

Congress of the United States
U.S. House of Representatives
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515-6515

MEMORANDUM

TO: Members of the Subcommittee on Contracting and Infrastructure on Small Business

FROM: Committee Majority Staff

DATE: July 18, 2024

RE: Subcommittee Hearing Titled: “Leveling the Playing Field: Examining the Landscape of Veteran-Owned Small Businesses”

On **Tuesday, July 23, 2024, at 10:00 AM ET**, the House Committee on Small Business Subcommittee on Contracting and Infrastructure will hold a joint hearing with the House Committee on Veterans’ Affairs Subcommittee on Economic Opportunity titled “**Leveling the Playing Field: Examining the Landscape of Veteran Owned Small Businesses.**” The meeting will convene in room 2360 of the Rayburn House Office Building. The purpose of this hearing is to discuss the entrepreneurial spirit of veterans and their contributions to the American economy, as well as the unique challenges that they face as small business owners.

I. Witnesses

- **Mr. William (Bill) J. Belknap, Sr.**, President, AEONRG, LLC
- **Mr. Stephen G. Hayduk, P.E.**, Managing Member, Hayduk Engineering, LLC
- **Ms. Stephanie Brown**, Founder and CEO, The Rosie Network
- **Mr. Jon Tellier**, President, JetCo Solutions

II. Background

America owes a debt of gratitude to our veterans. They selflessly put their lives on the line to make America safer. When returning home from serving our country, veterans face many unique challenges. Many veterans must navigate the loss of the built-in community they had in the military, uncertainty with translating military skills into a career, and realigning their sense of purpose. Their drive and dedication to success are exceptional assets as they return to the workforce, and for some veterans, entrepreneurship can play a key role in the next stage of their lives.

Veteran entrepreneurs bring tremendous value to their communities. Their skills learned in the military make them tremendous leaders in the business world, even furthering their loyalty to their country by hiring veterans in their veteran-owned businesses. Their service has earned them access to an array of federal programs such as government contract set asides and GI Bill benefits.

Veterans returning to civilian life must often navigate through a sea of resources. It can be overwhelming and confusing to fully understand the complexities of multi-agency government programs and non-profit projects, let alone decide which resources to explore or how they can work together. Programs designed to ease the transition for service members, such as the Boots to Business (B2B) program, help transitioning service members understand how entrepreneurship could be their next mission. The Department of Defense's Transition Assistance Program (TAP) assists transitioning service members in understanding what resources are available to them. As part of TAP, the SBA offers optional business training to service members interested in starting a small business through the B2B program.

One benefit veteran small business owners' earned benefits comes in the form of government contracts set-asides and participating in a goal for the Federal government to spend at least 5 percent of all contract dollars with service-disabled veteran-owned small businesses (SDVOSB). Veterans certified through the SBA can obtain access to these set-aside contracts and be included in the government-wide 5 percent goal. In the FY2024 NDAA, Congressional Republicans successfully fought to raise this goal from 3 percent to 5 percent and prohibit the inclusion of self-certified firms in the government-wide SDVOSB goal, removing a loophole that posed a risk for fraud. Because of these changes, only one socio-economic federal procurement goal continues to include self-certified firms.

Aside from federal procurement, veteran entrepreneurs also have access to small business counseling and training programs through SBA-funded Veteran Business Outreach Centers, Small Business Development Centers, SCORE, and Women Business Centers. In addition, many federal agencies have offices dedicated to veteran support, including the Small Business Administration's Office of Veterans Business Development.

III. Conclusion

Veterans continue to serve our country through the enormous contributions they make to the economy. The 1.7 million veteran-owned businesses generate a staggering \$1 trillion in revenue. Over the years, Congress and state governments have sought to increase the available opportunities for veteran entrepreneurs. From veteran status designations to entrepreneurship training when service members return home. Each improvement brings opportunities that our veterans earned and helps improve their ability to succeed as entrepreneurs.