committee for the Employment of the Disabled)

New medical advances in prosthetics, medications and care techniques have now made it possible for service disabled and prisoner of war veterans (SDV) to pursue and enhance their rehabilitation by being owners and managers of smaller businesses.

The U.S. Congress has theoretically enacted legislation to assist veterans in small business. That legislation has not assisted service disabled veterans.

The State of California has established service disabled veteran small business goals in state contracts and procurements in Article 6, Chapter 6, Division 4, of the Military and Veterans Code and Section 10108.5 of the Public Contracts Code. Additionally, the legislation requires that businesses bidding for State of California contracts demonstrate that they are "responsive" to service disabled veteran business enterprise goals. Bidders that fail to show a good faith effort will be bypassed for contract awards to be made to the next lowest "responsive" and responsible bidder.

HOWEVER, THAT PROGRAM IS BEING IMPEDED BY FEDERAL ADMINISTRATION FIATS THAT SEEK TO INVALIDATE PROGRAMS THAT DO NOT CONFORM TO "POLITICALLY CORRECT" (PC) GUIDELINES.

FINDINGS

The U.S. Defense Department, the federal agency that "created" the service disabled and prisoner of war veteran has absolved itself of responsibility for the aspirations of these SDV. It has diverted action on their behalf to the U.S. Department of Veterans Affairs (DVA). The DVA has declined to support and implement legislation assisting SDV to pursue self-employment in a small business (Veterans Benefits Act 38 USC 1517). The DVA has instead further referred that responsibility to the U.S. Small Business Administration (SBA). That agency has totally abused the SDV.

Although the Americans with Disabilities Act (ADA) codifies that "the disabled, as a group, are to be considered socially, economically, educationally and vocationally disadvantaged", the federal agencies choose to ignore that intent of congress.

In program administration, the SBA has ignored advocacy for disabled veterans' programs. In the July 14, 1994 report of the recommended "Small Business and Minority Small Business Procurement Opportunities Act of 1994" (H.R. 4263) the House of Representatives Committee on Small Business clearly stated that "The Committee notes, with respect to the severely disabled, that some agencies, including SBA, by regulation, e.g. for the program under section 8(a) of the Small Business Act, have identified 'discrimination' as the only type of social disadvantage they would recognize. The Committee does not agree with this overly narrow interpretation and wants to emphasize that severe disability is a social disadvantage in itself, whether or not it has been accompanied by discrimination."

The SBA not only ignores the U.S. Congress but additionally, the SBA has requested that the U.S. Congress discontinue direct loans to the "handicapped" and "veterans". Given the established and legal right of private lenders to refuse loans to obvious and extraordinary risks, such as service disabled veterans, that discontinuance would remove the last source of reasonable financial assistance to the SDV.

For example; of the 40,488 fiscal year 1994 small business loans made nationwide by the U.S. Small Business Administration (SBA) only 3 were to service disabled veterans. Also, SBA does not offer 8(a) contract procurement assistance and other "exceptional" benefits to SDV as a group, although it does so for select ethnic and religious groups. Of participants in the 8(a) program none (0) are service disabled veterans.

Sadly, a survey of nine (9) other federal agencies reveals that these organizations do not even record the inquiry incidence or award share of procurements to service disabled and prisoner of war veteran owned businesses (SDVB) thereby precluding specific tabulated evidence of the lack of assistance to SDVB.

A sample inquiry of 287 SDV who are starting or expanding a small business in California reports that over 231 had "negative" and "discouraging" experiences when attempting to solicit federal, state and local governments for equal consideration in bidding for procurements.

ACTION NEEDED

It is imperative that the U.S. Congress enact legislation to clearly establish that, Service Disabled Veteran owned small businesses, as a group, be included as equal beneficiaries in the definition "socially and economically disadvantaged population", when such definition is used to determine eligibility for benefits of federal, state and local government programs.

However, this would be only one measure, the most effective and permanent resolution of the denial of support for the self-rehabilitation aspirations of SDV, is the acceptance by the U.S. Department of Defense and the U.S. Department of Veterans Affairs of their responsibilities to the SDV seeking to maintain their rehabilitation by expanding or establishing a business.

SUMMARY

It is obvious that the governments of this nation cannot restore the maimed bodies of these service disabled veterans but it can assist them in their struggle to maintain their rehabilitation and to participate in that economic system for which they have so greatly sacrificed and in which the people of the United States consistently benefit.

If the government and the profiting institutions of the nation are unwilling to support participation in its economic system for those citizens that were maimed and tortured for its perpetuation, it is unlikely that the system will have the support of future citizens.

WHAT IS ASDV?

In March of 1986, a group of the members of Disabled American Veterans (DAV) Palo Alto, CA decided to explore the possibility that entrepreneurial programs for service disabled veterans (SDV) could be of value in supplementing SDV disability income.

Since 1986, working as a community benefit organization, the group established the Association for Service Disabled Veterans (ASDV), a not for profit public benefit organization. All the members of ASDV are volunteers. ASDV has never paid a DAV member or SDV member for services and has no paid staff.

Support for ASDV comes from private corporations, individuals and community colleges in the State of California. These supporters provided services and financial resources as needed. Since 1989, ASDV has been successful in sponsoring and enacting six (6) legislative initiatives with DAV endorsement. These provisions of the California Code now give SDV special assistance in obtaining contracts and services from State of California agencies and those organizations that do business with state agencies. This includes the public utilities corporations and the 13 campus University of California.

ASDV is advocating this exciting new opportunity to provide benefits to SDV throughout the nation. These program benefits are available only to businesses owned 51% by certified service disabled veterans (SDV). The business can be operated by a spouse and/or dependents if the SDV is active in the management of the business. The business can be new or existing.

ASDV conducts workshops regarding "Starting and Managing Businesses" and "How To

Start a SDVB Program", these programs describe how to obtain management development assistance and contract opportunities.

Additionally, ASDV has developed an online telecommunications network "CHALLENGE VET-LINE" complete with access terminals that are linking SDV throughout the United States and the World with contract opportunities, financial assistance and management development programs.



Over 635,000 men and women have died in the wars of the United States of America, including 93,000 who died in prison camps and an estimated 12,714 persons that remain classified as missing in action. An additional 327,000 veterans have subsequently died from their service disabilities.

The surviving 28,000,000 veterans of our nation includes over 100,000 who were prisoners of the wars and 2,100,000 who were disabled in service (SDV).

As the products of direct and deliberate actions of our government, these 2.1 million service disabled veterans are entitled to unique indemnification.

"Veterans have been obligated to drop their own affairs and take up the burdens of the nation, subjecting themselves to the mental and physical hazards as well as the economic and family detriments which are peculiar to military service and which do not exist in normal civil life."

"Our country has a long-standing policy of

compensating veterans for their past contributions by providing them with numerous advantages. This policy has always been deemed to be legitimate." (Supreme Court Justice William H. Rehnquist in a decision reaffirming the special rights of veterans, May 23, 1983).

In one area of opportunity, access to participation in the nation's economic system through business ownership, the service disabled and prisoner of war veterans of the United States have been the victims of discrimination.

SDV ISSUES

Disabled workers were almost twice as likely to be self-employed as were members of the non-disabled population. Finding it difficult to secure gainful employment from others, persons with disabilities may elect to become self-employed. Disabled women were self-employed twice as often as were non-disabled women; 10.8% versus 5.3% among men, 16.8% of disabled persons as against 10.1% of non-disabled individuals were self-employed." U.S. Bureau of the Census - Presidents Committee for the Employment of the Disabled.

New medical advances in prosthetic, medications and care techniques have now made it possible for service disabled and prisoner of war veterans (SDV) to pursue their rehabilitation by being owners and managers of small businesses.

The U.S. Congress has theoretically affected legislation to assist veterans in small business. However, that legislation has not assisted service disabled veterans.

The programs established by that legislation are being impeded by federal administration fiat that seek to invalidate programs that do not conform to their arbitrary guidelines.

THE WHITE HOUSE

WASHINGTON

May 17, 1995

Greetings to members of the Association for Service Disabled Veterans as you gather in Sacramento for your annual "Keeping the Promise" recognition luncheon. I am pleased to congratulate those being honored this year for their efforts on behalf of service disabled and prisoner of war veteran businesses.

America owes its freedom and security to the men and women who have served in our Armed Forces. Our country is forever indebted to these heroes, and we have a solemn obligation to ensure that they receive the respect they deserve.

ASDV has set a standard for compassionate leadership in programs that empower our nation's veterans, helping them to succeed in their businesses and to realize the American Dream. Upholding the ideals of opportunity, service, and patriotism, ASDV is a beacon of hope and renewal for the brave men and women who have worn our nation's uniform in wartime and in peace.

On behalf of all Americans, I salute the members of the ASDV for your many valuable contributions to veterans across the nation. Best wishes for a memorable luncheon.

Bill Clinton



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

May 16, 1995

Mr. John K. Lopez
Chairman
Association for Service Disabled Veterans
P. O. Box 2312
Stanford, CA 94305

Dear Mr. Lopez:

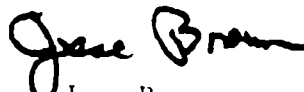
The work done by Association for Service Disabled Veterans in identifying contracting opportunities for veteran-owned businesses is an exceptional example of bringing together a need to be filled and a solution to the problem.

Veterans often have that special determination and ingenuity to get the job done and providing them with access to opportunities to demonstrate those skills can be beneficial and rewarding to all parties involved.

ASDV is to be commended for its splendid efforts in behalf of all service disabled veterans and former prisoners of war. I know of no other group of Americans more deserving of special consideration by business and industry.

I want to express my appreciation and thanks to those companies you honor today and I applaud your contributions to local economic development. On behalf of all veterans, I wish you every success in your continuing and noble effort.

Sincerely,


Jesse Brown

JB/ss



Putting Veterans First

ASDV ASSOCIATION FOR SERVICE DISABLED VETERANS
BOX 2312 • STANFORD, CALIFORNIA 94305 • (415) 949-3751

Dear Mr. President;

You have recovered from your wartime injury with minimal after-effects.

Not all of us were so fortunate.

Millions of service disabled and prisoner of war veterans, while surviving today, are struggling to secure a meaningful quality of life.

However, those that are attempting to support their rehabilitation by attempting to participate in the free enterprise system, are being abused by your administrators.

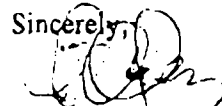
We have appended a list of "abusive attitudes" by agency title. These agencies have chosen to ignore you enthusiastic signing of the AMERICANS WITH DISABILITIES ACT (PL 101-336) and are establishing a policy that only certain ethnic persons and women are entitled to access government business assistance programs.

It is an appalling outrage that those persons maimed and tortured to perpetuate the nation's economic system are being denied participation in that system.

Because we have written to you before with no response we ask that you take a personal interest in this matter.

HONORABLE GEORGE BUSH
OFFICE OF THE PRESIDENT
THE WHITE HOUSE
WASHINGTON, D.C. 20500

Sincerely,



JOHN K. LOPEZ
CHAIRMAN
(415) 949-3751
(415) 949-0336 FAX

ASDV ASSOCIATION FOR SERVICE DISABLED VETERANS
BOX 2312 • STANFORD, CALIFORNIA 94305 • (415) 949-3751

SPECIFIC AND ONGOING INCIDENTS OF DISCRIMINATION BY FEDERAL AND STATE AGENCIES AGAINST SERVICE DISABLED AND PRISONER OF WAR VETERANS (SDVB);

- * THE UNITED STATES DEPARTMENT OF TRANSPORTATION - FEDERAL HIGHWAY ADMINISTRATION has instructed the State of California Department of Transportation to deny SDVB access to procurement assistance programs using federal funds.
- * THE UNITED STATES DEPARTMENT OF COMMERCE - MINORITY BUSINESS DEVELOPMENT AGENCY has directly denied technical assistance to SDVB because of ethnic and gender classification.
- * THE UNITED STATES SMALL BUSINESS ADMINISTRATION, has denied participation to SDVB in special procurement and technical assistance programs because of their ethnic characteristics.
- * THE UNITED STATES DEPARTMENT OF JUSTICE - CIVIL RIGHTS DIVISION, has declined to enforce the requirements of the Americans with Disabilities Act (PL 101-336) in cases where SDVB are denied benefits or access to programs. The Department has referred complaints to other agencies for resolution and in some cases these complaints have been referred to the offender for resolution.

CHALLENGE News

The Trade Paper for Service Disabled Veterans their businesses and enterprises

Volume Five Number 9

February 28, 1995

FEDERAL ADMINISTRATION CONTINUES DISCRIMINATION AGAINST DISABLED VETERANS

In a stunning "SLAP IN THE FACE" to military veterans maimed and tortured in service to the nation, the U.S. Department of Transportation (DOT) has "ruled" that they are "not entitled" to the same "consideration" as "persons in certain politically correct groups" when seeking participation in DOT programs.

DOT asserts that only certain "identified groups" are presumed to be socially and economically disadvantaged and eligible for special consideration to receive the benefits of "set aside contracts, loans and bonding assistance, when bidding for DOT's Billion Dollar Procurements."

Members of the identified groups includes aliens and economic immigrants from countries that have killed, maimed and tortured nearly 2,000,000 American servicemen.

The U.S. Congress and the President of the United States both enthusiastically effected into law, Public Law 101-336, the Americans with Disabilities Act. That law clearly stated that "individuals with disabilities are to be considered socially, economically, educationally and vocationally disadvantaged." However, the DOT refuses to accept that instruction when considering the needs of Service Disabled Veterans (SDV) attempting to maintain their rehabilitation.

Over 635,000 men and women have died in the wars of the United States of America, including 17,034 who died in prison camps and an estimated 11,000 persons that remain classified as missing in action. An additional 327,000 veterans have subsequently died from their service disabilities.

The surviving 28,000,000 veterans of our nation includes over 100,000 who were prisoners of war and 2,100,000 who were disabled in service (SDV).

"Veterans have been obligated to drop their own affairs and take up the burdens of the nation, subjecting themselves to the mental and physical hazards as well as the economic and family detriments which are peculiar to military service and which do not exist in normal civil life.

"Our country has a long-standing policy of compensating veterans for their past contributions by providing them with numerous advantages. This policy has always been deemed to be legitimate." (Supreme Court Justice William H. Rehnquist in a decision reaffirming the special rights of veterans, May 23, 1992.)

New medical advances in prosthetics, medications and care techniques have now made it possible for service disabled and prisoner of war veterans (SDV) to pursue their rehabilitation by being owners and managers of businesses.

However, when considering access to participation in the nation's economic system through business ownership, the service disabled and prisoner of war veterans of the United States are now the victims of discrimination from the same government that sent them to be disabled.

The STATE OF CALIFORNIA has established Service Disabled Veteran business goals in state contracts and procurements for "certified" SDV businesses as a means of assisting these SDV to maintain their rehabilitation.

State of California bidders must

demonstrate that they are "responsive" to service disabled veteran business enterprise goals. Bidders that fail to show a good faith effort will be bypassed for contract awards to be made to the next lowest "responsive" and "responsible bidder."

However, it is imperative that the U.S. Congress also establish that Service Disabled Veteran owned businesses be included, as a group, in the definition "socially and economically disadvantaged population," when such definition is used to determine eligibility for benefits of federal, state and local government programs. **Because federal regulations prevent State of California law from taking effect.**

It is obvious that the governments of this nation can't restore the maimed bodies of these Service Disabled Veterans, but it can assist them in their struggle to maintain their rehabilitation and to participate in that economic system for which they have so greatly sacrificed and in which the people of the United States consistently benefit.

If the government and the profiting institutions are unwilling to support participation in its economic system for those citizens that were maimed and tortured for its perpetuation, it is unlikely that the system will have the support of future citizens.

Editor's Note: This is a reprint of a previous article that is repeated to illustrate that the U.S. administration, previous to the 104th U.S. Congress, has permitted exclusion of Service Disabled Veterans from federal and state assistance programs.

March 18, 1992

Honorable George W. Bush
President of the United States
The White House
Washington D.C. 20500

Dear Mr. President;

As we indulge in the euphoria of a world where there is no active threat to world peace or nuclear holocaust, it is important that we do not begin to forget, and even abuse, those that continue to suffer because of their sacrifice for that peace.

There are signals from your administration that sincere gratitude to those disabled in service and prisoner of war veterans of our nation is being replaced by hollow platitudes and devious regulations.

I specifically invite your attention to the actions of your Department of Transportation (DOT). The Federal Highway Administration (DOT/FHA) has used a selective interpretation of a misapplied regulation as the basis for permitting their contractors to discriminate against our nations disabled in service and prisoner of war veteran owned businesses (SDVB).

The State of California, with bipartisan support and the concurrence of two (2) Republican Governors, has enacted five (5) legislative actions that are intended to provide to SDVB some of the preferences granted to women and minorities when negotiating for DOT/FHA procurements and contracts.

However, your DOT/FHA Officials in California have negated that legislation by indicating that "provisions of California law that attempt to aid service disabled veterans interfere with DOT contractor participation as bidders". In spite of the fact that the Department itself enforces numerous preferences for other groups.

Discussions with the Transportation Committees in the U.S. Senate and U.S. House of Representatives, that draft such legislation, indicate that they have "never, even remotely, considered that their legislation, or its subsequent regulations, would be used as a means of precluding assistance to the nations SDVB, especially where that assistance is directly authorized by a state legislature and administration".

It is outrageous, that bureaucratic privilege should be so omnipotent that it can be used to destroy the desire of the people of California to assist in the rehabilitation of those persons maimed and tortured in the struggle to perpetrate the nations free enterprise democracy. All that SDVB wish to do is participate in that democracy for which they continue to suffer.

It is beyond the imagination that the over 27,000,000 war veterans, could even comprehend this form of shocking discrimination against their crippled comrade veterans seeking to maintain their rehabilitation by owning and operating a business.

The ASDV has been informed by leaders in the U.S. Congress that the President of the United States, as perpetrator of federal regulations and through Executive Order, has the authority to resolve these concerns to the benefit of all SDVB.

Additionally, we believe these DOT actions are in direct disregard of Executive Order 12612 and undermine the basic principles of the Presidents Federalism Assessment Program.

Sir, I am hopeful that your own memory and personal experiences will encourage you to assist the SDVB to participate more fully in the American Society.

Sincerely,

John K. Lopez, SDV
Chairman
(415) 949-3751

*This is the very kind of partnership
veteran business owners need
and deserve*

New Partnership to Aid Women-Owned Firms Convenes at White House

At the White House on Feb. 24, Laura D'Andrea Tyson, chair of the President's National Economic Council, and Betsy Myers, SBA's assistant administrator for women's business ownership, chaired the first meeting of the Interagency Committee on Women's Business Enterprise. The committee, including high level officials of 11 executive branch agencies, was convened to begin work on a strategy that will expand opportunities for women-owned firms.

Meeting simultaneously at the White House on a parallel private sector strategy were the members of the newly formed National Women's Business Council. President Clinton appointed Lillian Vernon to chair the council and to lead the private sector effort. Vernon is president and founder of the Lillian Vernon Company, the only company listed on the American Stock Exchange that was founded by a woman.

The committee and council are to collaborate on efforts to redefine the government role in supporting women's enterprise and to create new, more effective public and private partnership approaches to encourage the growth of this important sector of American business. Both groups were established under the Small Business Reauthorization Act of 1994.

Members of the committee include

Donna Shalala, secretary of the U.S. Department of Health and Human Services; Alexis Herman, assistant to the President; Janet Yellen, a governor of the Federal Reserve Board; Jolene Molitoris, administrator of the Federal Railroad Administration; John Deutch, deputy secretary of the U.S.

"I envision that every federal agency will have a strategic plan for boosting procurement from women-owned businesses."

**— SBA Assistant Administrator
for Women's Business Ownership
Betsy Myers**

Department of Defense; Julia Stasch, deputy administrator of the General Services Administration; Gloria Gutierrez, deputy assistant secretary of the U.S. Department of Commerce; Karen Nussbaum, director of the Women's Bureau of the U.S. Department of Labor; and Darcy Bradbury, deputy assistant secretary of the Department of the Treasury.

The council includes prominent women business owners and leaders of national organizations — the National Association of Women Business Owners, the Association for Enterprise Opportunity, the Na-

tional Association for Female Executives, the National Council of Negro Women and the Women's Business Development Center. Among the business leaders on the council are Muriel Siebert, president of Muriel Siebert and Company and the first woman member of the New York Stock Exchange, and Ella Williams, founder and president of Aegir Systems in Los Angeles and one of "The Nation's Ten Most Admired Women Managers of 1993" as identified by *Working Women* magazine.

The groups will work on boosting procurement from women owned businesses, increasing women's access to capital and improving data collection to measure the real economic impact of women owned businesses. "I envision that every federal agency will have a strategic plan for boosting procurement from women-owned businesses," said SBA's Betsy Myers.

Vernon, who emigrated to America from Germany as a child, said, "My own experience in growing a large business from small beginnings shows the potential of women entrepreneurs. I see the council as a way of making that path easier for other women and as a way of giving back to this country some of what it has given to me."

DOD and SBA Aiming to Help Small Business

While downsizing its active military forces, the U.S. Department of Defense (DOD) is making plans to integrate reserve units into DOD day-to-day operations. This action could have a significant impact on small firms, the self-employed and families of the reservists.

Deputy Assistant Secretary for Manpower and Personnel for Reserve Affairs Wayne Spruell met with representatives of SBA's Of-

fices of Advocacy, Congressional and Legislative Affairs, and Veterans Affairs to request SBA's assistance in easing this burden on small business owners and their families.

Specifically, the DOD has requested SBA's guidance on two proposed pieces of legislation.

The first proposal would establish mobilization insurance that could be purchased by a reservist to offset income loss during a call-up

such as Operation Desert Storm in Kuwait or Operation Uphold Democracy in Haiti. This insurance would help offset civilian income lost during the active duty stint.

The second proposal calls for a tax credit for up to \$2,000 per employee and \$7,500 per employer to help offset the loss to the firm's income during a call-up of the reservist-employee.

FAX TRANSMISSION



FROM:
VETERANS BUSINESS COUNCIL
San Diego County
657 N Broadway #197, Escondido, Ca. 92025
(619) 752-3981

FAX #
456
7028

To: Molly Burnstrom - Domestic Policy Council
Subject: Veterans Business Issues
Sender: Robert Sniffen, VBC of California
Date: 6-27-95 Time: 2 P.M. Pages: including this cover page

Dear Molly Attached you will find the final press release concerning the White House Conference on Small Business. To be truthful with you; it is my feeling that veterans as business owners will not receive recognition status unless the President himself takes a leadership role. I thank you for your time and your ear to our issues. It is still my hope that an Executive Order will become a reality on the key issues presented to your office.

VETERANS....WE BROUGHT AMERICA PEACE....WE CAN BRING AMERICA PROSPERITY....

With Sincere Best Wishes
Robert Sniffen

6/23/95

FOR IMMEDIATE RELEASE**MEDIA CONTACT - MARTY HILES (619) 752-3981****Veterans Advance on White House****Veterans Business Issues Presented to Domestic Policy Council****Republican Congress Reacts favorably to National Business Ownership Act**

(Washington) "Veterans Issues would have been divisive to the Women and Minority Issues" stated Mark Schultz, Executive Director of the White House Conference On Small Business, as he attempted to explain away "his" decision to exclude veterans from the just completed National White House Business Conference.

Realizing this fact, veterans advocates from the Veterans Business Council of California, this week proceeded to the White House, as well as Capital Hill, and presented their demands for a National Veterans Business Ownership Act, which included a request for an immediate Executive Order from the President on key issues that cannot wait for legislation.

While the White House meeting with Domestic Policy Council was cordial, representatives of the California Veterans Business Council have no great expectations from a White House that has referred their issues to the Interagency Veterans Policy Group for study later this month, or a White House that willfully excluded Veterans Business issues, needs and concerns from any official place at the recently completed White House conference.

"This Administration, while admittedly having done a fair to good job on some veterans issues, has failed to grant recognition status to the 3.5 million veterans business owners issues, needs and concerns. When the leading government official responsible for the fate and future of veterans business interests at the White House Conference on Small Business, believes veterans issues are not business issues and that veterans business issues are indeed "a cause of interruption" then, there is little hope left for gains within the current administration", Robert Sniffen, President Emeritus of the Veterans Business Counsel of California stated.

Alternately, Marty Hiles, current President and CEO of the Veterans Business Counsel of California concluded "This Administration has bowed down and genuflected to the government largess enjoyed by other groups and specifically, the ever increasing demands of women and minorities as business owners. We have given the Clinton Administration every chance over the past year to respond to veterans as business owners. We will see if they are serious about their promises which have up to now been unkept", Hiles concluded.

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"The Republican Congress and leading Presidential Candidates, such as Bob Dole, have responded favorably to the National Veterans Business Ownership Act currently being forged on Capital Hill."

In the meantime, the California veterans business group have vowed to continue it's efforts to ensure that the interests of veteran owned business are a major Presidential Campaign Issue.

The veterans group have presented major economic development proposals for veteran business projects in California to the SBA, the U.S. Dept. of Commerce and the U.S. Dept. of Labor.

This battle for the hearts and minds of the American people to bring fair and economic justice to the only group created by government has just begun, the veterans advocates exclaimed.

The next Presidential election will be won or lost in California and no candidate can win California without the votes of that state's 3 million veterans which includes 300,000 to 400,000 veteran business owners, Sniffen and Hiles concluded.

"We, as individuals, will be back in California organizing that vital network with voter registration drives and other political action... Whomever responds better to the needs of these veteran voters will be our next President," the California Business veterans advocates predicted.

Until then, it appears that veteran businesses will continue to suffer from blatant "economic discrimination" while others get free passage to government business assistance opportunities often at the expense of veteran business owners. That is unless President Clinton finally heeds our call to adequately address and resolve these issues in favor of those who have served and now need help to prosper and live the American Dream of owning and operating a business in the Free Enterprise System they fought to protect so that all may prosper...**VETERANS AS BUSINESS OWNERS DESERVE NO LESS!!**

? Riskiness in Banks
⇒ have VSOs bring to our attn @ next mtg - late summer / early fall

WH Conf Sm Bus

- Democratic process

Agenda - tend to dec not to address sp subgroups in 6'0't session
but after overall pre-session → Capital Formation, Int'l Trade,
C&T mins stat'ly reg'd by Congress then Capital

Part - Vets participated

- Pres: 11 ; ^{#1 vendor} 1st contractor → returned bus

Gen'l part → ^{this Admin} unprecedented outreach - haven't heard from others
⇒ VSOs → ^{budget} h'ness, ^{elig} with reform, disab policy, employment

Sm Bus → several mtgs w/ VSO's - they decided ^{not} to push
for 6'0't session

\$25m

Direct Loan → moved to Guar'd Loan Prog

Riskiness → perception

Def Conv & - ^{for} Bus dept on Defense Industry

Carrie Gutter 797-4816

Mark or
Lisa

1986 - more attn to specific groups (minorities, vets...)
- this yr delegates chose not to

- every attempt made to make democratic
- State level recomm's

~~1986~~¹⁹⁸⁷ only small owners, Corp. officers - now, employees
as well

- many issue w/d out of delegates

7/5

Change: 20% excluded

vets issues not on agenda → no subgp included

Request: Nat'l Vets Bus Ownership Act of 1995

- leg. specs? cost analyses? Cong'l support?

Bechet → Vets Bus Council

What are sp needs of vet-owned bus?

Do Vets Bus Owners receive sp consid today? → own dept in
SBA

- Riskiness among banks

Focus today is on vets (pref.), not

SLB

Lisa Povey, WHCSmBus

- worked within for 6 wks last fall $\Rightarrow$ August

Conf $\rightarrow$ targeted outreach to $\uparrow$ & minorities

Agenda: Breakouts related to issues (9 - Capital Function
County Depl't
Envtl Policy
Hum Capital
Int'l Trade
Tech & Info Rev
Toxation
Reg's. Paperwork
Procurement)

+ Open Session - for
anyone who felt issues
not dealt with

Task Forces involved in
develps - requested
issue - orientation

+ 10th: Main Street
(crime, adv'g reg's...)

Snifer - ran for delegate at S. Cal Conf

R'feller $\rightarrow$ supportive of issue-related... Sonny Ngy $\rightarrow$ sep. but

Outreach = SmBus agreed to push

= Bob Jones worked w/ them

Sept = mtg w/ key leaders of vets community $\rightarrow$ asked them as challenges
= debate within Vets Community on sep. S'out to send at
 $\rightarrow$ not consensus around sp. other
"our issues are smbus issues"

= mtg w/ in group $\rightarrow$ decided not to push for
sep. S'out

+ WHCSmBus indly contacted VSOs

+ SBA " " veterans $\rightarrow$ WHCSB followed
up w/ them

Meetings with VSOs and Military Coalition Groups (5/24-25/95)

Minutes

VSOs 5/24

DVA/PVA--looking at legislation for 8A-like program to assist people with disabilities including veterans

➤ HUD grants: Do they go proportionately to veterans?

American Legion--New issues: 1) support for Constitutional amendment prohibiting flag burning; 2) Normalization with Vietnam--no movement until significant cooperation and full accounting of POW/MIAs

Blinded Veterans Association--continued advocacy for health reform and disability policy

Paralyzed Veterans of America--Kudos for WHCoA and generally for IVPG--pressure from White House helpful. Legislative hopes: health reform; eligibility reform (sees \$2 billion savings); Disability policy review very important, particularly in context of budget and philosophical attacks on programs.

Disabled American Veterans--Employment agenda: transition assistance program; Supportive of Civil Service Reform proposal (better than Congressional; King very accessible); E & T system/vouchers--why not use GI Bill of Rights system for preventing fraud? no need to reinvent the wheel. Native Americans and claims process/denial of benefits--Advisory Committee needs to look into.

VFW--presented paper opposing Republican budget proposals and promoting eligibility reforms.

Vietnam Veterans of America: 1) Homelessness among veterans--continues to need greater attention, in particular at HUD. 2) Employment--concern about beginning of Vietnam Veterans employment crisis, given downsizing, dislocation. Problem: voc rehab doesn't do enough on the employment side. (New issue: VA Voc Rehab/DOL Veterans interaction 3) Civil Service Reform--important that OPM retains ability to monitor compliance.

SDVA: Budget is top concern.

Military Coalition Groups 5/25

WHCoA--suberb, but 3 veterans resolutions not passed (abstentions counted as no's)

National Association for Uniformed Services--Allow Medicare subvention at military hospitals

Retired Enlisted Association. 1) Medicare reimbursement. 2) Under 65 military retiree and DOD Tri-Care Prime Program (going into Medicare HMOs negative for under 65. will have to pay Tricare premium); and U.S. Treatment Facilities; has been committed by gov't but military personnel are losing 3) VP closing the Uniformed Services Medical School, based on flawed data; Congressional committees rejected--won't succeed in future; affects quality of care.

Who? --Active Duty Desert Storm people still being told there in nothing wrong with them. RIFs give preference to VA, not military.(?)

American GI Forum--HVRP is on rescision list; it is a priority.

NCOA--1) concurrent receipt--going nowhere. 2) RIF--special separation bonuses--pay back to suecure VA entitlement. Taxes are included in amount to be repaid (Treasury issue--IRS 3-year statute of limitation coming up) (SSB?).

National Guard--1) House mark up cuts funding for youth-at-risk programs in National Guard (House believes shouldn't be funded out of DOD; DOD supports the programs). 2) REGO and National Guard Positions--the bulk of REGO reductions happening at DOD; at the same time that Perry says he wants to put greater emphasis on Guard/Reserve--threatens the readiness of troops.

Reserve Officers--1) Erosion of earned benefits not discretionary entitlements--can't just change them: e.g. health care, changing retimrement for people in system; survivors benefits programs, COLAs. 2) Seconded concern about troop readiness and REGO reductions.

Retired Officer Association--1) Medicare subvention--why is OMB blocking; HHS lobbying against. 2) TriCare will lock many of DOD retirees out of DOD's health care system--will cost HCFA at least ?\$4800/person?. 3) COLA equity

Jewish Veterans--Subvention/Lock out from Military HHealth Care system.

Black veterans--Role of veterans in dealing with social problems, youth here in this country.

New Issues

Concern about erosion of earned benefits, such as health care and retirement pay, in budgetary proposals. Recommend that White House support the following: 1) Continued military health care for retirees and their dependents beyond age 64; 2) Ensure that Reservists continue to qualify for retired pay; 3) Equal COLAs for both military and civilian federal retirees; 4) Reject any suggestion that erodes benefits earned and promised as a result of military service; 5) Hold the line on Survivor Benefit Plan annuity erosion.

The White House
Conference on Small Business
Foundation for a New Century

Fax Transmittal Cover Sheet

Date

6/15

To

Moby

Of

Fax

Phone

From

Lisa

This Transmittal Is 19 Pages, Including Cover Sheet

Note

Sorry for the delay!



The White House
Conference on Small Business

Foundation for a New Century

August 17, 1994

Mr. Robert Sniffen
Executive Director
San Diego Veterans Services
657 North Broadway #191
Escondido, CA 92025

Dear Mr. Sniffen:

Thank you for your recent correspondence to our office, and also for sharing with us a copy of your letter to President Clinton. We also appreciate your interest in helping us include veterans in The White House Conference on Small Business (WHCSB) process.

I have forwarded your correspondence to the appropriate staff members who are working on the remaining conferences and they are eager to meet with you during their upcoming trip to California in October. I also understand that a member of my staff has already sent you an information packet as to how you can begin planning now.

As I mentioned to you on the telephone on Monday, the WHCSB Commission is focused on providing an inclusive conference process allowing maximum participation by all individuals. Therefore, the issue breakout discussions are designed to create a greater understanding among individual participants of the scope of difficulties facing the entire small business community, and to develop a comprehensive and cohesive plan of action to address these challenges. The format chosen provides an opportunity for all sectors of the small business community to be present in the creation of policy, as opposed to isolating and fragmenting the community into various interest groups. Under the current state conference process, veterans can bring up their issues of concern in ten issue breakout sessions instead of just one.

I wholeheartedly agree with your thoughts about the importance of veterans and their small business concerns, and I look forward to including veterans in our upcoming conferences. We look forward to working with you. Thank you in advance for all of your efforts on behalf of the WHCSB.

Sincerely,

Mark Schultz
Executive Director

MEMORANDUM

TO: Robert Sniffen
FROM: Mark Schultz *MS*
RE: Fax Correspondence of 8/25/94
DT: August 30, 1994

Mr. Sniffen -

This is in response to your fax correspondence dated August 25, 1994. As I mentioned, The White House Conference on Small Business (WHCSB) is extremely interested in working with you and other members of the veterans community around the country. With regard to the comments in your correspondence, I will attempt to address them below:

- Regarding the references in our materials about "[targeting and examining] the status of women and minorities as small business owners," I refer you to the attached authorizing legislation (Section 3 of PL 101-409 as amended by PL 103-81), which specifically mandates us "to examine the status of minorities and women as small business owners."
- In response to your claim that we are targeting "special groups," we are thrilled to work with any interested group and have done so in every state across the country.
- As I mentioned, I do look forward to including veterans in our upcoming conferences. Lisa Rowe-Ralls, of my staff, mentioned that you are drafting a suggested outreach plan for us to work with across the country. I look forward to receiving those suggestions from you.
- Since our California conference planners have not yet visited the state, there is not currently a "Planning Process Table." However, I assure you that you are on their list of contacts to make during their upcoming trip.
- In terms of a separate breakout session for veterans, the WHCSB Commission has determined that the current system of nine general breakouts (i.e., capital formation, human capital, regulation and paperwork, community development, international trade, taxation, environmental policy, procurement, and technology/information revolution) and an open session forum is the appropriate way to maximize participation from all members of the small business community at the state conferences. Please note that we do not have a separate breakout session on women-owned and/or minority-owned businesses.
- With regard to your request for a designated staff person to coordinate outreach to the veterans community, Lisa is our designated person to coordinate outreach to the entire small business community. Lisa is thrilled by your offer of assistance in identifying the appropriate veterans organizations with which to work and she looks forward to hearing from you. In addition, she has already contacted the Office of Veterans Affairs at the Small Business Administration for a list of national and state groups to contact with information about the conferences.

As you can imagine, we have a tremendous task ahead of us. I understand and share your concerns about the veterans community being well-represented at the upcoming conferences, and would like to work with you towards achieving this goal. Thank you for your interest and support.

Attachment

cc: Lisa Rowe-Ralls

RANDY "DUKE" CUNNINGHAM

51ST DISTRICT, CALIFORNIA

ARMED SERVICES COMMITTEE

MERCHANT MARINE AND
FISHERIES COMMITTEE

EDUCATION AND LABOR COMMITTEE

REPUBLICAN RESEARCH
COMMITTEE

CH-CHAIRMAN, TASK FORCE ON EDUCATION

TASK FORCE ON DRUGS



Congress of the United States

House of Representatives

Washington, DC 20515-0551

August 20, 1994

AUG 29 1994

8/29/94

PLEASE RESPOND TO:

117 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0551(202) 226-6452
(202) 226-2558 FAX13 WEST VALLEY PARKWAY
SUITE 320

ESCONDIDO, CA 92025

(619) 737-8438
(619) 737-9132 FAX

Mark Schultz
Executive Director
White House Conference on Small Business
1800 G Street NW, Suite 1233
Washington, DC 20006-4407

Dear Mark:

It has been brought to my attention that in formulating the agenda for the upcoming White House Conference On Small Business, scheduled for June 1995, veterans issues have not been included.

This omission is of grave concern to me and many of my constituents since the it was the Vietnam Veterans Foundation that convinced President Carter to originally place the veterans business issues on the agenda of the first Conference in 1980.

Although you may not be targeting any particular organizations this year, I am concerned that veterans are not being as actively identified or notified as other groups. As time is running short for these upcoming conferences, I strongly urge you to work with our veterans in implementing a coordinated outreach program and to discuss the possibilities of planning a breakout session addressing veterans issues.

The importance of veterans and their small business concerns must not be overlooked. I trust that you will do your best to maximize their participation.

I am looking forward to hearing what steps have been taken to address the veteran's community concerns. Thank you for your prompt attention to this matter.

With best regards,

Sincerely,

Randy "Duke" Cunningham
Randy "Duke" Cunningham
Member of Congress

RDC/ebo

The White House
Conference on Small Business
Foundation for a New Century

September 2, 1994

The Honorable Randy "Duke" Cunningham
117 Cannon House Office Building
Washington, DC 20515-0551

Dear Congressman Cunningham:

Thank you for contacting me with your thoughts about including veterans in The White House Conference on Small Business (WHCSB). I share your concerns about the veterans community being well represented at the upcoming conferences, and we look forward to working with various veterans organizations around the country.

In terms of a separate breakout session for veterans, the WHCSB Commission has determined that the current system of nine general breakouts (i.e., capital formation, human capital, regulation and paperwork, community development, international trade, taxation, environmental policy, procurement, and technology/information revolution) and an open session forum is the appropriate way to maximize participation from all members of the small business community at the state conferences. Please note that we do not have a separate breakout session on women-owned and/or minority-owned businesses.

With regard to actively identifying and notifying veterans groups, Lisa Rowe-Ralls, of my staff, coordinates outreach to the entire small business community. She has already contacted the Office of Veterans Affairs at the Small Business Administration for a list of national and state groups to contact with information about the conferences. I have enclosed a copy of the information packet we plan to send these organizations.

Thank you again for bringing your concerns to my attention. Please feel free to contact me if you have further questions about the conferences.

Sincerely,



Mark Schultz
Executive Director

Enclosure

DEMOCRATS

G.V. (SONNY) MONTGOMERY, MISSISSIPPI
 DIN EDWARDS, CALIFORNIA
 DOUGLAS APPEGATE, OHIO
 LINDA EVANS, ILLINOIS
 TIMOTHY J. PENNY, MINNESOTA
 J. ROY ROWLAND, GEORGIA
 JILL SLATTERY, KANSAS
 JOSEPH P. KENNEDY II, MASSACHUSETTS
 GEORGE E. SANGMEISTER, ILLINOIS
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 FRANK TEJEDA, TEXAS
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 SCOTTY GAESLER, KENTUCKY
 SANFORD BISHOP, GEORGIA
 JAMES E. CLYBURN, SOUTH CAROLINA
 MIKE KREIDLER, WASHINGTON
 CORINNE BROWN, FLORIDA

MACF FLEMING
 STAFF DIRECTOR AND CHIEF COUNSEL

ONE HUNDRED THIRD CONGRESS

G.V. (SONNY) MONTGOMERY

CHAIRMAN

U.S. House of Representatives

COMMITTEE ON VETERANS' AFFAIRS

335 CANNON HOUSE OFFICE BUILDING

Washington, DC 20515

September 1, 1994

REPUBLICANS

BOB STUMP, ARIZONA
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 JACK QUINN, NEW YORK
 SPENCER BACHUS, ALABAMA
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 PETER T. KING, NEW YORK

SEP 2
 5:19

Honorable Bill Clinton
 The President
 The White House
 Washington, DC 20500

Dear Mr. President:

Information recently provided to the Subcommittee by The White House Conference on Small Business staff indicates that as of August 1, 1994, women comprise 36% of the delegates selected to attend the White House National Conference on Small Business and minorities comprise an additional 16% of the delegates already selected. Women and minorities reportedly own 30% and 9% of U.S. businesses, respectively, among those already selected as delegates to the White House Conference on Small Business. This strong representation indicates the success of efforts to reach out to and include women and minorities in the small business community in the White House Conference on Small Business.

In order for veterans to also be well represented among those who participate in both the State and National Conferences held in conjunction with The White House Conference on Small Business, the Subcommittee encourages members of the White House Conference on Small Business Commission and staff to actively reach out to our nation's veterans. They should encourage both male and female veterans in the small business community to participate actively in the State and National Conferences. A vigorous outreach program to veterans in the small business community to encourage their participation in the State and National Conferences will compliment the efforts already being made to encourage active participation in these activities.

The Subcommittee also recommends that the special or unique concerns of veteran-owned small businesses be among the issues scheduled to be examined and considered during The White House Conference on Small Business. As the agenda for the National Conference is developed, these concerns of veteran-owned small businesses should be among the issues which comprise the National Conference agenda.

Honorable Bill Clinton/2

9/1/94

The Subcommittee further understands that as President you will appoint a number of delegates to the National Conference scheduled to be held June 11-15, 1995, in Washington, D.C. The Subcommittee respectfully recommends you include both male and female veterans among those individuals active in the small business community who you appoint as delegates to The White House Conference on Small Business.

The White House Conference on Small Business Commission and staff already have made significant progress as they prepare for the National Conference next year. With continued commitment and hard work, the White House Conference on Small Business next year promises to achieve its goal and provide a foundation for a new century.

With best personal wishes, I am

Sincerely,



LANE EVANS
Chairman
Subcommittee on Oversight
and Investigations

LE/pgp

SEP 15 1994

DEMOCRATS

G.V. (SONNY) MONTGOMERY, MISSISSIPPI
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 MIKE KREIDLER, WASHINGTON
 CORRIE BROWN, FLORIDA

MAKCE FLEMING
 STAFF DIRECTOR AND CHIEF COUNSEL

ONE HUNDRED THIRD CONGRESS

G.V. (SONNY) MONTGOMERY
 CHAIRMAN

U.S. House of Representatives

COMMITTEE ON VETERANS' AFFAIRS

335 CANNON HOUSE OFFICE BUILDING

Washington, DC 20515

September 9, 1994

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 JOHN LINDER, GEORGIA
 CLIFF STEARNS, FLORIDA
 PETER T. KING, NEW YORK

Honorable Bill Clinton
 The President
 The White House
 Washington, DC 20500

Dear Mr. President:

It has been called to my attention that the agenda of the White House Conference on Small Business to be held in June of 1995 does not include issues pertaining to the needs of veterans.

Over the past decade, the committee has taken the lead to assist veterans in small business ventures. Quite frankly, the committee has not been satisfied with the job that has been done by the Small Business Administration. If there is going to be a White House Conference on Small Business, one item on the agenda should pertain specifically to interests of our nation's veterans and what can be done to assist them in gaining access to small business loans that are available to other people. This is an important issue in view of the downsizing of our military. Many young men and women forced out of the armed forces need SBA assistance.

I would appreciate your advising the committee as to exactly when this conference will be held and whether or not veterans issues will be on the agenda.

Sincerely,

[Signature]
 G.V. (SONNY) MONTGOMERY
 Chairman

GVM:cls

cc: Mr. Alan Patricof ✓

AUG 25 1994

WHC



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF CHIEF COUNSEL FOR ADVOCACY

August 22, 1994

Mr. Robert Sniffen
Executive Director
San Diego Veterans Services
657 North Broadway #191
Escondido, CA 92025

Dear Mr. Sniffen:

Thank you for communicating your concerns about the inclusion of veterans' issues on the agenda of the National White House Conference on Small Business.

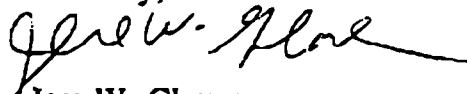
The management of the 1995 White House Conference is entrusted to an independent commission under the leadership of Alan Patricof, Chairman. I have taken the liberty of forwarding your message to the national White House Conference office.

The Office of Advocacy strongly encourages the participation of veterans in the White House Conference process, including the state and regional conferences leading to the 1995 national conference. The structure of the state conferences offers many opportunities for veteran business owners to raise their concerns about capital formation, procurement and a variety of other issues. Each conference also includes an "open forum" session at which additional important issues can be raised.

Delegates to the national conference will vote on the final small business agenda to be forwarded to the President and the Congress. Veterans can best influence that agenda by making their concerns known early, at the conferences now in progress, and by running for election as delegates to the national conference. You may wish to encourage veteran business persons to write or call the White House Conference office at 1800 G St. NW, Suite 1233, Washington, D.C. 20006-4407, tel. (202) 724-0891, for a schedule and registration forms.

Thank you again for sharing your concerns; I welcome any additional comments or questions about small business.

Sincerely,


Jere W. Glover
Chief Counsel for Advocacy

JOHN D. ROCKEFELLER IV, WEST VIRGINIA, CHAIRMAN

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JIM GUTTLER, CHIEF COUNSEL/STAFF DIRECTOR
 JOHN M. WOODMAN, MINORITY CHIEF COUNSEL/STAFF DIRECTOR

United States Senate

COMMITTEE ON VETERANS' AFFAIRS

WASHINGTON, DC 20510-8376

September 14, 1994

Dear Robert,

Thank you for getting in touch with me regarding the White House Conference on Small Business.

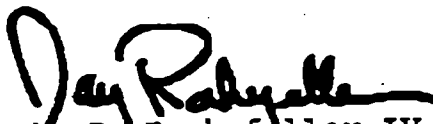
As Chairman of the Senate Committee on Veterans' Affairs, I recognize that veterans deserve special assistance in reentering business or the labor market after having interrupted their careers to serve our country.

While veterans have a unique claim to assistance in entering business, their problems and objectives in business are often the same as those of other small business owners. The White House agenda seeks to address the problems that are common to all small business owners while providing a forum in which to raise individual concerns.

My staff has contacted the conference liaison regarding the participation of veterans in the state and national conferences. I have been assured that veteran business owners will fully participate in the conferences. The agenda items include such matters as capital formation, taxation, regulatory burdens, and human capital. Neither women, nor minorities, nor any other group will be the subject of an agenda item per se. While the agenda will not identify veterans, women, or minorities as agenda topics, any business owner may address the manner in which his or her status as a member of a group affects the ability to raise capital or any other business matter. It is my understanding that organizations that work on behalf of specific groups may attend the conference in a nonvoting capacity. In addition, breakout sessions may be held for the benefit of different groups.

Your efforts to ensure recognition of the needs of veterans have contributed much to veterans and to society. I commend you for your efforts, and hope and expect that veteran business owners will benefit from participation in the White House Conference.

Sincerely,


 John D. Rockefeller IV
 Chairman

Mr. Robert Sniffen, Executive Director
 San Diego Veterans Services
 657 North Broadway #191



U.S. Small Business
Administration

NEWS RELEASE

SBA Number:

For release:

94-66

September 23, 1994

For more information,

contact:

Patricia Young

(202) 205-6740

VETERANS ENCOURAGED TO PARTICIPATE IN WHITE HOUSE CONFERENCE OF SMALL BUSINESS MEETINGS

WASHINGTON -- Veterans from around the country who are owners, managers or employees of a small business are encouraged to participate in the remaining White House Conference on Small Business (WHCSB) meetings scheduled now through April 1995.

"This is an excellent opportunity for veterans in the small business community to have a voice in future government policy and to deliver a strong message to the Clinton administration and Congress," SBA Administrator Erskine Bowles said. "I meet and talk to small business people everyday and I know they want their elected officials to be more responsive to their concerns."

The WHCSB, an independent commission authorized by Congress, convened a series of state- and regional-level conferences in March, bringing together thousands of small business people to identify and discuss key issues of concern and to increase awareness of the critical role small business plays in the national and global economy.

SBA's Assistant Administrator for Veterans Affairs Leon Bechet commented that veterans should take this occasion to voice their concerns. "Be it access to capital, regulatory reform or health care, now is the time to make direct recommendations that may translate into government policy. This conference is particularly interested in hearing from veterans, women and minorities," he said.

--more--

THOMAS DASCHLE
SOUTH DAKOTA

COMMITTEES

AGRICULTURE
ETHICS
FINANCE
INDIAN AFFAIRS
VETERANS' AFFAIRS

(202) 224-2321

TOLL FREE 1-800-424-9084

United States Senate

WASHINGTON, DC 20510-4103

September 29, 1994

20 6TH AVENUE, SW
SUITE B
P.O. Box 1638
ABERDEEN, SD 57402-1538
(605) 225-8823

816 6TH STREET
P.O. Box 8168
RAPID CITY, SD 57709
(605) 348-7551

810 SOUTH MINNESOTA AVENUE
P.O. Box 1274
SIOUX FALLS, SD 57101
(605) 334-9598
TDD (605) 334-4632

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

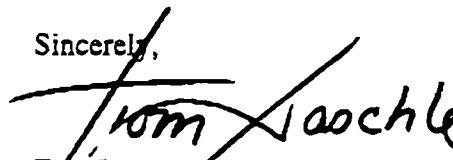
I am writing to voice my concern over the proposed agenda for next year's White House Conference on Small Business. I am told that, at this time, the conference agenda does not include discussion of the specific issues affecting veteran-owned small businesses. I fear that unless this oversight is corrected, the unique needs of the veteran community will not be adequately addressed.

I am also concerned about the possibility that veteran-owned small businesses may not be sufficiently represented at the White House conference. It is my understanding that delegates to this national conference are to be selected at the state level and that fourteen states have already held meetings in preparation for next year's conference. Moreover, it is my understanding that the delegates at the White House conference will be charged with developing an "action agenda" to carry small business into the next century. It seems to me that the organizers of these conferences -- both at the state and national levels -- must make every effort to solicit the participation of veteran business owners. Only by contributing to the discussion on the future success of small business enterprises can veterans truly be sure that their unique interests will be taken into account.

I believe the upcoming White House conference offers an important opportunity for all members of the small business community, and I applaud your administration for its efforts on behalf of this vital sector of our economy. I would simply urge you to ensure that the needs of veteran-owned small businesses be given the same attention afforded to other segments of the small business community.

Thank you for your consideration of this request.

Sincerely,


Tom Daschle
United States Senate

TAD/rhg

Veterans Say Small Business Meeting Ignores Them

By John Herrera
Stars and Stripes Staff Writer

Small business advocates protesting the absence of a special session on veterans' issues at an upcoming White House Conference on Small Business (WHCSB) in June. But organizers of the conference say no slight was intended.

In a letter to President Clinton, Robert Sniffen, executive director of San Diego Veterans Service, wrote: "Mr. President, veterans valiantly fought to protect the American enterprise system and, once again, find themselves left off another agenda."

"It is difficult to understand how such a thing could happen," wrote Sniffen, "especially when high-level SBA officials recently did implore the responsible White House Conference officials to include veterans."

The White House said the conference agenda is set by elected delegates from each state. The government does not "interfere or direct the conference because the conference recommendations should come as legitimate concerns of the delegates," said a staffer for the House Small Business Committee.

"Through a strong outreach effort, we plan to involve past

participants, as well as individuals and organizations that have not participated in previous WHCSB conferences—including many from the minority and women-owned business community," said Mark Schultz, WHCSB executive director, in a letter to organization leaders.

Sniffen said he worries that the Clinton Administration may be ignoring veterans while targeting women and minorities for small business opportunities. He said he has enlisted the support of eight senators, 15 representatives and VA Secretary Jesse Brown.

"It's not our conference. It belongs to the participants,"



Robert A. Sniffen, Veterans Service, left off the agenda.

said WHCSB spokeswoman Cathy St. Dennis. She recommended that veterans and others could air their views at an open forum during which any topic can be discussed.

Rep. Lane Evans (D-IL), chairman of the House Veterans Affairs subcommittee on oversight and investigations,

wrote a letter to Clinton saying the goals of female and minority participation already were achieved and that veterans should be placed on the agenda also.

"In order for veterans to also be well-represented among those who participate in both the state and national conferences held in conjunction with the White House Conference on Small Business," Evans wrote, "the subcommittee encourages members of the White House Conference on Small Business Commission and staff to actively reach out to our nation's veterans."

During the first two conferences, in 1980 and 1986, presidents Carter and Reagan were persuaded at the last minute to schedule special sessions on veterans.

"The important thing is there was this precedent for veterans to discuss veterans issues and it was successful," said a staffer for the Small Business Committee.

VETERANS ORGANIZATIONAL MEETING

September 29, 1994

Attendees:

American Legion	- Emil Naschinski ✓
American Veterans of WWII,	
Korea, and Vietnam (AMVETS)	- Jim Kinney ✓
- Disabled American Veterans	- Ron Drach ✓
Dept. of Veterans Affairs	- Bob Jones & Scott Denniston (E. Eric)
GI Forum	- Jake Alarid & Hector Deleon
Jewish War Veterans	- Michael Lehrer ✓
Natl. Assoc. Uniformed Services	- Charles Partridge
Paralyzed Veterans Assoc.	- Tom Ryan & Doris Luntz
Retired Officers Association	- Bob Johnston ✓
San Diego Veterans Services	- Robert Sniffen ✓
SBA	- Leon Becher ✓
Veterans Foreign Wars	- Sid Daniels ✓
Vietnam Veterans Assoc.	- Bill Crandall ✓
Cong. Randy "Duke" Cunningham	- ???
Cong. Lane Evans	- ???
Cong. "Sonny" Montgomery	- Mack Fleming & Winsom Packer ✓
Senator Rockefeller	- ???

- 25 mil.
 - authoriz. legts.
 ⇒ veterans
 - Pres. statement
 - Vet. Out. Task Force
 - WH vulnerability
 ⇒ play role

FYI

DEMOCRATS

G.V. (SONNY) MONTGOMERY, MISSISSIPPI
 DON EDWARDS, CALIFORNIA
 DOUGLAS APPLEGATE, OHIO
 LANE EVANS, ILLINOIS
 TIMOTHY J. PENNY, MINNESOTA
 J. ROY ROWLAND, GEORGIA
 JIM SLATTERY, KANSAS
 JOSEPH P. KENNEDY II, MASSACHUSETTS
 GEORGE E. SANGMEISTER, ILLINOIS
 JILL L. LONG, INDIANA
 CHET EDWARDS, TEXAS
 MAXINE WATERS, CALIFORNIA
 BOB CLEMENT, TENNESSEE
 BOB FILNER, CALIFORNIA
 FRANK TEJEDA, TEXAS
 LUIS V. GUTIERREZ, ILLINOIS
 SCOTTY BAESLER, KENTUCKY
 SANFORD BISHOP, GEORGIA
 JAMES E. CLYBURN, SOUTH CAROLINA
 MIKE KRIGLER, WASHINGTON
 CORRIE BROWN, FLORIDA

MARK FLEMING
 STAFF DIRECTOR AND CHIEF COUNSEL

REPUBLICANS

BOB STUMP, ARIZONA
 CHRISTOPHER H. SMITH, NEW YORK
 DAN BURTON, INDIANA
 MICHAEL BILIRAKIS, FLORIDA
 THOMAS J. RIDGE, PENNSYLVANIA
 FLOYD SPENCE, SOUTH CAROLINA
 TIM HUTCHINSON, ARKANSAS
 TERRY EVERETT, ALABAMA
 STEVE BUYER, INDIANA
 JACK QUINN, NEW YORK
 SPENCER BACHUS, ALABAMA
 JOHN LINDER, GEORGIA
 CLIFF STEARNS, FLORIDA
 PETER T. KING, NEW YORK

OCT 04 1994

ONE HUNDRED THIRD CONGRESS

G.V. (SONNY) MONTGOMERY

CHAIRMAN

U.S. House of Representatives

COMMITTEE ON VETERANS' AFFAIRS

335 CANNON HOUSE OFFICE BUILDING

Washington, DC 20515

September 30, 1994

Mr. Mark Schultz
 Executive Director
 The White House Conference
 on Small Business
 1800 G Street, N.W.,
 Suite 1233
 Washington, D.C. 20006-4407

Dear Mr. Schultz:

I would like to thank you for hosting yesterday's meeting with representatives of the veterans' community to facilitate their participation in the White House Conference on Small Business. I also appreciate your allowing Winsome Packer of the Committee staff to attend.

As you continue to conduct state and regional conferences, I hope that you will continue to work with the veterans' organizations to ensure that their concerns are given consideration for inclusion on the small business action agenda.

Thank you for your interest in our nation's veterans.

Sincerely,

Sonny Montgomery
 G. V. (SONNY) MONTGOMERY
 Chairman

GVM:wp

FEB 13 '95 03:41PM SBA/OPC 2

P.2



NEWS RELEASE

SBA Number:

95-6

For more information,

For release:

February 13, 1995

contact:

Patricia L. Young
(202) 205-6740

THE WHITE HOUSE CONFERENCE ON SMALL BUSINESS -- AN OPPORTUNITY FOR VETERANS TO MAKE THEIR VOICES HEARD

WASHINGTON -- Veterans from around the country who are owners, managers or employees of a small business now have the opportunity to help develop a national agenda that will set the stage for small business well into the 21st century. The White House Conference on Small Business (WHCSB) meetings, scheduled now through April 1995, are designed to help identify the needs and concerns of small business owners and managers.

"Veterans of our armed forces are encouraged to participate in this process," SBA Administrator Philip Lader said.

"Everyday I meet and talk with small business people who want their elected officials to be more responsive to their concerns, be it access to capital or regulatory reform. The White House Conference on Small Business meetings are opportunities to make direct recommendations -- including proposals for executive and legislative action -- that may translate into government policy."

The WHCSB, an independent commission authorized by Congress, conducts a series of state- and regional-level conferences, bringing together thousands of small business people to identify and discuss key issues of concern and to increase awareness of the critical role small business plays in the national and global economy.

--more--

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95-6 / Page Two

SBA's Assistant Administrator for Veterans Affairs Leon Bechet said that veterans should take this occasion to voice their concerns. "This is an excellent opportunity for veterans in the small business community to have a voice in future government policy and to deliver a strong message to the Clinton administration and Congress. This conference is particularly interested in hearing from veterans, women and minorities," he said.

A minimum of 10 delegates from each state are selected to attend the national conference scheduled for June 11-15, 1995 in Washington, D.C. To qualify as a state delegate, a conference participant must reside in that state and be an owner, corporate officer, or employee of a business employing fewer than 500 people. Delegates at the national conference will propose a small business "action agenda" to the Clinton administration and Congress to ensure small business vitality into the 21st century.

"Small businesses -- particularly new firms -- are an engine of economic growth, creating the majority of the nation's new jobs and contributing greatly to our standing in the world economy," said President Clinton. "I look forward to hearing from small business leaders about the challenges they face and their plans for building on their successes."

Some of the issues on which conference participants will focus include capital formation and taxation, community revitalization, environmental policy, human resources, procurement issues, and regulatory and paperwork burdens. In addition, significant issues affecting competitiveness of small businesses into the 21st century, such as the technology and information revolution and international trade, will also be addressed.

--more--

95-06 / Page Three

The cost to attend the local conference is \$40 in advance, \$50 at the door. For further information on conference dates in your state, contact the White House Conference on Small Business at (202) 724-0891 or Lynn Inge, SBA Veterans Affairs Office at (202) 205-6773.

###



S. D. V. S.

San Diego Veterans Services
A Calif. 501(c)(3) Non Profit Corporation
657 N. Broadway #191, Escondido, Ca. 92025
(619) 929-7419

Executive Committee

Robert Sniffen

Executive Director

James Greig

Founder & Senior Project Dir.

Marty (M.H.) Hiles

Small Business Director

Advisory Board

Bob Filner

U.S. House of Representatives

Veterans Affairs Committee

Thomas Burch, Jr.

Chairman

National Vietnam Veterans Coalition

Margaret Ferguson

National President

Gold Star Wives of America

Tom Connolly

Former Calif. State Assemblyman

Chair Veterans Affairs Committee

Elmer Cameron

Escondido Mayor Pro Tem

Jim Felix

Businessman / Escondido Kiwanis

Greg Izor

Point Man Ministries

Jack Port

Businessman / Civic Leader

Gary Craven

S.D. County Board of Supervisors

Veterans Affairs Committee

Ed Scheer

Employment Issues Advisor

Harry Louth

Escondido Knights of Columbus

Steven Smith

Publisher

American Veterans Newspaper

Bill Effinger

National Housing Director

Jack Tauf

Jewish War Veterans of America

Former National Chief of Staff

Gary Atchison

Events Coordinator

May 3, 1995

President William Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear Mr. President:

The "Founding" Meeting of the Veterans Business Council of San Diego County will take place on May 31, 1995.

Already, the Veterans Business Council has identified some 15,000 Veteran Owned Business throughout the State of California, and 3,000 Veteran Business Owners here in San Diego county.

Leon Bechet, Assistant Administrator of Veterans Affairs for the U.S. Small Business Administration and representatives from the Department of Veterans Affairs in Washington, D.C. will be in attendance to "kick off" this newly created business council.

Congressman Bob Filner, a member of our San Diego Veterans Services Advisory Board will keynote this historic event which is but a first step to identify, organize, network and assist the estimated 300,000 to 400,000 Veteran Business Owners through the formation of the California Veterans Business Council.

Because of our geographic position on the Pacific Rim with our deep water ports, our proximity to the border of Mexico, the existence of opportunities as a result of NAFTA and GATT, it is our intention and priority to focus on Exporting and International Trade opportunities for Veteran Business Owners.

Mr. President, we are requesting a letter of congratulations and support to commemorate this historic inaugural meeting on May 31, 1995. Such a letter as our President would greatly contribute to our efforts here in California. This letter, if approved, can be sent to:

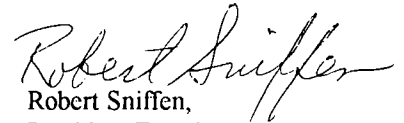
Robert Sniffen - Founder
Marty (M.H.) Hiles - Founder
Veterans Business Council of San Diego County
657 N. Broadway, #197
Escondido, CA 92025

With respect for you as our Commander In Chief,

Sincerely,



Marty (M.H.) Hiles,
President & CEO



Robert Sniffen,
President Emeritus

RS/MH:

jc

cc:

Bob Jones, White House Liaison - Department of Veterans Affairs
Honorable Jesse Brown, Secretary of Department of Veterans Affairs
Leon Bechet, Assistant Administrator for Veterans Affairs - U.S. SBA
Congressman Bob Filner, S.D.V.S. Advocacy Board Member

White House Business (6-13-95)
Media Contact 202-223-4320 x950, or 202-338-6882

Veterans Business Groups Seeks White House- Presidential Executive Order

California Veterans Business Council Cites "Benign Neglect"

By Robert Sniffen
American Veterans Newspaper, Associated Press Staff Writers

(Washington, D.C.) As the scene sets on the first full day of the White House Conference on Small Business which saw President Clinton and Vice President Gore welcome some 2000 White House Delegated; Veterans business issues were again ignored and completely left off the policy recommendations agenda.

While the California Veterans Business Council (CVBC) held" a very fruitful and positive meeting with Cabinet Secretary Jesse Brown, U.S. Dept. of Veterans Affairs" relating to small business concerns among veterans; CVBC officials believe their "battle" must be fought "first" at the center of power to obtain immediate action on key priority issues.

The California Veterans Business Council contends that they are carrying the hopes and dreams and the very future of the nation's 3.5 million veteran owned business. Marty Hiles President-CEO of the CVBC stated "Veteran Business Owners are not seeking any form of affirmative action programs. Simple put, Veterans, the only group created by government, seek a level playing field".

To that end, the CVBC is calling upon President Clinton to issue an immediate Presidential Executive Order that would;

1. Eliminate the three (3) existing positions left standing after 50% reduction in staff in the SBA of the Office of Veterans Affairs and consolidate these positions under the jurisdiction of the Office of the Secretary, U.S. Dept. of Veterans Affairs. Examine and shape legislation under the National Veterans Business Ownership Act presently being floated and forged on Capital Hill.
2. Creation of a government wide procurement assistance program for Veteran Business Owners to be known as the DD214V Procurement Program. Such a designation should not be based on Special Consideration of socially equality but on economic equality in procurement policies of government for veterans.
3. Establishment of a Department of Veterans Affairs, National Veterans Business Advisory Council under the direct jurisdiction of the Office of Secretary of Veterans Affairs. The Council must have necessary funding and resources.

These are simple but significant actions that will serve as the foundation for all future business efforts concerning the men and women of every persuasion and ethic, cultural or racial backgrounds who have earned the "right" to compete in obtaining a share of the American Dream, which is to own and operate a business "competitively" in the American free enterprise system.

"We in California call upon the President to issue such an Executive Order without the fuss, fanfare and lengthily delays usually associated with Presidential Executive Orders. Our Veterans Business Owners deserve no less..." Hiles concluded.

White House Officials who can bring such an Executive Order to reality include Leon Panetta, White House Chief of Staff Erskine Bowles, Deputy Chief of Staff and the President's Attorney Abner Mitkva-all three men are veterans at the center of power.

Failing such Presidential action the veterans business groups vowed to move for legislation in the Republican Congress (National Business Ownership Act) and to make the issues of Veterans Business Owners -- A Presidential Campaign Issue, especially in California where veterans represent nearly one-third (1/3) of the Voters.

OFFICE OF VETERANS AFFAIRS

- The SBA's Office of Veterans Affairs, staffed by three persons in SBA's Central Office, is the only federal government office dedicated exclusively to assisting veterans who want to go into business.
- Out of approximately 20.5 million small businesses in America, the SBA estimates that 4 million small businesses are veteran-owned.
- OVA was created pursuant to the Congressional mandate that the SBA give special consideration to veterans (Public Law 93-237, January 2, 1974).
- Our clients are the nation's 27 million veterans and the nearly half-million military personnel affected by downsizing.
- We work with DoD to tell SBA's story in the Transition Assistance Program for military personnel separating from the services. We developed a chapter to provide information on the SBA's programs in the TAP training manual, which is given to every participant. Through SCORE and the SBA field offices we were represented at over 98% of the training sites, reaching over 400,000 military personnel.
- We have a memorandum of understanding with DVA as a result of which we have conducted eight business opportunity conferences, consisting of procurement assistance training and advice, along with the opportunity to meet one-on-one with procurement personnel, for small businesses in areas affected by defense cutbacks. 1,482 veteran-owned small businesses participated in these seminars. Our last program this year was held in Phoenix, Arizona on March 21, 1995.
- We utilize the DoL's Veterans Employment Training Service (VETS) network, consisting of 1,680 Local Veterans Employment Representatives (LVERs) and 1967 Disabled Veterans Outreach Program Specialists (DVOPs), operating at the state level so that they are familiar with and can promote the SBA's programs to their clients interested in our services.
- Between 1988 and 1994, we cooperated with the Bell System companies to co-sponsor 93 "Success" seminars, attended by 4,926 veteran-owned businesses and prospective veteran business owners. This effort was designed to provide professional guidance to business owners wanting to improve their business image.
- We have sponsored two technology transfer pilot programs to acquaint small businesses affected by defense cutbacks with defense technology available for commercialization. This program offers small contractors the opportunity to explore new avenues and new markets. We have planned on presenting three of these programs in 1995, in Philadelphia (March 25), San Diego, and Atlanta.

- OVA maintains liaison with the national veteran service organizations to obtain feedback on the needs of the veteran community.

OVA's efforts have resulted in:

- ☞ *A performance agreement between the District Directors and the SBA Administrator specifying loan targets for veterans.*
- ☞ *An increase in the volume of loans to veterans from \$516 million in Fiscal Year 1989 to over \$1 billion in Fiscal Year 1994, representing twice the number of loans to veterans (6,064).*
- ☞ *Counseling for 130,202 veterans and training for 57,786 veterans by the SBA and its resource partners during Fiscal Year 1994*
- ☞ *Cooperation between the Department of Veterans Affairs, the Department of Labor and the Department of Defense, the major government agencies dealing with veterans, and the SBA. This cooperation has resulted in the establishment of the Interagency Veterans Policy Group, chaired by the White House to coordinate and discuss veteran problems.*
- ☞ *We developed and provided a grant program to create the only long term, in-depth business training program for veterans. This program was developed to provide holistic training for veterans who wanted to go into business, and to provide a mutual support group among the participants for follow-on after the training ended. Examples of this program are currently in existence at Rutgers University and the New York Veterans Leadership Program.*

SBA'S VETERANS' PROGRAM QUESTIONS AND ANSWERS

Q. What happened to the Advisory Committee on Veteran Business Affairs?

A. This was a committee created by the Agency after discussion with the national veteran service organizations to influence ongoing communication and discussion with regard to the SBA's veterans program. At some point, there was discussion of making this committee a part of SBA's national advisory committee. Since the original committee was local in makeup, the consensus was that this would provide a broader base of ideas and activity. When the President requested an across the board cut in advisory groups, the Advisory Committee on Veteran Business Affairs fell by the wayside. (A decision could be made to revive the committee, which would please the veteran groups).

Q. Why do we need an SBA Office of Veterans Affairs?

A. The Congress mandated that the SBA give special consideration to veterans (Pub.L. 93-237, January 2, 1974). After many Congressional Hearings and meetings with veterans organizations and groups, it was decided that the best way to provide veteran services and to monitor performance was to create a small office in the SBA to act as ombudsman and advocate on behalf of veterans.

Q. Don't you duplicate activity?

A. No. We are careful to utilize existing SBA programs to meet the needs of the veteran community, such as utilizing SCORE the SBDC program and the regular training and counseling offerings made by the local SBA offices. We have, however, identified a number of areas of veteran needs that are not met in the normal SBA programs and have tried to meet these needs with special efforts, such as transition training on-base for separating military personnel, business opportunity training for businesses affected by base closings and reduced contracting dollars, and long term, in-depth training for veterans, to provide holistic training and to create a support group to sustain the participants in their effort to start a successful small business.

Q. Couldn't that be done more effectively by the Department of Veterans Affairs?

A. No. The Department of Veterans Affairs has no expertise in the area of business loans or business services. They provide medical, educational and other benefits to veterans. They would have to hire a staff to provide services such as business assistance or loans to veterans. The SBA's Office of Veterans Affairs is staffed by personnel experienced in the Agency's programs and works closely with other SBA program offices to deliver services to veterans.

Q. Why couldn't the SBA office be transferred to the Department of Veterans Affairs?

A. Well, that would not represent any savings. Furthermore, transfer of the SBA Office would place the advocates further away from the delivery source, which would not seem to be a sound management decision.

Q. Do you think that disabled veterans or the disabled, generally, should be eligible for the SBA's 8(a) program?

A. Under the law (Pub.L. 100-656, as amended by Pub.L. 101-37) eligibility for the 8(a) program is based on a showing of economic and social disadvantage. As a class, veterans or disabled veterans do not meet these criteria. Veterans and disabled veterans, however, may meet these criteria individually and would be eligible for the 8(a) program. Between 25% and 33% of the firms currently eligible for 8(a) program assistance are veterans.

Q. Why did the SBA discontinue the direct loan program for Vietnam-era and disabled veterans?

A. The Vietnam-era and Disabled Veteran Loan Program was established by Pub.L. 97-72, the Veterans' Health Care, Training, and Small Business Loan Act of 1981. Under the terms of the Act, the program was to sunset on September 30, 1986. Notwithstanding the termination date, funding was available for the program through fiscal year 1994. \$226,040,000 was made available for direct loans to Vietnam-era and disabled veterans through that program. The SBA's position is that the same dollars could be better utilized if leveraged through the guaranty loan program to provide more dollars to more veterans. For example, the \$19 million utilized for direct loans to Vietnam-era and disabled veterans during FY 1994 could create a guaranty loan pool of \$600 million for veterans. Such a pool could serve more veterans and maximize the return on the government's investment at the same time.

FY 1989 YEAREND LOAN STATISTICS

	#	\$
Total Direct Loans	692	72,570,000.
Direct Loans to Veterans	321	23,706,000.
Vietnam Veterans	279	20,536,000.
Disabled VNV	14	921,000.
Other Veterans	24	1,889,000.
Disabled Other Veterans	4	360,000.
Total Guaranty Loans	17,674	3,287,696,000.
Guaranty Loans to Veterans	2,686	492,022,000.
Vietnam Veterans	1,779	310,458,000.
Other Veterans	907	181,564,000.

FY 1990 YEAREND LOAN STATISTICS

	#	\$
Total Direct Loans	1,184	297,818,000.
Direct Loans to Veterans	246	18,953,000.
Vietnam Veterans	206	15,989,000.
Disabled VNV	9	602,000.
Other Veterans	27	2,036,000.
Disabled Other Veterans	4	326,000.
Total Guaranty Loans	19,551	3,866,415,000.
Guaranty Loans to Veterans	2,720	531,182,000.
Vietnam Veterans	1,813	337,366,000.
Other Veterans	907	193,816,000.

FY 1991 YEAREND LOAN STATISTICS

	#	\$
Total Direct Loans	674	57,268,000.
Direct Loans to Veterans	273	21,732,000.
Vietnam Veterans	237	19,108,000.
Disabled VNV	10	1,004,000.
Other Veterans	22	1,379,000.
Disabled Other Veterans	4	241,000.
Total Guaranty Loans	20,039	4,087,324,000.
Guaranty Loans to Veterans	2,790	563,678,000.
Vietnam Veterans	1,886	377,475,000.
Other Veterans	904	186,203,000.

FY 1992 YEAREND LOAN STATISTICS

	#	\$
Total Direct Loans	700	78,254,000.
Direct Loans to Veterans	278	22,566,000.
Vietnam Veterans	241	18,681,000.
Disabled VNV	12	1,223,000.
Other Veterans	23	2,589,000.
Disabled Other Veterans	2	73,000.
Total Guaranty Loans	25,798	5,513,601,000.
Guaranty Loans to Veterans	3,443	726,467,000.
Vietnam Veterans	2,319	472,044,000.
Other Veterans	1,124	254,423,000.

FY 1993 YEAREND LOAN STATISTICS

	#	\$
Total Direct Loans	620	78,960,000.
Direct Loans to Veterans	258	21,832,000.
Vietnam Veterans	227	19,578,000.
Disabled VNV	13	634,000.
Other Veterans	18	1,620,000.
Disabled Other Veterans	2	160,000.
Total Guaranty Loans	28,878	6,333,588,000.
Guaranty Loans to Veterans	3,874	826,092,000.
Vietnam Veterans	2,619	529,358,000.
Other Veterans	1,255	296,734,000.

FY 1994 YEAREND LOAN STATISTICS

	#	\$
Total Direct Loans	516	57,005,000.
Direct Loans to Veterans	214	16,499,000.
Vietnam Veterans	182	14,172,000.
Disabled VNV	16	958,000.
Other Veterans	13	1,141,000.
Disabled Other Veterans	3	228,000.
Total Guaranty Loans	39,972	7,871,515,000.
Guaranty Loans to Veterans	5,850	1,076,997,000.
Vietnam Veterans	3,867	715,916,000.
Other Veterans	1,983	361,081,000.

White House Business (6-13-95)

Media Contact 202-223-4320 x950, or 202-338-6882

Veterans Business Groups Seeks White House- Presidential Executive Order

California Veterans Business Council Cites "Benign Neglect"

By Robert Sniffen

American Veterans Newspaper, Associated Press Staff Writers

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