



Testimony of  
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On Behalf of  
The Women Veterans Business Coalition

House Committee on Small Business  
“Military to Main Street: Serving Veteran  
Entrepreneurship”

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Chair Velazquez, Ranking Member Luetkemeyer, and Members of the Committee, thank you for the opportunity to testify today. My name is Laurie Sayles and I am a veteran who served 10 years in the United States Marine Corps and am now the owner and founder of Civility Management Solutions (CivilityMS). CivilityMS is a professional consulting service working in both the government and commercial space, located in Greenbelt, Maryland. I am a certified women-owned small business (WOSB), economically disadvantaged women-owned small business (EDWOSB), service-disabled veteran-owned small business (SDVOSB), and part of the 8(a) program. CivilityMS provides project, program, financial and grants management; conference and facilities logistics; administrative and acquisition support; and human capital training. We work with numerous federal agencies, including the Department of Homeland Security, Department of Transportation, Department of Health and Human Services, U.S. Army, U.S. Air Force, U.S. Army National Guard, and the Department of Veteran Affairs (VA).

My company has grown thanks in part to our participation in many business pilot programs. These include the VA Office of Small and Disadvantaged Business Utilization (OSBDU) program for women service-disabled veterans (VetBiz), Bowie University BowieBic's 8(a) accelerator program, and the Baltimore MD Cohort 1 Goldman Sachs' 10,000 Small Business Program with Babson Entrepreneurship Training at Johns Hopkins University. I am also a proud member of the Veteran Entrepreneurship Task Force (VET-Force) and was elected as the first woman veteran officer on the Committee.

Currently, I serve as Chair of the Women Veterans Business Coalition (WVBC) and am testifying on behalf of the Coalition today. WVBC brings together diverse stakeholders to provide a strong, collective voice to advocate in Congress and federal agencies for policies that will strengthen businesses owned by women veterans. While federal actions are designed to be helpful to all veterans, women carry an important and respected voice on behalf of those who have served. Currently 2 million women veterans live in the United States and comprise nearly 20% of serving military personnel and 10% of the veteran population. As the number of women serving in the military has increased, so has the number of women veterans who start businesses. As of 2012, 400,000 veteran women-owned businesses accounted for 3.9% of all women-owned firms in the U.S. They contribute greatly to the economy, bringing in \$17.9 billion in receipts.

Entrepreneurship has always been in my blood – raised in low-income housing in Chicago in the 1960s, I've always known I needed to earn my own way. Starting a business has been an extremely rewarding part of my life and I attribute many of my business successes to the lessons I learned serving in the U.S. military. There are also numerous Small Business Administration (SBA) resources that have helped me along the way.

Once I was introduced to government contracting in my civilian career, I knew I had found my destiny in entrepreneurship. I considered starting my own firm, however, instead of taking the leap

blindly, I sought out an SBA SCORE Mentor. My mentor, a retired General of the U.S. Army, gave me incredible guidance on the steps of developing my company. For example, he advised me to get an attorney and an accountant before I even thought I needed one. In each meeting with him, I reported on what I had accomplished and awaited my next set of instructions. He recommended trainings through SCORE, as well as suggested I contact a local Procurement Technical Assistance Center (PTAC) to learn more about the vast field of government contracting.

I found the PTAC to be extremely valuable as an individual interested in government contracting. Navigating this complex system can be difficult, and I appreciated that classes focused on all the components needed to do business with the Federal Government. Session offerings included topics such as responding to RFPs, introduction to market research, understanding teaming agreements, and how to get certified as a veteran-owned business. Even many years later, I still encourage my team to participate in relevant PTAC training sessions to increase their knowledge. Repeating courses is required for continued growth.

As a woman Marine, I know the importance of training – I do it often and encourage it for all businesses. The SBA’s 7(j) Management and Technical Assistance Program offered to participants of the 8(a) certification has been valuable for the CivilityMS team. While we take advantage of many of the sessions, I would also appreciate training geared toward more advanced businesses. I encourage the SBA to consider having two tracks in 7(j) – one for businesses who are in the beginning phases of the program and one that is more advanced. Utilizing this existing resource could be a way to tackle the issue of businesses struggling to succeed after graduation.

One additional training program that has been crucial to the success of my business is the Veteran Institute for Procurement (VIP) run by the Montgomery County Chamber of Commerce Foundation. As an early program participant, VIP had only one course when I attended. I am thrilled to see the expansion of the program, especially at no cost to veterans. VIP brings in some of the best instructors across multiple areas of interest to ensure that each veteran-owned business is getting value and the tools they need to grow their business.

There are also important organizations focused on specifically supporting veteran women entrepreneurs, such as the Veteran Women’s Enterprise Center in Dallas, Texas. VVEC launched the first grant program in Texas exclusively for veteran women entrepreneurs in 2020 to empower them to not only survive COVID-19, but to transform their business to the next level. The work of these organizations nicely complement the Federal Government programs supporting women veteran business owners.

While I speak highly of many of the SBA’s programs, I also know that there are many veteran-owned businesses unable to access these resources because of their location. For example, I applaud the expansion of Veteran Business Outreach Centers (VBOCs), which play an integral role

in supporting veteran-owned small businesses throughout their entrepreneurial journey. When starting my business, I did not seek assistance from a VBOC because the closest one was in Virginia. I am grateful for the efforts of Senator Ben Cardin to secure a VBOC for Maryland so that veteran-owned businesses across our state can now utilize this resource. Additionally, not all SBA resource partners are created equally. I find it disappointing when I hear from small businesses who have not found their PTAC, SBA district office or other resources beneficial. I know that these partners are working hard for their local business owners, and I encourage the Committee to examine how to make this experience more consistent for veterans across the country.

One area of particular concern as a black woman that is a service-disabled veteran is the fight to access capital. Women account for only 16% of conventional small business loans and receive only 4% of all commercial loan dollars. While I initially tried to work with large banks, I have given up. Despite meeting all of their extensive document requests and criteria, after over 2 months of waiting, they decided to not offer me a loan. As many women, veterans and entrepreneurs of color do, I have sought alternative lenders for capital. According to a 2022 report by the SBA Office of Advocacy, African-Americans have less financing at start-up, and a relative lack and size of bank loans later in the firm life cycle. I have been fortunate to connect with an SBA 7(a) lender to obtain a small loan, and later take advantage of the Paycheck Protection Program (PPP). While these funding streams have been helpful, government contractors face unique challenges. For example, being a part of the 8(a) program is wonderful, however, if you win new work, you must have quick access to capital to float payroll for the new staff for at least 60 days. Therefore, to support the growth of my company and new contracts, a line of credit is necessary. Unfortunately, many small businesses rely on factoring, where the fees, interests and fines can really deplete from your profit. To prevent the losses to factoring lending institutions, it would be great to see the SBA come up with a line of credit methodology for companies that have federal business.

To address some of the particular challenges faced by women veterans, WVBC suggests the following recommendations:

- I. **Increase incentives for prime contractors and the Federal Government to award more contracts to women veteran-owned small businesses.** The Federal Government has a goal of awarding 3% of all contract dollars to SDVOSBs. Year over year, the government has exceeded that goal – in FY2020, 4.28% (\$23.9B) went to SDVOSBs. However, women veteran businesses are not receiving contract awards at the same level as their male counterparts. Additional incentives need to be created to make this happen. Further, data on contract awards made to women veteran-owned small businesses is needed. In her confirmation hearing, SBA Administrator Guzman committed to providing this data to decrease gender disparities in contract awards to veteran-owned businesses, and we look forward to that information.

- II. Change the restrictive re-marriage eligibility requirement for Survivor Benefit Plan (SBP) beneficiaries.** SBP is a unique benefit plan available for retiring military members. If the retiring member pays premiums until their death, the beneficiary receives 55% of the retiree's military pension as an annuity. However, if the widow or former spouse remarries before age 55, they are ineligible for the benefit. The current arbitrary law acts as a deterrent to marriage which can further compound a woman veteran's financial situation. By not marrying, the widow or former spouse may be giving up coverage under her prospective spouse's healthcare. She will have to also give up other important public policy-based benefits of marriage: survivor's rights, legal rights such as loss of consortium, ability to acquire property as joint tenants, and the ability to take advantage of tax laws as a married couple, to name a few. This leaves the woman to weigh marriage as an economic decision. Like state laws that terminate alimony upon remarriage and cohabitation with a member of the opposite sex, the law presumes a woman is "entitled to the support of only one man." That thinking, which is fundamental to these laws, is old-fashioned. Punishing surviving spouses for remarrying is an outdated policy Congress should fix.
- III. Allow veterans to use GI bill benefits to start a business.** Many service members choose to serve their country after they have already obtained a degree from a higher education institution, or they obtained their degree during the years they served. According to the National Women's Business Council, women veteran entrepreneurs grew from 4% of all veteran-owned business to 15.2%, reflecting nearly 400,000 new businesses over just a five-year period. However, continued growth for women-owned businesses in general is stagnated by a continual lack of inequities related to access to capital. Allowing the GI bill benefits to support starting a business, in addition to educational benefits, would provide much needed capital to veterans utilizing federal entrepreneurship counseling programs.

In conclusion, veterans, particularly women veterans, are an important sector of our economy. By 2040, the women veteran population is projected to grow to 18%. Our businesses face unique challenges that require unique support to grow and thrive. We applaud the SBA for continuing to support veteran business owners, especially due to the ongoing work by Associate Administrator Larry Stubblefield. With first-hand military experience, Mr. Stubblefield goes above and beyond to support veterans, and we thank him for his continued efforts. My hope is that the Committee will continue its work to assist those that have recently, or are currently, transitioning from military service to civilian life with the hopes of starting or growing a business. Thank you for holding this important hearing and for the opportunity to testify today. I look forward to answering any questions.