



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

Testimony Prepared For
U.S. House Of Representatives
Committee On Veterans Affairs
Subcommittee On Economic Opportunity

June 19, 2006

Ellsworth Air Force Base, South Dakota

Hearing on
“Transition Assistance For Members Of Active Duty, Reserve And
National Guard Servicemembers And Education Benefits For The
Total Military Force”

John L. Brown
South Dakota District Director
U.S. Small Business Administration

Chairman Boozeman, Ranking Member Herseth, and other distinguished members of the Committee. Thank you for requesting our views on the important subjects of today's hearing.

My name is John Brown and I am the District Office Director in South Dakota. Administrator Barreto has asked me to testify about the Small Business Administration's (SBA) efforts to provide small business transition assistance for American military men and women.

For the record I would like to recognize that accompanying me today is Elton "Mick" Ringsak, SBA Regional Administrator for Region VIII.

SBA maintains 68 district offices and 10 regional offices. All SBA programs and services, including counseling and training are available to active duty personnel, reservists, veterans and their families, as they are to all citizens. To ensure easy access to our programs for veterans SBA has a designated veteran's business development officer in each office who acts as the initial contact point for veterans seeking to use our programs. That person can also assist veterans in locating information on other programs that may be available through other resources and agencies.

SBA is an active participant with other federal agency resource partners; including the Departments of Defense, Labor, and Veterans Affairs, in the delivery of transition assistance for active duty and reserve component members. SBA is a regular contributor to the Transition Assistance Program (TAP) and the Disabled Transition Assistance Program (DTAP) for soon to be discharged military personnel and their families, and for de-mobilizing reservists.

SBA has been an active participant in the TAP and DTAP programs for many years. At SBA we know the potential that veterans have to become entrepreneurs and we have always sought participation in the TAP programs.

- **SBA offers business counseling and loans to veterans, service disabled veterans, reservists, active duty military and their families.** At SBA Veterans, Service Disabled Veterans, Reservists, Active Duty Military and their families all come under the heading of "Veterans Services".
 - SBA provides targeted services intended to meet the unique interests of Veterans, as well as providing them with the overall business assistance programs available to other small business persons.
 - SBA provides those services through a network of 68 SBA District Offices, 900-plus Small Business Development Centers, 387 SCORE Centers with 10,500 SCORE volunteers, 90 plus Women's Business Centers, 5 Veterans Business Outreach Centers, 16 Export Assistance Centers (USEACs) and approximately 1,700 lenders participating in the *SBAExpress* Program.

- SBA provides government contracting information and assistance through over 67 Procurement and Commercial Representatives across the nation to veterans and others.
- In addition to face-to-face services SBA offers on-line training and counseling opportunities.
- SBA offers a variety of loan programs for veterans. These include Military Reservists Economic Injury Disaster Loans (MREIDL), and 7(a) SBA*Express*, which makes a special effort to reach out to veteran borrowers.
- SBA recognizes that lending to veterans is a very important component of what we should do. As such, lending to veterans has been identified as one of the public policy goals in our 504 loan program. This designation allows us to increase the eligible size of the loan when it is identified as a loan to a veteran.
- **SBA actively pursues opportunities to educate Veterans about resources provided by the Agency.** It is critical to inform existing and potential military veteran entrepreneurs about opportunities afforded them. As entrepreneurs they must make their own decisions on what resources or services fit their needs.
 - SBA works with other Agencies including the Departments of Defense, Labor, Veterans Affairs, and others to inform veterans and those recently called up about SBA's offerings.
 - The SBA Web site has a special link to the Office of Veterans Business Development that provides a guide to the full range of services available that can be accessed from anywhere in the world.
 - Hundreds of thousands of print, CD and electronic copies of specific program materials, resource guides and fact sheets are distributed to veterans. There is an on-going long term outreach program that includes reaching veterans when they are participating in special seminars, conferences, training programs, "webinars" and other opportunities as they arise. This includes TAP Seminars where SBA has been asked to participate.
 - The Office of Veterans Business Development produces a quarterly newsletter, which is circulated throughout the agency and is distributed to veterans, veteran's organizations, veteran business owners and other federal and state agencies. This newsletter is distributed to more than 44,000 readers.
 - These services are all provided through SBA programs and partners, Federal, State and Local Governments, Veteran Service Organizations and entrepreneurial organizations.

- **SBA's Office of Advocacy undertakes a number of research projects, studies and other efforts to identify critical issues for Veterans.** Some of these issues include procurement, propensity for entrepreneurship, and veteran business databases. Advocacy works with SBA's Office of Veterans Business Development, the U.S. Census Bureau, the Department of Defense Research Initiatives and veterans service groups to identify needs for ongoing research. This is a relatively new pursuit instituted by the Bush Administration during the past six years.

In conclusion, SBA has reached hundreds of thousands of veterans nationwide with materials about the educational and lending programs offered through the Agency. There were over 6 million visits in fiscal year 2005 on the Office of Veterans Business Development web pages, compared to some 280,000 in FY 2000. Providing services to veterans will continue to be of great importance to the SBA in the future.

For instance, the South Dakota District Office has provided TAP and business workshops at Ellsworth Air Force Base. Our office continues to supply materials and resources to the Vet-Centers located throughout the State as well as access to our programs and resource partners. The District Office also provides procurement training and contract opportunities through the delivery of procurement fairs in Rapid City and Sioux Falls, aimed at assisting SBA clients and Veteran Owned Businesses. A NIST/SBA computer security workshop is scheduled for June 30, 2006 at EAFB.

Again, thank you for inviting us here to discuss this important matter. I will be happy to answer any questions you might have.