

Ric Davidge

ALASKA STATE COUNCIL

Mr. Chairman:

“It’s just too much work.”

“First I have to find those guys, then I have to qualify them, and then I have to notify them of these opportunities.” “I just don’t have the time.”

Or how about: “We’ve been directed not to follow P.L. 109-461.”

That is the attitude in almost every federal agency approached by the Alaska Veterans Business Alliance over the past two plus years, even with Congressional staff in attendance. There are exceptions, and let me make those clear to you: The Army Corps of Engineers has made the effort and has met with success. Hoorah!

- The US Forest Service? NO
- How about the National Park Service? NO
- The Veterans Administration? NO
- The US Air Force? NO
- The US Army? NO
- And so it goes.

Representatives of the Alaska Veterans Business Alliance accompanied by a staff member of our Congressman, in a meeting with the Alaska Contracting office of Veterans Affairs, then located in Anchorage, were told that they were directed not to follow P.L. 109-461 which contracts out of the VA set-aside for SDVOB. Now the Veterans Affairs Contracting Office has moved out of Anchorage and all contracting is done in Seattle. Not easy for Alaskan SDVOB to meet with.

We even have a state legislative joint resolution (HJR16) that passed the House without objection and is now under consideration in the Senate calling for Congress to hold joint committee oversight hearings in Alaska to ask the heads of each of these federal agencies why? Why do federal agencies in Alaska refuse to comply with the law, with the Executive Order, or even with their own regulations and agency specific strategic plans requiring conformance?

The original law P.L. 106-50 passed in August 1999 allowed an easier opportunity for a Service-Disabled Veteran-Owned Company to go into business for themselves by bidding on Federal Contracts. Three percent (3%) of all Federally Budgeted dollars are to be set-aside for SDVOB’s. In October 2004 President Bush signed an Executive Order E.O. 13360 mandating that Federal Contracting Officers achieve the 3% “goal”. To date this “goal” is no where near being met as the law intended for it to be – certainly not in Alaska.

According to the Small Business Administration, of the 2008 goals and achievements out of a total of 24 Federal Agencies only 4 agencies were meeting or exceeding their “goals”. Meeting their goals were DOL at 4.34% for a SDVOB, VA had their goal up to 11.76% for a SDVOB, EPA had their goal up to 3.66% for a SDVOB, and GSA had their goal up to 3.93% for a SDVOB. The embarrassment and slap in the face to all Veterans comes from their own of DOD. DOD had their goal at 1.00% which as adjusted and was 1.04% for a SDVOB. These numbers reflect nation wide numbers – certainly not our Alaskan experience.

Out of these 24 Federal Agencies there were a total of 92 Funding Departments that achieved a 1.4862% with a total of \$6,450,206,999.20. These numbers are prime contracts, again according to the Small Business Administration’s 2008 goals and achievements report.

When it came to subcontracting opportunities for the SDVOBs, based on the SBA 2008 report, forty-four (44) reporting agencies (or funding departments) achieved only 0.9% of the 3% goal with a total of \$2,250,720,437.00.

It is time for both the House and Senate Small Business Committees to introduce legislation that:

- 1) Changes the language from ‘may’ to “shall” in P.L. 106-50
- 2) Provides enforcement to ensure that the 3% “goal” is being achieved by all Federal Agencies
- 3) And not just on a “nationwide” basis as the Contracting Officers are always saying, but specifically in Alaska.
- 4) If the agency can’t meet their 3% goal then they should lose something – can we suggest putting achieving these goals in the standards for performance for all contract officers and other decision makers?

The Senate Veterans Affairs Committee also needs to introduce companion legislation that the House Veterans Affairs Committee introduced last December to fix the Veterans Affairs Acquisition process and changes the wording from “may” to “shall”. HR 3719, HR 4220, and HR 4221.

Veterans of Modern Warfare (VMWUSA) along with the Vietnam Veterans of America (VVA) are two Veteran Service Organizations Nationally standing together to make sure the laws for SDVOB work as they were intended by Congress back in 1999.

If the Members of Congress want to get serious and get this done, they have to make compliance a part of the performance evaluation of every procurement officer and other key decision-maker in the federal government. We also recommend it be part of the performance evaluation of every senior federal administrator in every federal agency responsible for procurement.

It is an honor,

Ric Davidge

- Chairman, National Committee on Economic Opportunities, Vietnam Veterans of America
- Alaska State Council President, Vietnam Veterans of America
- Member, Board of Directors, Alaska Veterans Business Alliance