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U.S. SMALL BUSINESS ADMINISTRATION

INTERAGENCY TASK FORCE ON  
VETERANS SMALL BUSINESS DEVELOPMENT

OPEN MEETING

WEDNESDAY, DECEMBER 4, 2019

1:00 P.M.

Reported by: Jennifer Razzino, CER

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1 P R O C E E D I N G S

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3 (1:07 p.m.)

4 MR. STUBBLEFIELD: All right, we are going to  
5 get started. Good afternoon, everyone. Welcome to our  
6 Federal Advisory Committee meeting, Interagency Task  
7 Force. I want to start by -- I was hoping that Joe  
8 would be in the room to thank him, but Theresa is here,  
9 so if you could pass it on to Joe. Thank the American  
10 Legion for once again hosting us and, as always, for  
11 being great partners. We really, really appreciate it.

12 Also, thanks to Stan Kurtz and his team, to  
13 include our DCG team members, and Cheryl and Amy and  
14 everyone for setting this up and working so hard to get  
15 this off the ground, and to thank all of our members  
16 for participating in today's session.

17 So if there's anyone on the line, we just want  
18 you to know that the slides that we're going to use  
19 today are available. You can go to [SBA.gov/VBOC](http://SBA.gov/VBOC) and  
20 locate our slides. And after the Task Force meeting  
21 today, if you need to get in touch with us, just go to  
22 [VeteransBusiness@sba.gov](mailto:VeteransBusiness@sba.gov) and we'll reach back to you  
23 immediately with an answer or help resolve whatever  
24 issues you bring up.

25 So to get started, I guess we need to do roll

1 call, and I'll -- all right, sorry, let me just back up  
2 for a minute and change something I said. If you need  
3 to reach out to us, I've been corrected here. It's  
4 actually SBA.gov/OVBD.

5 All right, we'll kick off the roll call.

6 MR. GREEN: Okay, this is Timothy Green. I'm  
7 the deputy for Larry.

8 MS. TORRES: Beth Torres. I'm from VA OSDBU,  
9 standing in for Ruby Harvey today.

10 MR. HUBBARD: Hello, Will Hubbard, chief of  
11 staff, Student Veterans of America.

12 MR. PHIPPS: Michael Phipps representing the  
13 American Legion.

14 MR. CLARKE: Christopher Clarke, SBA Office of  
15 General Counsel.

16 MR. CARTER: DeWayne Carter, GSA.

17 MR. KURTZ: Stan Kurtz, OVBD.

18 MR. STUBBLEFIELD: Okay, and I know, Fran,  
19 you're on the line?

20 MS. PEREZ-WILHITE: Yes, this is Fran Perez-  
21 Wilhite from the North Carolina Military Business  
22 Center. Good afternoon, everyone.

23 MR. STUBBLEFIELD: All right. The Treasury  
24 rep, are you on the line?

25 MR. MILLER: I am. This is Patrick Miller

1 from the Treasury Department.

2 MR. STUBBLEFIELD: All right. Thank you both  
3 of you for participating as well.

4 MS. KOECH: And this is Janet Koech, Treasury.

5 MR. STUBBLEFIELD: All right. So with that,  
6 we'll kick off the meeting. I know we're very  
7 fortunate to have Chris here with us today. He's going  
8 to talk about some legislative updates. And in the  
9 interest of time, I'm going to go through my slides,  
10 the OVBD update, rather quickly so we can get to Chris  
11 because he has some very interesting topics to talk  
12 about.

13 So the first slide here just talks about the  
14 topics that I'm going to cover, to include the GSA  
15 federal supply property update. We've created a new  
16 position in our office really based on the interactions  
17 that we have during our Federal Advisory Committee  
18 meetings, because a lot of what we talk about really is  
19 GCBD-related. And so we have -- we've got a new  
20 created liaison position there.

21 A little bit about National Veterans Small  
22 Business Week, and then our next Veterans Small  
23 Business Summit that's going to take place sometime in  
24 the February/March time period in New Mexico. All  
25 right, so go to the next slide, please.

1           Okay, so just as a reminder, if you will, back  
2     in 2018 -- I believe it's January 3rd, 2018, the  
3     President signed the Veterans Small Business  
4     Enhancement Act, Public Law 115-416, which directed SBA  
5     to provide -- to work with GSA and the head of state  
6     agencies to provide surplus property to veteran small  
7     business owners. So currently, we're still working  
8     with, I guess, GSA, et al., and OMB, and we're working  
9     on publishing the rules, if you will.

10           We have Chris here. I guess the subject  
11    matter expert, if anybody wants to ask any questions in  
12    terms of where we are with the rulemaking process, if  
13    you will, but the bottom line is we're looking to have  
14    this resource available to the veteran small business  
15    community by the third quarter of Fiscal Year 20. So  
16    are there any questions or anything you wanted to add,  
17    Chris? Okay, all right. We'll go to the next slide.

18           So I mentioned the SBA Veteran Small Business  
19    Summit. Most of you are probably aware that we  
20    partnered with American Legion back in July, had our  
21    first Veteran Small Business Summit here -- right here  
22    in this room. At that time, we brought Corporate  
23    America and the veteran small business community  
24    together to just discuss things such as supply chain  
25    management and issues that Corporate America thinks

1 that they look for in small businesses in terms of  
2 partnering and things of that nature.

3 So that summit was very successful. So now  
4 our second summit -- again we're going to partner with  
5 the American Legion. We're bringing in the VA. The VA  
6 is on board. The Department of Agriculture is on  
7 board. We're looking to possibly bring the Department  
8 of the Interior on board. And the American Legion has  
9 done a lot of work in terms of looking at poverty  
10 levels across the country, and they developed a slide  
11 that we can show where the top 15 states are in terms  
12 of poverty, if you will, Mississippi being number one  
13 and New Mexico is number two. And most of the states  
14 are southern states. So we're talking about, you know,  
15 rural areas, opportunity zones, where veterans are  
16 going and things of that nature.

17 So we started off with the thought that we  
18 would do -- focus on Mississippi, and the SBA  
19 leadership -- senior leadership -- is all over this.  
20 The regional administrator that covers Mississippi is  
21 on a detail, if you will, to the White House, and so to  
22 make sure that we have total buy-in, we want the  
23 regional administrators involved, so we moved to number  
24 two on the list, and that's New Mexico.

25 So we've stood up a position in our office. I

1 was going to say Star Wilbraham is sitting here behind  
2 you. For those of you are turning around, for those of  
3 you who are facing, if you'd just raise your hand a  
4 little bit. So she's helping coordinate this. I think  
5 you all know Kathy McShane. She's in our office as  
6 well. The SBA -- the seriousness of SBA's involvement,  
7 the leadership is taking one of the regional  
8 administrators out of her position as a regional  
9 administrator and appointing her as a director of rural  
10 initiatives, if you will.

11 So we're having a series of meetings, and this  
12 week, what we were hoping to get from the American  
13 Legion is in New Mexico, where is the top five areas  
14 that where veterans are residing, if you will. We'd  
15 like to get that out of the American Legion this week  
16 so that we can start -- we can come up with a  
17 pinpointed location for the summit and a date. And we  
18 really want to get this off the ground, like I said, in  
19 the February/March time period.

20 So you see on there the purpose, the focus on  
21 the slide, you know, veterans and spouses in  
22 underserved rural communities, and then we want to be  
23 able to tie what we're doing, and we don't want to be  
24 "this is Washington coming" to your state. So we want  
25 to work with the state resources as well, and to that



1 point, you know, we've got the district director there  
2 in New Mexico, regional administrator on board, and so  
3 there will be more to follow on this one, but this is  
4 going to be the start of a number of summits that we're  
5 going to go in and see if we can't enhance those  
6 communities by -- through the entrepreneurship route.

7 Any questions on the Veterans Small Business  
8 Summit?

9 MR. PHIPPS: Do I need a mic, or can I just  
10 talk?

11 So previously, when the Department of  
12 Agriculture had visited the ACVBA, they had very  
13 specific programs that entailed grants and loans  
14 specifically for underdeveloped areas. I'm assuming  
15 some of those will be represented at that conference,  
16 and have you guys discussed possibly having a  
17 consolidated list or a number of lengths that can bring  
18 veterans in those underserved rural areas --  
19 specifically to those programs, because it's so  
20 dispersed among -- through the government?

21 MR. STUBBLEFIELD: I'll take the first stab at  
22 answering the question, a very good question, by the  
23 way. For National Veteran Small Business Week, I had  
24 the opportunity to travel to New Mexico and actually  
25 talk to the folks on the ground, so you have the

1 Department of Agriculture here locally, and then you  
2 have the folks on the ground, and they're very tied in  
3 to the district office and the -- and everything that's  
4 going on down there because the district office have  
5 briefed folks from Ag as part of their event there. So  
6 we did talk about what's available, but, again, we're  
7 in the preliminary stages, and you don't want to learn  
8 in the past, you know, when you start working outside  
9 of the chain of command, the kind of situations you can  
10 get yourself in.

11 I didn't know, Stan, if you had anything you  
12 wanted to add or, Kathy, if there's anything you wanted  
13 to add to that question about how we're tying Ag in,  
14 too.

15 MR. KURTZ: Yeah, so this is Stan Kurtz. So I  
16 have been working with the veterans representative for  
17 USDA. We did talk about those programs. So the next  
18 step is -- is really to do a call with the district,  
19 because it's really going to be at the local level that  
20 we're going to really use the local resources. So --  
21 and then it will include the agriculture and resources  
22 as well, such as veteran -- farmer and veterans under  
23 the USDA and all those type of folks. So, yeah, we've  
24 been working pretty closely with them.

25 MR. HUBBARD: Just a quick question here.

1 Will Hubbard, SBA. The American Enterprise Institute  
2 just came out with some interesting data that  
3 specifically projected populations. Is that something  
4 that you might consider when you look at future summit  
5 locations as well?

6 MR. STUBBLEFIELD: Sure. I mean, you know,  
7 anytime you can get your hands on data, you know,  
8 that's a good thing. I guess I would, you know, I know  
9 Joe had done -- Joe Sharpe had done the research in  
10 terms of where veterans are settling, and so I'll just  
11 defer to Joe for a second if that's something you'd be  
12 interesting in including in your data analysis.

13 MR. SHARPE: Yes.

14 MR. STUBBLEFIELD: Well, you know, I was just  
15 going to ask you real quick, Will, like in terms of  
16 being able to help, you know, navigate us to the data  
17 if you would do that.

18 MR. CLARKE: I'm sure, yeah.

19 MR. STUBBLEFIELD: Yeah, okay, thank you.

20 All right, so the last thing I'll just talk  
21 about National Veteran Small Business Week, and again,  
22 a total success this year with the outreach in terms of  
23 our -- you know, the purpose of National Veteran Small  
24 Business Week, is to highlight the veteran small  
25 businesses around the country -- 2.5 million businesses

1 -- as well as to gain support for those businesses in  
2 the community, and then allow those business owners to  
3 know where resources are available to help them.

4           So, you know, a huge shout-out for our  
5 district offices. They helped us plan over 130-  
6 something events around the country. We were able to  
7 get the acting administrator out of DC a few times. He  
8 actually came to New Mexico, visited small businesses,  
9 spoke at a number of events, did numerous press  
10 conferences in New Mexico, as well as Texas. So, you  
11 know, thank you all, everyone here who had something to  
12 do with the success of National Veteran Small Business  
13 Week, and I forget how many people we reached on social  
14 media.

15           MS. GARCIA: About 2.8 million.

16           MR. STUBBLEFIELD: 2.8 million folks on social  
17 media, and, again, a great -- a great accomplishment.  
18 So, again, thank you very much. So are there any  
19 questions on or comments on National Veteran Small  
20 Business Week? Anything else anybody would like to  
21 add, because if not, we're going to go to Chris Clarke.  
22 I told Chris I would get through my presentation here  
23 so that he can talk about some of the legislative  
24 proposals and things that are on the table that I think  
25 everyone here will find very interesting.

1           MR. CLARKE: Hi, Chris Clarke here. I'm going  
2 to go through -- if you look at the slide, there's a  
3 lot, there's been a lot. I'm going to try to move  
4 through them quickly. If people have questions, kind  
5 of just let me know as we're going.

6           All right, we can just start on, I guess,  
7 Slide 3. So Larry mentioned this earlier. This is the  
8 access to the personal surplus supply through GSA  
9 Schedule -- through GSA's program. The current status  
10 of that rule is actually internal clearance at SBA with  
11 the hope of moving it out into a proposed rule very  
12 soon, the next couple of weeks. That will be out for  
13 public comment for 60 days, and then depending on how  
14 many comments, we'll issue a final rule not that long  
15 after. It doesn't have to go through interagency  
16 comment because SBA has been working directly with GSA,  
17 so we won't have a 90-day period after comment period,  
18 so it should be a little bit quicker than people are  
19 used to on moving through the rulemaking process.

20           The next one, so the update on the Small  
21 Business Runway Extension Act, the issue with this was  
22 there was a quirk in the way the rule was written, the  
23 way the law was written that requires rulemaking by  
24 SBA. SBA has gone through that rulemaking process.  
25 You'll see updated later in the slides that SBA had the

1 proposed rule out, and we hope to have the final rule  
2 out this month with an effective date sometime probably  
3 in January. So we'll publish the final rule this month  
4 with a pretty quick effective date

5           Probably the most interesting thing that  
6 everyone should be aware about -- I can't say exactly  
7 because it's not published yet -- but there will be a  
8 grace period where small firms will be able to choose  
9 whether they want to use the three- or five-year period  
10 so that no one gets caught up in the process because we  
11 did find through the comment period and just through  
12 talking with people that the five-year period was  
13 beneficial for some people and not beneficial for  
14 others. So we didn't want this change to negatively  
15 affect people right away.

16           So the next one, we're going to move on to the  
17 legislation. There's a lot here. I'll move through  
18 them quickly. All of them are pretty important. The  
19 first one is 1615. This is the House-passed. This  
20 would move certification. Currently, certification for  
21 SDVO small businesses and veteran-owned small  
22 businesses is performed by VA. This is legislation  
23 that would move that certification process to SBA.

24           The next one is 499, which is basically having  
25 a grace period for -- if a service-disabled veteran

1 passes away. Currently, there's a grace period for  
2 service-disabled veterans that are -- have 100 percent  
3 rated disability. This would change it for veterans  
4 that have less than 100 percent. The other one that  
5 passed is for the NDAA 2020, includes changes for a  
6 lower-tier subcontracting program and a dispute  
7 resolution.

8 One of the things you'll see, because I'm here  
9 talking, is you'll see a lot of -- over the last couple  
10 of years, heightened -- basically more regulations,  
11 more legislation on subcontracting over the last couple  
12 of years. So that's -- the statutory changes have been  
13 going in, and we've been updating our regulations and  
14 updating the FAR. So you're going to see that theme  
15 kind of throughout all these slides that there is kind  
16 of a renewed emphasis on subcontracting.

17 And then the next slide has even more. Which  
18 one is this one? Yeah, I think go back. Nope. No,  
19 Slide 6. I guess I just have more on my slide than you  
20 have. So we have H.R. 5130. This is kind of similar  
21 to the Runway Extension Act, but for employee-based  
22 size standards. Then we have -- so what's the best  
23 thing to do, I have extra ones here that aren't up  
24 there.

25 Okay, so we have S. 2729, which is a Small

1 Business Contracting Accountability Act of 2019. And  
2 this has basically noncompliance with 15(k), which is  
3 the requirements on OSDBUs, their yearly requirements  
4 on basically their responsibilities and roles. And  
5 basically what this would require is a -- basically a  
6 report if there's a conformance.

7 S. 2852 would establish accelerated payments  
8 applicable to contracts with certain small business  
9 concerns.

10 Then S. 2853, interim payment to small  
11 business contractors that request an equitable  
12 adjustment.

13 H.R. 190 would exclude options from thresholds  
14 for sole-source contracts. That one's kind of  
15 important because, like, sole-source contracting has a  
16 dollar threshold, and currently the dollar threshold  
17 for those sole-source contracts is based on the  
18 entirety of the contract, including options, which  
19 aren't guaranteed. So this would change that, so  
20 basically you would only look at the first year,  
21 basically the guaranteed amount of the contract when  
22 looking at the sole-source authority.

23 MR. STUBBLEFIELD: You know, what's that  
24 number again? H.R.?

25 MR. CLARKE: H.R. 190. It's also S. 673. I



1 spent more time on that because that's kind of a major  
2 change for the availability of sole-source and the  
3 authority for the different people.

4 MR. STUBBLEFIELD: You said S?

5 MR. CLARKE: S. 673 and H.R. 190.

6 MR. STUBBLEFIELD: All right, okay.

7 MR. KURTZ: Chris? So, obviously, that slide  
8 show has been updated from the one that Sam had sent to  
9 us, but if you send it to us, we can get it out to all  
10 the members and make sure you have the most current one  
11 that Chris is talking --

12 MR. GREEN: It's the one that he gave a hard  
13 copy of?

14 MR. CLARKE: Yeah, this is the hard copy,  
15 so --

16 MR. STUBBLEFIELD: They already have that, I  
17 think.

18 MR. CLARKE: There's also some other things.  
19 I'll point out as we go on here, just things have been  
20 moving quickly. So some of the things that are listed  
21 here have now been updated since we put together the  
22 slide deck.

23 So S. 1981 would change ownership requirements  
24 for women-owned small businesses and 8(a) programs for  
25 firms with venture capital investment. And that's the

1 end of the legislative updates. And those last ones  
2 are just proposed legislation. They haven't passed  
3 either chamber.

4 So we go to the next thing, I think we're on  
5 Slide 8, which is we're going to get into all the rules  
6 that SBA and FAR have been doing.

7 So, yeah, we're definitely off script now.

8 MS. GARCIA: So you had added some new slides?

9 MR. CLARKE: Yeah.

10 MS. GARCIA: Are these the things that passed  
11 at the end of November mostly or --

12 MR. CLARKE: They're just everything else.  
13 I'll add them and -- so this one's more correct than  
14 here, so we're just off. We'll send you guys updated  
15 slides so it's everything that's covered. Yeah, so I'm  
16 going to go off the slide, which is this is the final  
17 rule, which just -- it just went final on Friday. This  
18 is -- it has a lot. It has NDAA 16, 17, and RISE Act.

19 First, gosh, so much. The first one's  
20 actually really important, where basically we had a  
21 rule of two, but you only get one offer. So it kind of  
22 appears to look like a sole-source, but it's not, so  
23 you're allowed to accept that offer. It happens not  
24 that often, but when it does, it's kind of important.

25 The next one would be allowing setasides

1 within setasides, so this is always on multiple-award  
2 contracts, basically more flexibility to contracting  
3 officers to do more setasides, even if there was a  
4 small business setaside at the base contract level.

5 The next one allows more oversight of  
6 compliance with limitations on subcontracting. Then we  
7 have basically prime contractors can include indirect  
8 costs in its subcontracting roles. Not make, they have  
9 to. The next one limits PCRs when reviewing DoD  
10 acquisitions performed outside the United States.

11 The next one's kind of interesting. It's a  
12 double scorecard credit for local small business  
13 setasides in connection with a disaster, so that's if  
14 there's a disaster and your government's awarding  
15 business to businesses located in that disaster area,  
16 they basically get double small business credit on  
17 their scorecard to encourage them to do so.

18 We removed the kit assembler section to the  
19 nonmanufacturer rule. We did this because with the  
20 inclusion of other requirements and changes in  
21 legislation with regard to similarly situated and other  
22 changes that it really wasn't necessary anymore.

23 And then for 8(a) contracts of more than five  
24 years, the agency cannot award an option after the end  
25 of the fifth year if the firm fails to qualify as an

1 eligible 8(a) participant. That just happens when  
2 contracts -- some of these contracts are ending up  
3 longer and longer, so we wanted firms that are still in  
4 the program to be able to get those contracts.

5 More. Oh, we added some exceptions to  
6 limitations on subcontracting. I think they basically  
7 speak for themselves because of the nature of them,  
8 which is airline travel, transportation disposal, cloud  
9 computing services, mass media purchases, and work  
10 performed overseas.

11 Oh, the next one's kind of interesting. So we  
12 made changes because we have the similarly situated.  
13 So if you're doing ostensible subcontractor reliance  
14 issues on, say, a service-disabled veteran and the  
15 issue is that a nonservice-disabled veteran company  
16 would be doing a substantial amount of the work,  
17 similar to the ostensible subcontractor, but the non-  
18 SDVO business is small. It's not -- it's no longer a  
19 size issue because everybody's small, but it is a  
20 eligibility issue, so we're going to hear those  
21 protests, but they'll be status, not size, protests.

22 And then that next one comes into that, too,  
23 which was OHA will hear protests that a CVA-verified  
24 firm is unusually reliant on a nonverified firm. So  
25 both of those are tied together, just one's going to be

1 done by SBA's Program Office; the other is done by OHA  
2 on VA procurements. Next slide.

3 Oh, man, they keep going? Yeah, no, this  
4 is -- I forgot how much we put in this rule. This --  
5 remember how I mentioned there'd be a theme with  
6 subcontracting? This is one of the largest changes to  
7 subcontracting performance that's been done in a while,  
8 which is we've defined what "good faith" means. So --  
9 because more and more subcontracting plans are being  
10 utilized, we added a list, and here's the list. It's  
11 not inclusive or exhaustive. It can be any of these  
12 things. It's up to a determination, but basically what  
13 this is saying is prime contractors that have a  
14 subcontracting plan, they're going to be held in  
15 account for meeting those plans, hopefully more often  
16 now that there's clear guidelines on what contracting  
17 officers should be looking at. Next slide.

18 So this is also a final rule. It just went  
19 final last week, also. This is basically a major  
20 overall of the HUBZone program. So it changed how the  
21 maps are going to be updated. So if they're going to  
22 be updated, instead of being updated really often, it's  
23 going to be five years, so there's more certainty with  
24 how the -- how long you get your HUBZone status. We've  
25 moved to an annual recertification, away from three

1 years, that'll make sense.

2 HUBZone -- the third one is HUBZone was the  
3 only program that we had where the participants had to  
4 be eligible at two different times, so to basically  
5 make it more consistent with the other program, it's  
6 just at the time of offer. And so the next one is very  
7 similar, just to bring HUBZone in line with all the  
8 other programs so it's as similar as possible. And we  
9 can go to the next slide.

10 So we changed basically how we're going to --  
11 how people are going to comply with the 35 percent. We  
12 also changed what "attempt to maintain" means. And one  
13 of the things that we're doing is we're going to a  
14 year-long certification, instead of, like, at a time.  
15 So hopefully it'll be -- one of the things that the  
16 whole rule was designed to do was to eliminate some of  
17 the variance in terms of firms coming in and out, in  
18 and out. This way, they can have some flexibility as  
19 they ramp up for contracts and ramp down on contracts  
20 over time. Next slide.

21 And once again, these are just more things to  
22 basically encourage firms by giving them a little bit  
23 more certainty that if they invest in a HUBZone area,  
24 that they're going to, like, know that it's going to be  
25 a HUBZone and they're going to get, like, to be able to

1 stay eligible for a long period of time. And then we  
2 moved up to -- starting January 1, we're going to do --  
3 hopefully, the plan is to do application processing  
4 within 60 days with a complete submission. Next slide.

5 This was a direct final rule. It just went  
6 into effect. This is a change where governors can  
7 request that an area that hasn't been designated under  
8 the other reasons can request an area be treated as a  
9 HUBZone, and the rule lays out the process for doing  
10 that, so it can be requested by any governor. And that  
11 went final last week, also. So next slide.

12 This is -- has been there for a while, but  
13 it's the common ownership and control rule for disable  
14 veteran-owned small business concerns. So basically  
15 SBA and VA have now a common set of regulations that  
16 they're working off of. So it's hopefully more clear  
17 to everyone that's participating in the programs what's  
18 expected of them.

19 We also changed to add more certainty to the  
20 rules, so you can think of these rules as just  
21 basically attempts to make it much more clear to firms  
22 what the expectation is of the Government. So we added  
23 some extraordinary circumstances. We also added an  
24 exception that control can shift if you're -- if a  
25 veteran is called to active duty. And previously,

1 prior to this, SBA -- and there was a difference on how  
2 surviving spouse issues were treated between SBA and  
3 VA. Now it's one standard provision between both  
4 agencies, so the basic purpose of that is to make it as  
5 -- hopefully as clear as possible and as similar as  
6 possible between the two programs. Next slide.

7 We recently just changed the -- we did a  
8 monetary adjustment to the size standards. They went  
9 into effect August, and you can see the table. So that  
10 just happened. Next rule. Next slide.

11 This one is just an update for everybody.  
12 This just went into effect, which is the -- basically  
13 the telecommunication, like, FAR on certain  
14 contractors. You can see the list. Basically it's  
15 Huawei and ZTE. So if you're -- like, it's a  
16 requirement on contractors that they certify to the  
17 Government that they're not using these components.  
18 Next slide.

19 We changed -- SBA over the last couple of  
20 years has been changing the definition of "affiliation"  
21 in our own rules, and the FAR was lagging behind.  
22 Basically, we were having trouble catching up. If you  
23 paid attention, sometimes the FAR lags behind SBA's  
24 rules, so we asked the FAR and they agreed to basically  
25 instead of having their -- a definition of affiliates



1 in the FAR, they just reference our rule. I think this  
2 will make it easier going forward so we don't get  
3 lapses in coverage where you have like a six- or seven-  
4 month difference in the rule. And that was -- that  
5 happened in October. So next slide.

6 So this is actually -- we'll see how --  
7 whether or not it turns into a big deal. You can see  
8 the final rule. It's slightly complicated, but  
9 basically we moved from an "anchor" to a "percentile"  
10 approach. SBA thinks this will better capture the  
11 actual size standards for different -- for different  
12 industries. We'll see when we finally do it, but we  
13 think it will be a more accurate representation of  
14 "small" in each industry, which is why we changed it,  
15 but this will be going forward. Next slide.

16 We issued an SBIR and STTR policy directive.  
17 Mostly this covers data rights and Phase 3 preferences.  
18 It also combined the directives into a single document.  
19 You might see a theme. We're trying to make things  
20 easier for people to find, or if they're not in the  
21 same document, they're as similar as possible. Next  
22 slide.

23 So this is very recent. Basically, this is  
24 out of the proposed rule. SBA is consolidating the  
25 mentor protégé programs. We currently have two. We

1 have one for 8(a) and one for all small. We're  
2 consolidating that into one program that's available to  
3 all small businesses. This is currently out and open  
4 for comment. And you can see some of the changes.  
5 There's a lot of changes recommended. Highly recommend  
6 if people are interested that they look at the rule and  
7 provide comments. SBA does read all the comments and  
8 respond to them all. Next slide is probably going to  
9 be more on this.

10 So one of the things that you'll notice here,  
11 the first one is we're eliminating SBA -- currently,  
12 SBA approves all joint ventures under mentor protégé  
13 for 8(a). We will continue to do that for all sole-  
14 source awards, but we won't be doing that for  
15 competitive, and that'll put 8(a) firms at competitive  
16 environment on a similar footing to basically all other  
17 small businesses in the competitive environment. We  
18 think it should be more efficient, and once again, it  
19 puts 8(a) firms and all the other programs on a level  
20 playing field.

21 The next one, while not seeming important, is  
22 really important, which is we're changing -- we're  
23 proposing to change how basically size and NAICS codes  
24 are listed on MACs and especially orders off MAC, so we  
25 can get a more clear understanding when someone awards

1 an order off of MAC what the size standard is. Part of  
2 it's for eligibility, but part of it will improve our  
3 data collection over time, so we can see what contracts  
4 people are getting awarded in what NAICS code, because  
5 currently the NAICS will flow down from the base  
6 contract, and it may have several NAICS codes, so we're  
7 not really sure when the order goes out what the  
8 industry is, so this should help with all those issues,  
9 we hope. Next slide.

10 Oh, so these are changes to 8(a). We're  
11 defining what a follow-on requirement is. This is  
12 really important for contracts in the 8(a) program, and  
13 when agencies are trying -- and when agencies are  
14 thinking of moving a contract out of the 8(a) program.  
15 Just hopefully we'll provide more clarity to everybody  
16 about how SBA views this. So this has just a lot more  
17 to do with the efficiency of the program and, like,  
18 clarity on, like, the procedures for the different --  
19 for the different contracts awarded under the 8(a)  
20 program. Next slide.

21 So this is the other one, the big program  
22 coming out. This is a proposed rule. The comment  
23 period ended. We got a significant number of comments.  
24 We're reviewing the comments, and we're drafting a  
25 final rule, which will go into interagency comment

1 period for 90 days. So -- but the time frame is still  
2 -- we're still on track for the time frame, which is --  
3 I don't know what quarter it is, but it's the beginning  
4 of the summer, so hopefully June is when the final rule  
5 and implementation of a new certification program for  
6 women-owned small businesses. Next slide.

7 So one of the things that we -- lots of  
8 changes in this one. You can read it, but we did  
9 change the -- basically the net worth standard for both  
10 EDWOSBs and 8(a) so that they're the same, and because  
11 there was a difference, so we wanted the programs to be  
12 as similar as possible. You're seeing a theme. So we  
13 did propose that. Next slide.

14 Oh, this is the Runway Extension Act proposed  
15 rule. You can see our final rule is expected December  
16 2019, so I gave that update earlier. But here's the  
17 actual proposed rule. You can find it. Next slide.

18 So this has actually been taking a long time,  
19 but we're finally getting the FAR case on the credit  
20 for lower-tier small business subcontracting. So this  
21 goes to how plans are going to be scored, so we're  
22 having this in the FAR now, so we're increasing how  
23 they're going to be scored and how they're counted.  
24 And, then, if you saw the other changes, with the other  
25 changes to subcontracting, there's going to be more --

1 hopefully more accountability for prime contractors on  
2 their subcontracting plans. And we're giving them a  
3 little bit of carrot because they get more credit for  
4 different tiers. So that's at the FAR stage right now,  
5 so it'll be nice. Next one.

6 So this is a very -- this is a good one, FAR  
7 case. So now you're going to be able to do -- it's not  
8 mandatory, but now it's very clear in the FAR that you  
9 can do a setaside for an overseas contract. We think  
10 this is a pretty big change. It allows flexibility to  
11 contracting officers and a lot of extra opportunities  
12 for small businesses when they apply. So we think this  
13 is a really good change. Next slide.

14 So you can see these are some that we haven't  
15 done yet but they're coming, which is the small --  
16 changes in size standard for services, agricultural,  
17 construction, transportation and manufacturing. You  
18 can see that's a lot. These will be using the new  
19 standards, which is the percentile instead of the  
20 anchor. So you're actually going to see a significant  
21 difference, most likely, in the size standards going  
22 forward. We hope that -- they should be more -- we  
23 hope people like them. We think the method is a good  
24 change.

25 We're doing our regulatory reform initiative,

1 which is basically cleaning up our regulations to  
2 eliminate duplicative old ones that we no longer use,  
3 but basically just streamlining our regulations. And  
4 you'll see those coming out over the next couple of  
5 months, basically a lot of them, in different stages.

6 And then I mentioned for the surplus property  
7 for veteran-owned small business. Oh, so I didn't  
8 mention, when we did it, so the initial impetus for it  
9 was the act that was passed for veterans, but we also  
10 had other acts in -- other changes to the Small  
11 Business Administration, so we actually added  
12 additional things, so we're doing disaster areas for  
13 surplus property and Puerto Rico. So those were other  
14 things that were -- had been passed recently, and we  
15 hadn't had a chance to get put into regulation, so  
16 we're doing it all in one. And we've been working with  
17 GSA, and they've been really helpful getting that  
18 moving forward. So that's the one. Hopefully very  
19 soon will be a proposed rule. And then next.

20 And then this is just a list of all the  
21 upcoming proposed FAR rules that we already went there.  
22 So five and six are kind of interesting if you haven't  
23 looked at them. Five is increasing the micro-purchase  
24 and simplified acquisition threshold. One of the  
25 things you're going to see is these are going to move

1 around between civilian agencies and DoD. So you're  
2 going to see slight differences depending on the type  
3 of contracting. Once again, more flexibility.  
4 Hopefully that will be good. And then a policy on  
5 joint ventures is coming out, which should be really --  
6 really nice to have some clarity on that. See if we  
7 have any more.

8 Oh, so upcoming final rules that will be  
9 finally nice, we'll get the setasides under multiple-  
10 award contracts. Finally getting that in a final rule  
11 in the FAR will be nice. Once again, more flexibility  
12 to contracting officers. And then you'll see the  
13 revisions on limitations on subcontracting, which is --  
14 all of those have been pending. You can see, if you  
15 see the dates, 2014, 2016, these have been -- these are  
16 major changes to the FAR, major changes to how small  
17 business contracting is done. It's been taking a long  
18 time, but SBA and the FAR think we have a really good  
19 final rule, but it should be very helpful for small  
20 businesses.

21 And then the next is there'll be inflation  
22 adjustments for the thresholds. So one of the things  
23 is keep an eye on the thresholds going forward because  
24 they are going to be changing, and they're going to be  
25 not just because we're changing them but changing how

1 we're doing the adjustments for inflation, at least  
2 something to keep an eye out when you're dealing with  
3 small business contracting because the thresholds are  
4 important. Next slide. That might be the last.

5 Oh, we've got more. Other. Oh, once again,  
6 another big thing happened. We're doing -- the  
7 transitions of Beta.SAM occurred. It's live. It's a  
8 big change. I haven't heard much feedback on it yet,  
9 but I'm sure we'll get some in the next couple months  
10 as that goes live. And then the next slide.

11 Oh, yes, this is -- this is going to be a big  
12 deal for small businesses. I would keep an eye on it,  
13 which is a unified DoD cybersecurity standard. This is  
14 a DoD process. SBA is monitoring it for impact on  
15 small businesses for working with DoD, because if  
16 you're going to go a unified standard, everyone's going  
17 to have to meet that standard, so we want to make sure  
18 that the standard works as best as possible for small  
19 businesses. So next one.

20 Category management memo, it's out there. SBA  
21 always likes to point out that you can look at Footnote  
22 31, is -- in SBA's vision, is while enacting category  
23 management, agencies should be looking at its effect on  
24 small business procurement and everything else. It  
25 shouldn't be we do category management and small



1 business contracting is separate. OMB's memo made very  
2 clear that you're supposed to be taking into account  
3 all the different things, especially how it affects  
4 small business contracting.

5 Section 809, the updated is it's still out  
6 there. So that's it. And that's it. That was a lot.  
7 Thank you all for sitting through all of that. I  
8 really appreciate it. Hopefully I got through  
9 everything in a way that was comprehensible. And if  
10 you have any questions, please feel free. I can answer  
11 them.

12 MR. PHIPPS: I have about five questions, but  
13 are you going to be at the committee hearing tomorrow  
14 for the ACVBA?

15 MR. CLARKE: I will not be at the committee  
16 hearing.

17 MR. STUBBLEFIELD: But we're going to have --

18 MR. PHIPPS: We're going to have somebody who  
19 can follow this --

20 MS. GARCIA: Same is scheduled to be here.

21 MR. STUBBLEFIELD: -- and we're going to have  
22 pretty much the same presentation.

23 MR. CLARKE: It'll be the same -- that's the  
24 latest one that Sam has sent to me on the 2nd of  
25 February.

1 MR. STUBBLEFIELD: We'll have all this  
2 tomorrow.

3 MR. CLARKE: Yeah, Sam will -- I didn't want  
4 to promise Sam was going to be there, but if you say  
5 Sam's going to be there, Sam will be there.

6 MS. PHIPPS: This will take up a good portion  
7 of tomorrow, but I do want to cover one thing that is  
8 touched upon in some of these things, and that's the  
9 eMarketplace.

10 MR. CLARKE: Okay.

11 MR. PHIPPS: Because the studies that are  
12 being shown the impact on small business contracting is  
13 going to be in the tens of billions of dollars or more  
14 over time, and, so, the concern is that -- and this  
15 kind of touches the 809 panel, this touches the  
16 increased threshold on micro -- on MPT and the  
17 simplified acquisition, and I think from the committee,  
18 what we should be looking at and especially the  
19 Advisory Committee, is what role SBA is taking and  
20 really looking at the impact to small business and  
21 small business contracting that the eMarketplace is  
22 going to have because there's still a lot of questions.  
23 GSA did come and give a pretty good brief, but then was  
24 that two sessions ago?

25 MR. STUBBLEFIELD: Two or -- yeah, two or

1 three.

2 MR. PHIPPS: So there was a lot of "we're  
3 going to be very open about this process," but I read  
4 the solicitation, and it looks like I could start an  
5 ecommerce business and compete, which we know that  
6 that's not true, right? We know that the small  
7 business ecommerce platforms -- I know we have Chuck in  
8 the room who has a great ecommerce platform as a small  
9 business that would be impacted very specifically on  
10 this issue. So I think this is probably a bigger issue  
11 than -- because it hasn't been touched hard-core here.

12 From a legal standpoint, from an SBA  
13 standpoint, there should be some sort of initiative  
14 where we address this eMarketplace because the way we  
15 understand it is the FAR does not apply in its  
16 entirety, right, and so we don't understand what that  
17 means from a small business perspective, but, Chris,  
18 your perspective would be huge if you've looked at this  
19 and can kind of give us the legal perspective that  
20 might be coming from your office on how this might be  
21 impacted.

22 MR. CLARKE: So I don't do policy, but I do do  
23 legal stuff. I think SBA has been very -- just  
24 forever, with a common thing that the Small Business  
25 Act applies to what the Government's buying, and that

1 means that everything has to be taken into account,  
2 which is everybody has to look how it should -- how it  
3 might affect small businesses and whether or not it  
4 will. And SBA's position is the Small Business Act  
5 applies. You have to take this all into consideration  
6 when you're doing it.

7 MR. PHIPPS: And so did you see things like  
8 the Buy America Act doesn't apply as long as you're  
9 following the list of names of exclusions that the  
10 company's not to buy from, like those are some of the  
11 other concerns.

12 MR. CLARKE: There's lots of concerns. I  
13 don't think SBA's are going to be the only concerns  
14 because it seems to be going in a direction that is  
15 difficult, but SBA is aware of it, and our position is  
16 Small Business Act applies when the Government's buying  
17 stuff. Exactly how it's going to apply will be -- will  
18 be weeded out over time, but it shouldn't be something  
19 where you move over here and you can think that the  
20 Small Business Act doesn't apply.

21 MR. PHIPPS: So from a protest standpoint,  
22 once this contract is awarded to GSA, does SBA get some  
23 of those -- are the protests and some of the concerns  
24 with those protests also going to be coming through  
25 your office?

1           MR. CLARKE: So this is how -- like, this is  
2 the other way that it works, is if there's a protest on  
3 the procurement as it's going forward, and it raises  
4 issues about SBA and the Small Business Act, SBA,  
5 sometimes at the request of GAO or the COFC will opine,  
6 but if it's really serious, we might just intercede on  
7 our own. So if it raises concerns about the Small  
8 Business Act, SBA will have a seat at the table and a  
9 voice in the discussion.

10           MR. PHIPPS: And so reading the solicitation,  
11 it wasn't clear if the Small Business Act even applies.

12           MR. CLARKE: I don't have an opinion, again,  
13 at this point, but, yeah, SBA's position is if the  
14 Government is buying things --

15           MR. PHIPPS: So I guess what I'm getting to,  
16 at what point does SBA intercede when they see that  
17 things are going to -- or aren't being answered  
18 properly or are deviating from just say that -- your  
19 line of thinking?

20           MR. CLARKE: What I can do is I can get you a  
21 better answer --

22           MR. PHIPPS: No problem.

23           MR. CLARKE: -- in writing --

24           MR. PHIPPS: That would be great.

25           MR. CLARKE: -- that is a little bit more

1 detailed, because I think that's what you really want,  
2 and see what I can get you --

3 MR. PHIPPS: Absolutely.

4 MR. CLARKE: -- in detail about what we're  
5 doing, how we're monitoring it, and what we think we're  
6 going to do.

7 MR. PHIPPS: That would be great.

8 MR. CLARKE: And I think that's reasonable.  
9 And I'll take that back when I go back and see what we  
10 can do.

11 MR. PHIPPS: Thank you very much, Chris.

12 MR. CLARKE: No problem.

13 MR. PHIPPS: That's awesome.

14 MR. STUBBLEFIELD: You know what, I'm going to  
15 get your mic.

16 I was going to say, this discussion here  
17 reminded me of a person I was supposed to introduce to  
18 the committee, who everybody already knows, Amy Garcia,  
19 because she's the -- you know, I talked about the  
20 liaison -- but to GCBD because, you know, in some of  
21 our ACVBA meetings, conversations like the one we just  
22 had comes up, and so in our office, we've created this  
23 additional duty for Amy. And so Amy is working closely  
24 with Barb Carson and the GCBD staff to collaborate and  
25 interface on a lot of the issues that we're talking

1 about. So you all know Amy. Amy, come over and take a  
2 bow.

3 MS. GARCIA: I have a lot of homework  
4 apparently. Thanks.

5 MR. STUBBLEFIELD: And just for the record, we  
6 have DoD on board now. Shannon Jackson is here, so we  
7 want to make sure we capture you for the record. And  
8 speaking of on the record, we have Jen here, as always.

9 So, all right, so it's time right now to take  
10 a break. Chris, thank you very much for being here.  
11 The last few months and especially last night and today  
12 I've always had a great amount of, you know, respect  
13 for your subject matter expertise, but, boy, I tell you  
14 what, this is a lot. I mean, and you -- and the way  
15 you have your arms around all of this is really  
16 impressive. So we're glad you're on our team to help  
17 us thing through this.

18 Now, what you just heard from Mike, because  
19 Mike is one member of the ACVBA. There's other members  
20 on the team, and they're united, so I tell you all  
21 this, you're in the building, and don't be surprised if  
22 sometimes we have to come up and grab you maybe for an  
23 ACVBA meeting to come down and talk through the issues.

24 Okay, so thank you all very much. We're going  
25 to take a break. How many minutes are we taking?

1 MR. KURTZ: We'll take 15.

2 MR. STUBBLEFIELD: Okay, 15-minute break, so  
3 we'll be back in place at 2:15, and all right.

4 (Meeting in recess.)

5 MR. STUBBLEFIELD: Okay, so we're going to get  
6 started. And for the record, Matthew Blum is here from  
7 the Office of Management and Budget. So, welcome,  
8 Matthew.

9 Okay, at this time, we're going to go through  
10 the agency updates. And so we're going to start, I  
11 guess, with GSA.

12 MR. CARTER: So, like, I apologize, the  
13 representative couldn't come today, so I'm here taking  
14 notes for him, and I asked him does he have anything to  
15 pass along and he said not at this point. The biggest  
16 thing I know we're working on is the VETS 3 contract.  
17 That's going to be rolling out and that's going to be,  
18 you know, one of the huge things that we're looking to  
19 do.

20 MR. STUBBLEFIELD: All right, all right.  
21 Thank you.

22 So next up is DoD.

23 MR. JACKSON: DoD, Shannon Jackson. I know  
24 Chris just provided a lot of input regarding some of  
25 the changes, but I know one of the things that the



1 Department is really focused on is the cybersecurity  
2 maturity model so there's a lot of things we need to

3 MS. PEREZ-WILHITE: Can you speak up, please?  
4 Thanks.

5 MR. JACKSON: Okay. One of the things that  
6 the Department is really focusing on is the  
7 cybersecurity for small businesses, so just be on the  
8 lookout. There's a lot of things on one of the  
9 websites. Just look up CMMS, then a lot of  
10 information, and then we launched a new project called  
11 Project Spectrum. It's a website and you go to the  
12 website, and you'll see all the updates for the  
13 Department regarding cybersecurity. Okay.

14 MR. STUBBLEFIELD: Okay, thank you, Shannon.

15 All right, next up is Department of Treasury.

16 All right, nothing from Treasury, so now we're  
17 up to Department of Veterans Affairs.

18 MS. TORRES: Hi, this is Beth Torres from VA.  
19 We only have a couple things. One of the things that  
20 Chris already hit on is that H.R. 1615, the VA/SBA Act,  
21 has passed the House. It's currently with the Senate  
22 VA Committee. We will be working together once again  
23 with our working group with SBA on how that might be  
24 implemented. That would be moving our verification  
25 program over to SBA for a federal-wide certification

1 program for SDVOSB and VOSBs.

2 And the other thing that I wanted to really  
3 talk about was next week on the 10th and 11th is the  
4 NVSBE. That's at the Nashville Gaylord Opryland Hotel.  
5 There is still time to register for that. A lot of the  
6 sessions are already filling up, but if they are filled  
7 up, there is a chance that they may be able to rerun  
8 them so that more people can take advantage of those,  
9 so there are still a few rooms left at the per diem  
10 rate.

11 Other federal agencies can register for \$400,  
12 and there is a sliding scale for small businesses that  
13 they have to check on the website for that. So that's  
14 next week, the 10th and 11th of December, and it's in  
15 Nashville. That's it for us.

16 MR. JACKSON: So last thing for DoD, one quick  
17 alibi. So very recently, the Department did release as  
18 a result of the NDAA 2019 they asked the Department to  
19 release a small business strategy, so it is actually on  
20 our website. So you can pull down the strategy for the  
21 Department that Congress asked us to do in 2019. So  
22 just for information on how we're going to make it a  
23 little bit easier for small businesses to do work with  
24 the Department. Thank you.

25 MR. PHIPPS: I have a question for Shannon

1 real quick. Shannon, for the cybersecurity for small  
2 businesses, is there going to be a certification or is  
3 there going to be a compliance checkbox that they have  
4 to do before getting contracts?

5 MR. JACKSON: So with the CMMC model, it is  
6 going to be a model, it is going to be a certification,  
7 and it's going to be over a period of time. What we  
8 did -- so one of the things in the last NDAA '19, it  
9 asked the Department to utilize the mentor protégé and  
10 the SBIR program to do some training. Last year, we  
11 were able to do over 40 workshops across the United  
12 States training over 5,563 small businesses. And with  
13 that, we started to incorporate the CMMC model in that  
14 training piece.

15 In January/February time frame, they're going  
16 to release some more information about CMMC and how the  
17 Department will try to get at certifying with a third-  
18 party certifier. And what they're going to do is  
19 establish a counsel, a CMMC counsel, outside of the  
20 Department to help us manage that process.

21 And then what we'll do is it'll be a phased  
22 approach to getting small businesses certified. But  
23 the one thing that even this week we -- yesterday, when  
24 I was at -- in Phoenix, we talked about a lot of  
25 manufacturing companies. One of the biggest things is

1 education. And I think the Department is taking a  
2 proactive approach to educating the small business  
3 community because each of the levels requires something  
4 different. Level 1, baseline standard; Level 2 and 3,  
5 a little bit more; 4 and 5, a little bit more. And I  
6 think it's very -- it's laid out in very clear detail  
7 of what small businesses need to do and how they need  
8 to do it with examples.

9 So just -- I tell you, the CMMC website and  
10 Project Spectrum will be something to look for for the  
11 future as we move forward to the third-party certifier  
12 getting small businesses prepared to do work with the  
13 Department.

14 MR. PHIPPS: Excellent. Thank you.

15 MR. STUBBLEFIELD: Okay, next up is OMB.

16 MR. BLUM: Thanks, Larry. Chris had, I would  
17 say, a robust discussion I'm sorry I missed, so -- but  
18 I don't think I need to explain why the FAR Council is  
19 busy with regulatory implementation activity. So  
20 that's good, and look for some additional rulemakings  
21 coming out shortly.

22 One issue that I did want to highlight that I  
23 may have mentioned in passing in prior sessions is our  
24 request to agencies to identify industry liaisons.  
25 This requirement was included in a memorandum OFPP

1 issued back in April in myth-busting to strengthen  
2 engagement with industry partners through innovative  
3 business practices, and it's premised on the theory  
4 that we all understand that time is money and  
5 oftentimes when agencies complain that they don't have  
6 access to the best businesses, the businesses that  
7 don't want to do business with the Government or don't  
8 -- aren't enthusiastic about it will say that we don't  
9 seem to put a value on the time that it takes to, you  
10 know, find work and get through an acquisition process.

11 So a couple of agencies were thought leaders  
12 in this space and had had success by identifying  
13 something within the agency that is simply responsible  
14 for making sure that when people reach out and had  
15 questions they're getting answers, right? Even an  
16 answer -- a negative response is better than hearing  
17 nothing. And, so, you know, there's probably nothing  
18 that is more discouraging than, you know, an entity  
19 taking its time and effort and showing interest in an  
20 agency's activities -- procurement activities and then  
21 asking questions and getting no response.

22 So back in April, we asked agencies in  
23 addition to identifying liaisons, we laid out an  
24 initial set of criteria or functions that we wanted  
25 them to be responsible for, including promoting timely

1 responses to general vendor requests, helping program  
2 and acquisition personnel develop strategies for  
3 engaging potential vendors, which is really what myth  
4 busting is about and how to have more robust, you know,  
5 conversations throughout the lifecycle, including from  
6 the early stages of doing robust market research,  
7 working acquisition advocates and OSDBUs, which is why  
8 I'm raising this, to drive practices that can help to  
9 improve access to the marketplace and increase  
10 opportunities for small businesses.

11 We've had several meetings with the liaisons  
12 so far since making this request and were very pleased  
13 to hear, in going around the room, that these liaisons  
14 said their first stop has been with the agency OSDBU.  
15 And I say that because we know and you all know very  
16 well -- especially those in the room that are connected  
17 with the OSDBUs' offices, that are OSDBUs have lots of  
18 things to accomplish and are generally overworked, and  
19 so we view this as not a competing or conflicting role  
20 but actually somebody that can help to foot-stomp for  
21 OSDBUs and build bandwidth by mainstreaming basic  
22 communicating activities that, you know, the OSDBU is  
23 working on but may not always have the time to devote.

24 So we hope that this will lead to a very good  
25 partnership and help OSDBUs in getting their jobs done

1 and also in kind of giving liaisons the opportunity to  
2 act as amplifiers of some of the work that the OSDBUs  
3 are doing and researching the marketplace and building  
4 that strong supplier base.

5 MR. STUBBLEFIELD: When does this go into  
6 effect?

7 MR. BLUM: It is in effect, and the list of  
8 the OSDBUs, I think, is -- sorry, the list of the  
9 industry liaisons should have been shared, but we're  
10 going to, I think, send around the latest list to the  
11 CIO council and it will also be posted, publicly  
12 obviously, because the whole point of this is for  
13 industry to know who these folks are, and we'll make  
14 sure that it gets around to this group and to the  
15 various councils.

16 A couple of projects that they're working  
17 on that may be of interest, we want liaisons to work  
18 on creating -- we're calling them front doors -- to  
19 list in one web location the industry liaison contact,  
20 the vendor communication plan, the agency procurement  
21 forecast, and any sort of "doing business with"  
22 materials that the agency has so there's somewhat of  
23 a common look and feel, you know, to finding us,  
24 understanding that each agency's mission is different  
25 and people will run their programs a little

1 differently.

2 MR. STUBBLEFIELD: Those of you on the phone,  
3 please mute your phones if you will.

4 MR. BLUM: And the second point -- the second  
5 project is we want to work with agencies in identifying  
6 ways to improve forecasting and how information is  
7 shared on the procurement forecast activities. As you  
8 know, kind of the traditional model has been to have  
9 annual information shared on a forecast for the coming  
10 year, but we've seen a number of agencies that have  
11 models that are much more in real time. USAID, in  
12 fact, I think in one of the recent sessions, instead of  
13 having an annual forecast, they're able to do new daily  
14 updates for more accurate and in-depth information that  
15 I think is useful.

16 MR. STUBBLEFIELD: Who's on the phone right  
17 now? Who's on the phone? Treasury, are you there?

18 MS. PEREZ-WILHITE: Fran is here, but it's not  
19 me.

20 MS. KOECH: And Janet is with Treasury. It's  
21 not me either.

22 MR. STUBBLEFIELD: Okay, if you're on the  
23 phone, please hit your mute button.

24 MR. PHIPPS: Cheryl, can we mute from our end?  
25 I think we can.



1           MR. BLUM: In any event, so just to summarize,  
2 now that maybe folks can hear, we're going to be  
3 emphasizing a lot of work in collaboration between our  
4 industry liaisons and the OSDBUs for purposes of  
5 improving communication and promoting best practices in  
6 that space, so more to come.

7           MR. STUBBLEFIELD: Okay. Thank you very much.  
8           So Student Veterans of America, Will, you're  
9 on.

10           MR. HUBBARD: Great. Thanks a lot. Again,  
11 Will Hubbard, chief of staff, Student Veterans of  
12 America. We're very excited to be hosting our annual  
13 national conference coming up just around the corner.  
14 So if you see some bags under my eyes, you'll know why.  
15 We're really thrilled to be hosting our friends from  
16 SBA, which will have a panel there, and so that's  
17 January 3rd to 5.

18           It's the largest annual gathering of post-9/11  
19 veterans in the country, and just looking forward to  
20 hopefully seeing a bunch of you out there. So that's  
21 it for us. Oh, it's in Los Angeles, California.

22           MR. JACKSON: When is that?

23           MR. HUBBARD: L.A.

24           MR. JACKSON: No, when?

25           MR. HUBBARD: Oh, January 3 to 5.

1 MR. STUBBLEFIELD: Okay, the North Carolina  
2 Military Business Center. Fran, are you there?

3 MS. PEREZ-WILHITE: Yeah, hi. Can everyone  
4 here?

5 MR. STUBBLEFIELD: Yes, we can hear you just  
6 fine.

7 MS. PEREZ-WILHITE: Okay, if I get too loud,  
8 let me know. I'd like to briefly discuss the First  
9 Health Initiative that the NCMBC is involved with.  
10 First Health has a hospital that is a major presence in  
11 Pinehurst, North Carolina, not that far from Fort  
12 Bragg. Pinehurst is in Moore County, and they would  
13 like to be known as more than just a golf course.

14 They're building a large medical footprint.  
15 We at the NCMBC decided to get involved, and the reason  
16 why is this. Many veterans that have medical schools  
17 move there permanently. As a result, First Health  
18 recognized the importance and benefits from working  
19 with veterans.

20 I am taking this even further. I will be  
21 introducing next year veteran-owned small businesses  
22 and service-disabled veteran-owned small businesses to  
23 the local clinicians. These clinicians are the ones  
24 that actually decide which products and services will  
25 need to be contracted to First Health. After our

1 veterans win these First Health contracts, they will  
2 then have past performance and a competitive advantage  
3 to win federal contracts, hopefully with the VA and DoD  
4 and Womack Army Hospital, for example. This will be a  
5 win/win for all that are involved. If you would like  
6 to be involved with this First Health Initiative,  
7 please let me know.

8           Tomorrow, my NCMBC team is hosting the  
9 Military Innovation Operational Forum, also known as  
10 the MIO Forum, in Fayetteville, North Carolina. We'll  
11 be bringing out the medical decision-makers from Fort  
12 Bragg to announce their medical requirements to the  
13 public. This is also a follow-up from my event last  
14 June, the Medical, Biomedical, and Biodefense, support  
15 to the Warfighter Symposium.

16           This is to ensure that our veteran-owned  
17 businesses and disabled veteran-owned businesses get  
18 another face-to-face meeting with Fort Bragg medical  
19 decision-makers. We'll have leaders from Womack Army  
20 Medical Center, Fort Bragg Research Institute, Joint  
21 Special Operations Command, and Special Forces Medics.  
22 There are approximately 70 companies that wanted to  
23 take advantage of this follow-up from our symposium  
24 last June. We plan to have another follow-up in March.  
25 If you would like to be involved, please let me know.

1           I'd also like to take this time to thank the  
2 federal agencies who supported our recent Southeast  
3 Regional Federal Construction, Infrastructure and  
4 Environmental Summit, also known as the Summit, in  
5 October in Wilmington, North Carolina. The Summit was  
6 comprised of business development sections, meet-and-  
7 greets, trade show, and private, one-on-one meetings  
8 with the federal agencies and small businesses.

9           We had to limit our attendance to  
10 approximately 800 attendees due to the venue. We  
11 had 70 more on standby. The majority of these  
12 companies were veteran-owned. A big thank you to  
13 especially the VA, the VA OSDBU, VISN 6, VISN 7,  
14 construction facilities, and, of course, you know,  
15 Chanel Bankston-Carter. We'd also like to thank  
16 Army Corps of Engineers, NAVFAC, Fort Bragg, Marine  
17 Corps Installations East, Seymour Johnson Air Force  
18 Base, Coast Guard, and GSA. If you would like to be  
19 involved with next year's FedCon Summit, please let  
20 me know.

21           That's all I have today.

22           MR. STUBBLEFIELD: Okay, thank you very much  
23 for that report, Fran.

24           All right, we're a little, I guess, ahead of  
25 schedule.

1 All right, so this is -- okay, yeah, I guess  
2 we are ahead of schedule. I don't know what I'm  
3 looking at. All right, we're in the public comment  
4 period, 2:35 to 2:50, public comments.

5 MR. PHIPPS: Larry, I would -- just quick  
6 American Legion update. One of the big things the  
7 American Legion has been doing over the last several  
8 months is going to the Hill to try and get rid of the  
9 fee for the 7(a) program for veteran service members  
10 and spouses, with the idea that we would like to see  
11 that fee permanently erased so every year it's not  
12 something that we have to go and work on. So that's  
13 probably the biggest thing that we've been working on.

14 MR. STUBBLEFIELD: All right. Thank you very  
15 much for that, because that is, indeed, a huge deal.

16 Okay, again, we're in the public comment  
17 period.

18 MR. WYNN: Just a couple of comments. Good  
19 afternoon, everyone. Joe Wynn, Air Force veteran with  
20 the Veterans Entrepreneurship Task Force. I just  
21 wanted to make a couple of comments. Some of you may  
22 be aware that there's legislation moving through  
23 Congress regarding the AbilityOne contracting program  
24 to kind of reprioritize it over the VetsFirst program  
25 at the Department of Veterans Affairs.

1           There's still a whole lot of veterans, if not  
2 all veteran business owners, opposed to this  
3 legislation, but at the moment, it's supposedly  
4 scheduled for a markup tomorrow. Both sides of the  
5 House seem to have support for it, but it's not a done  
6 deal yet, so, you know, I bring it up before this body  
7 so that, you know, maybe you can pass the word. I  
8 don't know how the different agencies feel about this  
9 particular act being that VetsFirst is the priority at  
10 the VA and it was reaffirmed by the Supreme Court  
11 ruling in 2016 that vets should have priority, which  
12 was based on the Public Law 109-461.

13           I'm sure most of you are familiar with the  
14 AbilityOne program, and, you know, from my perspective  
15 and the perspective of many other veteran business  
16 owners, of course, none of the veterans, none of us,  
17 are opposed to helping people with disabilities, even  
18 our veteran business owners, many of whom are also  
19 people with disabilities, which is the AbilityOne  
20 program, their intended purpose to help employ people  
21 with disabilities.

22           So perhaps, you know, there's some way to put  
23 a stop on this legislation to reprioritize AbilityOne  
24 over veterans at the Department of Veterans Affairs  
25 because if no place else in the federal marketplace,

1 veterans should maintain the priority in contract.

2 Another thing I just wanted to touch on, and  
3 this is kind of an open question to the agency  
4 representative, what's the view or with regard to  
5 Government-wide certification for veteran business  
6 owners, you know, we've talked about that verification  
7 process moving from VA to SBA, but there's still the  
8 notion and the effort, advocacy on many -- in many  
9 people's parts to see a government-wide certification  
10 program. Where are things with that?

11 Also, you know, when this Interagency Task  
12 Force was formed, its intended purpose was to  
13 coordinate and communicate, exchange information and  
14 ideas among agency representatives with the intended  
15 purpose of identifying activities to increase  
16 contracting opportunities for veteran business owners  
17 and service-disabled veteran businesses.

18 So, you know, I come to these sessions as much  
19 as I can, and I hear the agency reports. The agencies  
20 are always busy doing stuff, but are they doing stuff  
21 with the intended purpose of increasing activities for  
22 veteran business owners? I don't know if any of you  
23 representatives here today want to identify any  
24 specifics, but give it some thought if you don't want  
25 to comment today because that was the whole purpose

1 behind this task force.

2 And one other thing I mentioned, many  
3 veterans, including myself, attend the VA National  
4 Veterans Small Business Engagement Conference every  
5 year since it started, advocating and promoting, you  
6 know, more opportunities for veteran business owners.  
7 This year, I have to say, the pricing is ridiculous.  
8 It's absolutely ridiculous. It's almost up to \$800  
9 right now to register.

10 The conference used to be three and a half  
11 days; it's one and a half. Just one and a half days  
12 for almost \$800. And we're trying to promote  
13 opportunities for veteran business owners, small  
14 business owners, who are struggling to try to make it.  
15 So I'm not -- I just don't understand how that got by  
16 somebody with the organization of this conference.

17 There's even one other thing. When you  
18 register for the conference, you have to stay at the  
19 Gaylord Hotel Convention Center. If you don't, the VA  
20 is going -- I shouldn't say the VA, but you will be  
21 charged an additional \$200 after the conference if you  
22 stay in a cheaper hotel somewhere. I never heard of  
23 that at any other conference.

24 Anyway, just wanted to voice my view on that,  
25 as well as I'm getting a lot of calls from a lot of



1 veteran business owners feeling the same way. So  
2 that's my two cents on that. Thank you.

3 MR. STUBBLEFIELD: Okay. We have a few more  
4 moments for public comment.

5 MR. FOWLER: Hey, this is Charles Fowler. I'm  
6 with the American Legion Small Business Task Force.  
7 I'm also an SDVOSB owner and an authorized AbilityOne  
8 distributor as well. What I wanted to bring up today,  
9 though, is an issue that has been growing over the last  
10 -- particularly over the last three or four months,  
11 which is -- it touches on the ecommerce point brought  
12 up earlier. And that is the sales tax issue within the  
13 50 U.S. states.

14 This has been a problem for decades. I mean,  
15 everybody's known it was a problem for decades, but  
16 given the recent court ruling a few months ago, it has  
17 increased. It seems like almost every week I'm getting  
18 a notice from another vendor saying, hey, I need a tax  
19 certificate for the state. We've been doing business  
20 in that state, selling to the Federal Government for  
21 10, 15 years, never needed a tax certificate for there,  
22 but one by one by one, they're all coming around.

23 And, ultimately, what this will wind up being,  
24 there'll be 50 tax certificates necessary to sell goods  
25 on the internet, even if you are selling completely 100

1 percent to government and all of your sales are "tax-  
2 exempt," you still have to go through the process, do  
3 the monthly, quarterly, or annual returns, identify how  
4 many sales, how much of it was exempt. You've got to  
5 go through a process. It doesn't really matter whether  
6 you've got a dollar's worth that you got to pay tax or  
7 \$100 million worth you got to pay taxes on. But this  
8 is going to be an issue for a lot of SDVOs and -- SDVOs  
9 or VOSBs and even companies that aren't registered as  
10 SDVO or VOSBs.

11           And when we start talking about the rural  
12 outreach and what are some of the things that can be  
13 done in a rural area, as long as they have adequate  
14 internet access, ecommerce, but if you've got --  
15 you've got a mom-and-pop veteran who's trying to  
16 manufacture tactical gear -- this is a big, big  
17 thing -- a lot of -- and there's been some success,  
18 a lot of success, in the tactical gear arena from  
19 veterans who serve, said, hey, I can build -- make a  
20 better mousetrap, come up with it, and physically  
21 manufacture them themselves initially until they got  
22 enough orders to grow the business.

23           That can be done in a rural area, but you  
24 can't do this if you've got to have an entire  
25 department that handles your tax returns, your sales

1 tax returns that are done for 50 states. And one after  
2 another Congresses have kicked this can and kicked this  
3 can. This is not a new issues. We've been talking  
4 about it for a very long time, but it's coming to a  
5 head and we've got to deal with it. It's literally  
6 going to crush thousands upon thousands of small  
7 businesses that are reliant in any way on ecommerce or  
8 interstate sales. So I just wanted to bring that up.

9 MR. STUBBLEFIELD: Okay, thank you. Thank you  
10 for bringing that up. We captured it on the record,  
11 and we'll see where we go from here with that.

12 All right, it's the end of the public comment  
13 period. Before we take a break, is there anything else  
14 we would like to bring up around the table here? If  
15 not, we're going to take I guess a 15-minute break, and  
16 then we're going to talk about the Interagency Task  
17 Force Annual Report. Amy will lead us in that  
18 discussion.

19 MR. PHIPPS: Really quick, I'd like to see if  
20 anybody has any answers to what Joe had brought up  
21 about different -- about this committee and the  
22 agencies specifically addressing veteran-owned business  
23 issues and their comments, and I know Shannon is  
24 raising his hand. And generally, it does, I think, the  
25 refocus is good, and then also for the VA conference if

1 there's anything from the VA on that would be good,  
2 just for a quick comment and response.

3 MR. STUBBLEFIELD: Well, I tell you, in  
4 regards to what the federal agencies are supposed to be  
5 doing in this, with the task force, we're going to go  
6 back and take a look at it because I have looked at,  
7 you know, documentation that was out when the committee  
8 originated, if you will, and it was, you know, back in  
9 the time when we're -- unemployment, I guess, was very  
10 high, and I don't -- I haven't read anything to talk  
11 about the focus on contracting as much as the period  
12 unemployment being what it was, you know, when the Task  
13 Force was originated.

14 So, again, we've captured it on the record.  
15 We can put this on -- as an agenda item going around  
16 for the next Task Force to -- what we'll call it is a  
17 historical review of the Task Force, going back to the  
18 creation, because I don't think it was -- I know it was  
19 an Executive Order, I believe, not necessarily  
20 legislation. I guess I'm asking you, Amy.

21 MS. GARCIA: It's supported (off microphone).

22 MR. STUBBLEFIELD: Okay, all right, so then we  
23 need to just pull all that and actually look at it,  
24 Joe.

25 In terms of VA, I don't know, Beth, if you

1 want to take that back to the VA.

2 MS. TORRES: I have to take it back.

3 MR. STUBBLEFIELD: Okay. Then you talked  
4 about VetsFirst and AbilityOne. I think that's kind of  
5 like -- I mean, I took that as information for the Task  
6 Force because that is out there. And then, let me see,  
7 government-wide -- the government-wide certification  
8 piece. I was wishing Chris was still here because I  
9 know that's a subject that's been talked about in  
10 Government Contracting and Business Development. And  
11 we'll -- we can take that back. Well, we've got a  
12 liaison here, and Amy can take that back to GCBD  
13 because it does come up all the time about this  
14 government-wide certification.

15 And I believe the last time I heard Barb  
16 Carson talking about it, it was with the possibility of  
17 the CVE transfer. I don't think the government-wide  
18 certification piece was going to be part of that, but  
19 it is part of the discussion and folks are talking  
20 about it. So we owe you an answer on that.

21 MR. BLUM: Larry, this is Matt. Just  
22 referring back to Joe's point and then Michael's foot-  
23 stomping --

24 MR. STUBBLEFIELD: Is your mic working?

25 MR. BLUM: I think so. You just don't

1 recognize my voice without the background noise. I  
2 know the Task Force with Amy's facilitation is going to  
3 be discussing the report, but I think part of that is  
4 also the reorganization or looking at the goals and  
5 restructuring of that. So, you know, I think, you  
6 know, that's an opportunity for us to refocus and make  
7 sure that the specific new set of recommendations that  
8 we're working towards are appropriate -- have an  
9 appropriate nexus to -- and I think it goes beyond  
10 contracting and I think my recollection is in terms of  
11 the legislation, but clearly if it's veteran and  
12 service-disabled veteran-focused for sure. So, I mean,  
13 that exercise should help, at least in part, to address  
14 our concern.

15 MR. STUBBLEFIELD: Okay. And then I was just  
16 going to say to Charles on the sales tax certification,  
17 this is the first time I've heard this one, so we'll  
18 have to take it back and, you know, take a look at it.  
19 But, again, it's captured on the record, and I know the  
20 American Legion, I appreciate you're probably pretty  
21 much up on this, so I'll probably have a discussion  
22 with you as well and figure out where we're going to  
23 go.

24 And it's a good thing we have the American  
25 Legion here because, as you heard, they're actually on

1 the Hill, and so I appreciate you bringing it up.

2 Okay, break time. So what do we say, 3:05,  
3 we'll start on the annual report with Amy leading the  
4 discussion.

5 (Meeting in recess.)

6 MR. GARCIA: All right, thank you, everyone,  
7 for being here today. We've got a few things to do for  
8 the Task Force report. We're doing a consolidated  
9 report. We can't put everything in the kitchen sink in  
10 the report, but a lot's been done, and so I think we  
11 can get to the point of where we are now and highlight  
12 some of those efforts and where the story began.

13 So what the members -- for folks on the phone  
14 and, Fran, I hope you have a copy, too, and, Treasury,  
15 you do, too -- I passed out a copy to members in the  
16 room of just the recommendation section so they'd have  
17 a hard copy -- so we'd have a hard copy to talk about.

18 Now, the report we do need to get out. At the  
19 last meeting, we talked about the timeline. We've  
20 received comments and input from a few agencies, so I  
21 went ahead and took a few liberties with some language  
22 in there to research people's -- you know, agencies'  
23 websites and see what the latest, greatest was and link  
24 things. That's in another section that's not included  
25 in this paperwork today, but if you have the email from

1 before, I think it was under the recent highlights. So  
2 if you've got the copy that I provided today, that  
3 won't be in there, but you can certainly get it.

4 But what we really need to do is regroup into  
5 subcommittees. We were -- I think early on, the  
6 committee was very productive working under that  
7 structure of subcommittees. So we've got four priority  
8 areas where we focus our work, and what I would ask  
9 each agency is where -- to please volunteer for a  
10 subcommittee where you feel that you fit in well with  
11 the priority area.

12 So the first priority area we have is increase  
13 opportunities for growth. That's increase the flow of  
14 capital and federal contracting opportunities to VOSBs,  
15 so obviously SBA has the access to capital piece on  
16 that. I know Treasury may have some work in that area  
17 that we can highlight. Then -- and if there's anyone  
18 else, please speak up.

19 Improve and expand counseling and training  
20 services, I think we all have a little bit of a piece  
21 of that, but we probably focus it to the primary -- I'm  
22 thinking SBA. We have our training, counseling,  
23 entrepreneurial development, but if you feel like you  
24 can fit into that priority area and support it, that  
25 would be great.



1           Reduce barriers to growth and improve  
2    coordination and efficiencies. That's certainly  
3    something where we all can participate on, so you see  
4    TAP is a big part of that; VSOs certainly are a big  
5    part of that.

6           Other priority recommendations, that's  
7    identify and address research and policy issues. So  
8    I'm just going to open it up to any initial thoughts on  
9    where folks might fit in. So while you're thinking  
10   about that, in a short amount of time, after we work on  
11   subcommittees, then we'll look at the report, where we  
12   are with it, and then if we could start to work on some  
13   -- drafting recommendations for the next year today,  
14   work on the recommendations today for the next year  
15   ahead, that would be really helpful, and then we can  
16   finalize the formal recommendations at the March  
17   meeting and then basically have our marching orders to  
18   finish the report for the next fiscal year.

19           So does anyone have any initial thoughts on  
20   subcommittees?

21           MR. STUBBLEFIELD: You need the mic?

22           MR. PHIPPS: Maybe we let the agencies go  
23   first, and then the VSOs can plug in where the holes  
24   are.

25           MS. GARCIA: Okay, I've got a full copy of the

1 report, so I'm going to just breeze through my notes  
2 here. So I'm wondering if, Treasury, would you agree  
3 to be on the subcommittee with SBA for increase  
4 opportunities for growth?

5 MS. KOECH: Sorry, could you repeat that  
6 question?

7 MS. GARCIA: Yes. We're talking about the  
8 four priority areas where the Task Force focuses.

9 MS. KOECH: Yes.

10 MS. GARCIA: And the first priority is  
11 increase opportunities for growth, which primarily  
12 focuses on access to capital, also federal contracting  
13 opportunities, but as far as the access to capital  
14 piece, would Treasury be willing to be on a  
15 subcommittee with SBA to work through that priority?

16 MS. KOECH: Let me have Mary Ellen get back to  
17 you on that.

18 MS. GARCIA: Okay, thank you so much.

19 MR. STUBBLEFIELD: And maybe just let her  
20 know that because Treasury with the CDFIs, that would  
21 be -- that's one of the priority areas that we're  
22 trying to --

23 MS. GARCIA: Sure. So, Janet, I'm not sure if  
24 you have the background on the CDFI SBA discussions,  
25 but it would be a good fit. But certainly we'll look

1 forward to hearing back from you on that. Thank you.

2 MS. KOECH: You're welcome.

3 MS. GARCIA: Is there anyone else who thinks  
4 that they might be appropriately suited?

5 MR. BLUM: I think OFPP for the contracting  
6 piece.

7 MS. GARCIA: Okay, so OFPP?

8 MR. BLUM: Yeah.

9 MS. GARCIA: For the contracting piece? Thank  
10 you. That's OMB, Matthew.

11 Okay, improve and expand counseling and  
12 training services. Let's see.

13 MR. BLUM: I know DoD and GSA aren't here, but  
14 I'm assuming they'll also be part of the contracting  
15 piece, too.

16 MS. GARCIA: They're a big part of that.

17 MR. STUBBLEFIELD: We're going to sign Shannon  
18 up.

19 MS. GARCIA: Yeah, I talked to Shannon.  
20 Shannon had to leave, so I talked to him a little bit  
21 about that.

22 MR. GREEN: And DOL will be part of that.

23 MS. GARCIA: Okay.

24 MR. GREEN: I volunteer them.

25 MS. GARCIA: So for number two, I hear, I

1 think, all the federal agencies that we have at the  
2 table.

3 Treasury, you may have a piece in that, but I  
4 don't think you need to be on the subcommittee, maybe a  
5 small piece. We can talk through that when we talk  
6 with Mary Ellen.

7 MR. CARTER: Amy, quick question. Are you  
8 going one by -- 1.1 and 1.2?

9 MS. GARCIA: I'm sorry, DeWayne. I'm just --  
10 I am skipping around a little bit. We're just trying  
11 to go through each priority area as a kind of  
12 overarching --

13 MR. CARTER: No, absolutely, but are they  
14 followed in this document so when you read along as you  
15 call this actually you can see what the requirements  
16 and recommendations are?

17 MS. GARCIA: We don't have all the  
18 recommendations listed out in a separate sheet, but --  
19 so it would be, like, 1.1, 1.2, I think, in the report.

20 MR. CARTER: Okay. Yeah, I can follow it that  
21 way, because you have it here like that. I just wanted  
22 -- when you said one and two, I was, like, where'd the  
23 one go?

24 MS. GARCIA: Oh, so it's from the priority  
25 area --

1 MR. CARTER: Okay.

2 MS. GARCIA: -- not the specific  
3 recommendations. Okay, so I think we have -- oh.

4 MR. BLUM: So, Amy, apologize I didn't say  
5 this earlier. Matthew. For base -- just to set the  
6 baseline, can you remind us, are these groupings --  
7 these were decided by the Task Force maybe a couple  
8 years ago now when they were really taking stock of our  
9 accomplishments. These are not the original areas that  
10 were outlined in the statute. I'm not taking --

11 MS. GARCIA: So the statute is written a  
12 little more broadly.

13 MR. BLUM: Yeah.

14 MS. GARCIA: And, so, these priority areas  
15 were adopted to address the broader language and the --

16 MR. BLUM: Not from the beginning of the Task  
17 Force. It was from sometime in -- or were they?

18 MS. GARCIA: I think they were.

19 MR. BLUM: Okay, okay.

20 MS. GARCIA: Yep.

21 MR. BLUM: Okay.

22 MS. GARCIA: Okay, so hearing nothing more on  
23 priority two, the third priority is reduce barriers to  
24 growth and improve coordination and efficiencies. So  
25 we're really looking for subcommittee leaders there as

1    opposed to the whole kit and caboodle.  So I think  
2    currently we have lead agencies as GSA, OMB, SBA, and  
3    VA.  I guess we need DOL in there because we need to  
4    consider TAP as part of what we focus on now as well.

5           MR. HARVEY:  And, Amy we would like to be on  
6    that.

7           MS. GARCIA:  Okay, thank you.  And, Stan,  
8    thanks you're capturing some of this, just to make  
9    sure --

10          MR. KURTZ:  Yes.

11          MS. GARCIA:  Okay, thank you very much.

12          MR. GREEN:  So you've got GSA, DOL, SBA.  Who  
13    else?

14          MS. GARCIA:  DoD.

15          MR. STUBBLEFIELD:  You're on the third one.

16          MR. HARVEY:  You're on the third one?

17          MS. GARCIA:  Yes.

18          MR. HARVEY:  Yeah, DoD.

19          MS. GARCIA:  And SBA, Student Vets.

20          MR. HARVEY:  Yeah, got it.

21          MR. PHIPPS:  So the Legion can assist with  
22    that and on the fourth one, I think, are good fits.

23          MS. GARCIA:  Okay.

24          MR. PHIPPS:  Because the Legion has a good  
25    policy team which is closely --

1 MS. GARCIA: Absolutely. Okay, so American  
2 Legion, also, on number three?

3 MR. KURTZ: Got it.

4 MS. GARCIA: Okay, and then moving to four,  
5 other priority recommendations, identify and address  
6 research and policy issues. This one may not have been  
7 part of the -- we may have interpreted this a little  
8 bit to put that into the recommendations, but it's  
9 certainly relevant. Wow, I can think of a lot of  
10 things, we could pull it out here, but --

11 MR. PHIPPS: Chris' entire group.

12 MS. GARCIA: Chris' entire -- right. But,  
13 also, you know, there's been some -- you know, a lot of  
14 progress and data sharing amongst the agencies,  
15 especially with the Data Act and data-driven  
16 policymaking, that sort of thing. So I think we have  
17 some new opportunities there to identify even just  
18 common data sets that might help craft, you know, the  
19 VOSB -- where they are in the world today. You know  
20 what I mean? Where they're kind of like the Veteran  
21 Business Index is what I was thinking of from the ACVBA  
22 recommendations. So, okay, so we've got American  
23 Legion.

24 MS. TORRES: VA can help with that.

25 MS. GARCIA: VA. Student Vets. Anyone else?

1 Okay, you can always change your mind and come back  
2 later to the table.

3 Okay, so we've got our subcommittees. Wow,  
4 that was great work. Thank you.

5 MR. GREEN: We've got VA. Who else?

6 MS. GARCIA: Student Vets.

7 MR. GREEN: Okay.

8 MS. GARCIA: And American Legion.

9 MR. GREEN: Okay.

10 MS. GARCIA: Okay. Wow, that was great.

11 Thank you all so much for that. So I'm not sure if we  
12 have enough presence in the room today, but I just was  
13 wondering what your thoughts were on maybe briefly  
14 going through each of the recommendations in the  
15 report. I know it's not complete. We're still getting  
16 information, but do we have enough to call it closed?  
17 Do we have -- do we need to pivot the recommendations  
18 as something else because we've finished the work but  
19 we still want to maintain that path? So I'm wondering  
20 what people's thoughts were.

21 MR. PHIPPS: Is some of the plan to take the  
22 subcommittees that you just did to be --

23 MS. GARCIA: Yeah, we could do it through  
24 subcommittee work. Is that what you think might be a  
25 possibility?



1           MR. PHIPPS: Well, that will help us plan for  
2 the next report.

3           MS. GARCIA: It will. And so by moving things  
4 to subcommittees, we can take things offline from full-  
5 committee, public meetings, and we can have, you know,  
6 conference calls, and then the final piece we can vote  
7 on, talk about, at the next meeting, at our public  
8 meeting.

9           MR. PHIPPS: Do you want to set some deadlines  
10 for the subcommittees to review their sections and get  
11 it out?

12          MS. GARCIA: Yeah. We -- it's been really --  
13 oh, my gosh, we've all -- we're all so busy, aren't we?  
14 What do we think are reasonable recommendations for the  
15 time frame?

16          MR. HARVEY: What's the date of our next  
17 meeting?

18          MS. GARCIA: In March, like the first week or  
19 second week of March, depending. It's usually the  
20 first week, but it depends with holidays.

21          MR. BLUM: Just as a clarification, in terms  
22 of -- just to make sure, it seems like there's two  
23 things. One is the accomplishments and the report, and  
24 then the second is the review of the recommendations to  
25 determine how they might be refreshed or changed or

1 modified. So are they being done simultaneously? In  
2 other words, is the report that's going to be issued  
3 just going to be looking back at what's happened, or is  
4 it also going to contain whatever the results of the  
5 subcommittee reviews and the committee's decisions on  
6 the new recommendations moving forward?

7 MS. GARCIA: Well, I guess ideally it should  
8 be in one document, but we're really trying to push  
9 through the report to complete it, so what are the  
10 thoughts of the committee?

11 MR. BLUM: Sorry, so -- because I think you  
12 had said, just as a starting point, so we can move back  
13 -- or go back if necessary, what's the goal for  
14 purposes of issuing the report? I thought the last  
15 time you commented on this it was December that you  
16 wanted to get this over to --

17 MS. GARCIA: Yeah, that's, like, right.

18 MR. BLUM: Right, right. But in other words,  
19 you were asking agencies for input on accomplishments,  
20 so that's what I was saying, if it's that exercise, the  
21 deadline can be sooner than you expect the subcommittee  
22 -- because the subcommittees are going to have to meet,  
23 figure out what adjustments they want to make, and then  
24 they're going to have to be discussed at the full  
25 committee level, so that's going to mean not before the

1 next -- okay.

2 MS. GARCIA: Correct.

3 MR. BLUM: So is that what's on the table as  
4 holding up the report until both exercises are done?

5 MS. GARCIA: Well, I really think we should  
6 move forward on the report and try to meet the  
7 deadline, so that would not include those subcommittee  
8 conversations. Not to say --

9 MR. HARVEY: And that's just accomplishments.

10 MS. GARCIA: I'm sorry?

11 MR. HARVEY: And that's just accomplishments?

12 MS. GARCIA: Just accomplishments for the  
13 report, right.

14 MR. BLUM: I mean, the report can certainly  
15 have some discussion of the fact that the committee is  
16 in the process of reviewing the recommendations and  
17 reestablishing subcommittees or whatever, you know,  
18 process steps so that the public is kept informed of  
19 what's going on, and the next report will address the  
20 results of those deliberations.

21 MS. GARCIA: Yep.

22 MR. PHIPPS: Are these recommendations going  
23 in the report for December time line --

24 MS. GARCIA: Yes. This is the draft report --

25 MR. PHIPPS: This is the draft report.

1 MS. GARCIA: -- that we're trying to finish up  
2 right now. And so --

3 MR. PHIPPS: Would subcommittees be reviewing  
4 this? That's what I'm trying to --

5 MS. GARCIA: Right, sorry, I'm not --

6 MR. PHIPPS: -- so subcommittees would be  
7 reviewing the current report, or no?

8 MS. GARCIA: Well, I would say no.

9 MR. PHIPPS: Okay.

10 MS. GARCIA: But we want your voice to be  
11 included. So I don't want to "disclude" you from  
12 providing input on the current report but thinking  
13 about where we're headed.

14 MR. PHIPPS: Right.

15 MS. GARCIA: Does that make sense?

16 MR. PHIPPS: So --

17 MS. GARCIA: So at some point, we're going to  
18 have to dig in a little bit to the recommendations to  
19 figure out --

20 MR. PHIPPS: Right

21 MS. GARCIA: -- where -- you know, what we can  
22 close, but that's part of the future recommendations,  
23 which goes back to what you were talking about.

24 MR. CARTER: So, Amy, on accomplishments,  
25 that's already been tasked out and already identified

1 who's going to do those. So we should be looking at  
2 giving those accomplishments on those before looking at  
3 any new subcommittee path that you're going to  
4 voluntarily do on top of it?

5 MS. GARCIA: Yes, yes.

6 MR. CARTER: Because that's a little  
7 confusing.

8 MS. GARCIA: Yes.

9 MR. CARTER: Okay, well, whatever you already  
10 assigned --

11 MS. GARCIA: Okay, so we'll work on the  
12 report.

13 MR. CARTER: Okay.

14 MS. GARCIA: Any updates that you can make to  
15 the report, trying to make an end-of-December deadline,  
16 for input. Then the review and clearance process will  
17 start. And by having subcommittees, we can -- if we  
18 have questions about it or follow up.

19 MR. PHIPPS: So do we want to keep our  
20 comments on the current report just basic and then wait  
21 for another deadline for the future recommendations  
22 input --

23 MS. GARCIA: Right.

24 MR. PHIPPS: -- and later --

25 MS. GARCIA: Considering what Matthew said,

1     though, there's still opportunities to say in here --

2             MR. PHIPPS: Right.

3             MS. GARCIA: -- to put in the report potential  
4 possible future opportunities.

5             MS. GARCIA: Oh.

6             MR. BLUM: But the focus -- in other words,  
7 the focus of the review should be on making sure that  
8 it properly reflects the accomplishments that have  
9 occurred, not in trying to rewrite the recommendations.  
10 We're accepting that, and that's what they were at the  
11 point in which --

12            MS. GARCIA: Yes.

13            MR. BLUM: -- we were doing this work.

14            MR. PHIPPS: Okay.

15            MS. GARCIA: I mean --

16            MR. BLUM: And then the executive summary or  
17 something can have some special --

18            MS. GARCIA: We're caught between a rock and a  
19 hard place with this report, so it's just -- it's a  
20 bear of a task and we just want to get it finished so  
21 we can kind of refresh -- and hit the refresh button,  
22 because ideally, the report would include the  
23 recommendations and where we're going -- you know, the  
24 path moving forward for this, but in this report,  
25 really we just need to accept the accomplishments or,

1 you know, and move forward and reestablish our  
2 subcommittees.

3 MR. PHIPPS: I got you.

4 MS. GARCIA: So we can roll up our sleeves  
5 and work together a little more productively than we  
6 have --

7 MR. PHIPPS: So the only change --

8 MS. GARCIA: -- in the past, which is kind of  
9 what Joe was --

10 MR. PHIPPS: -- so I'm going to clarify, the  
11 only changes to this physical document that we're  
12 looking at would be future recommendations to be  
13 included.

14 MS. GARCIA: Ooh, in our current report --

15 MR. PHIPPS: And to -- this is the report  
16 that's getting submitted at the end of December.

17 MS. GARCIA: Yeah, that's a portion of the  
18 report.

19 MR. PHIPPS: Right --

20 MS. GARCIA: So we're adding to whatever  
21 accomplishments that have --

22 MR. PHIPPS: -- accomplishments --

23 MS. GARCIA: -- accomplishments for 16 --

24 Hello, we can hear your conversation on the  
25 phone, please. Mute, thanks.

1           Do you have a comment? I didn't mean to be so  
2 rude. We've just been hearing a lot of --

3           MR. HARVEY: I like the aggression.

4           MS. GARCIA: -- the private conversations on  
5 the phone today.

6           So any input American Legion has on what's  
7 currently in the report, accomplishments that we've  
8 been made --

9           MR. PHIPPS: Okay.

10          MS. GARCIA: -- that we've made, challenges,  
11 too, and then we'll shift to the new recommendations.  
12 We just wanted to get the subcommittees established.  
13 Like three different tracks we're trying to kind of  
14 pull together.

15          MR. HARVEY: That feedback for round one, or  
16 current report, to you or --

17          MS. GARCIA: Yeah.

18          MR. HARVEY: Okay.

19          MS. GARCIA: So, you know, track changes on  
20 the report, I'll send it out with instructions tomorrow  
21 and refresh.

22          MR. PHIPPS: There you go.

23          MS. GARCIA: With a timeline and the  
24 expectations for clearance, too, because actually the  
25 report will probably take about three months to get



1 cleared through interagency by the time all is said and  
2 done. I don't know --

3 MR. PHIPPS: We have an insider. That might  
4 be --

5 MS. GARCIA: Well, it'll have to get out of  
6 SBA first, so, yeah.

7 MR. BLUM: By the way, I think if it's just  
8 taking stock of accomplishments, that should be a  
9 little easier because the policy issues are generally  
10 tied up, you know, the changes in the recommendations  
11 and making sure that, you know, interested stakeholders  
12 understand, you know, what's the rationale behind those  
13 changes and the impact of them. So hopefully this can  
14 get cleared a little faster if we make -- remind the  
15 reviewers the recommendations are not changing for that  
16 report, just accomplishments.

17 MS. GARCIA: Yes, thank you for that.

18 MR. BLUM: And by the way, if I understand  
19 correctly, you did the research by just looking online  
20 where people hadn't yet provided input, so you should  
21 be applauded for the work that you did in getting the  
22 report to the point that it is.

23 MS. GARCIA: Thanks. I haven't talked to  
24 advocacy yet about this, for example, and we use -- so  
25 there's a part that's not included in this draft that

1 was handed out today, but the fuller report has, like,  
2 the Census data, which is really old data. You know,  
3 you've talked about that before, Mike, so you know  
4 we've got the standard set of bullets, maybe we can  
5 update that.

6 We don't have, you know, the newest, latest,  
7 greatest, but advocacy certainly may be able to help  
8 us, so instead of regurgitating that same information  
9 all the time, but maybe that will be a new  
10 recommendation as well, right? So...

11 MR. PHIPPS: Or expanding --

12 MS. GARCIA: Expand it, right. So there's  
13 still input from SBA that's needed once we get  
14 everybody's input, so how does everybody feel -- do we  
15 need to discuss the report in detail, or do we think we  
16 have enough to move forward?

17 MR. PHIPPS: I think we want to read it in a  
18 timely amount of time. That's just my opinion.

19 MS. GARCIA: Stan has something.

20 MR. KURTZ: Just a question. So are you going  
21 to follow up with a conference call after they review  
22 it?

23 MS. GARCIA: Yeah, conference call. We're  
24 going to be on a conference call a little bit more  
25 often.

1 MR. BLUM: And you're also, I'm sorry, sending  
2 out an updated version of this document that has the  
3 recommendations with the identification of the agencies  
4 that are --

5 MS. GARCIA: Yes.

6 MR. BLUM: Okay.

7 MS. GARCIA: Yep. So I have my work cut out  
8 for me tomorrow and the next day. I'm just wondering  
9 if there's anything -- do we need to get any input on  
10 if anyone's going to be available in December?  
11 December is kind of -- I don't know, schedules get  
12 really crazy around December, so should we plan --

13 MR. PHIPPS: If you have deadlines.

14 MS. GARCIA: Do we want to do something for  
15 January, like mid-January?

16 MR. PHIPPS: When are you thinking about --

17 MS. GARCIA: I can talk one-on-one with folks,  
18 unless you feel like we need to regroup.

19 MR. PHIPPS: I'm fine with a January or  
20 December conference call.

21 MS. GARCIA: Okay.

22 MR. PHIPPS: I don't know --

23 MS. GARCIA: We can have as many conference --  
24 it doesn't -- you know. You know what we're starting  
25 to use at SBA is MS Teams.

1 MR. PHIPPS: Yes.

2 MS. GARCIA: So --

3 MR. PHIPPS: Is it working?

4 MS. GARCIA: It's still in test, but we know  
5 we can bring in outside --

6 MR. PHIPPS: Right.

7 MS. GARCIA: -- you know --

8 MR. STUBBLEFIELD: We're getting better.

9 MS. GARCIA: -- clients --

10 MR. PHIPPS: We use Office 365, everybody has  
11 access to that.

12 MS. GARCIA: Yes. So that might be an  
13 opportunity to coordinate. Yep.

14 MR. KURTZ: So just to clarify, everybody's  
15 going to review what was sent out earlier.

16 MS. GARCIA: Yep.

17 MR. KURTZ: Look at the accomplishments that  
18 your agencies have completed, right? You're going to  
19 set up a conference call once everybody's reviewed it,  
20 come up with some more accomplishments, and you're  
21 going to do that in December. Is that correct?

22 MS. GARCIA: That will be a December activity,  
23 yeah, that's correct. Thank you, Stan.

24 MR. CARTER: Just to touch on what Stan said,  
25 we're going to review what you're going to send out

1 tomorrow in totality of that whole package, or we  
2 review what's already been sent to us?

3 MS. GARCIA: So we'll review what's pretty  
4 much already been sent to you, and the report is what  
5 needs to be reviewed. We'll update the priority areas  
6 and the subcommittees with assignments.

7 MR. CARTER: Okay. No, I was just trying to  
8 figure out which one we need to go over again, what we  
9 already sent or wait until you send whatever tomorrow  
10 and that's the one to go forward.

11 MR. KURTZ: So the report is number one,  
12 right?

13 MS. GARCIA: The report's number one.

14 MR. KURTZ: The priority.

15 MS. GARCIA: Yep.

16 MR. PHIPPS: I'll wait for your instructions.

17 MS. GARCIA: Okay.

18 MR. GREEN: You might want to resend the  
19 report if you haven't gotten --

20 MS. GARCIA: Yeah.

21 MR. CARTER: With the instructions.

22 MS. GARCIA: With instructions.

23 MR. CARTER: And due dates.

24 MS. GARCIA: And due dates.

25 MR. CARTER: Yeah, that's perfect. That way

1 everybody get the same message at the same time.

2 MS. GARCIA: All right, so hearing no other  
3 needs from the committee to further this report, we can  
4 call that a wrap on that. All right, and we need to  
5 close out the meeting.

6 MR. STUBBLEFIELD: Yes, we do. All right.  
7 Well, great session here today. I appreciate everybody  
8 being here, participating. I know it's a -- you know,  
9 we've got a busy time of the year. It's like the whole  
10 year is really busy all the time, but the holiday  
11 period is definitely, you know, a busy time.

12 So, again, thank you very much for the  
13 partnership, the collaboration, and for those of you  
14 who will be here tomorrow, you know, look forward to  
15 it. All right, thank you.

16 (Whereupon, at 3:20 p.m., the meeting was  
17 adjourned.)

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