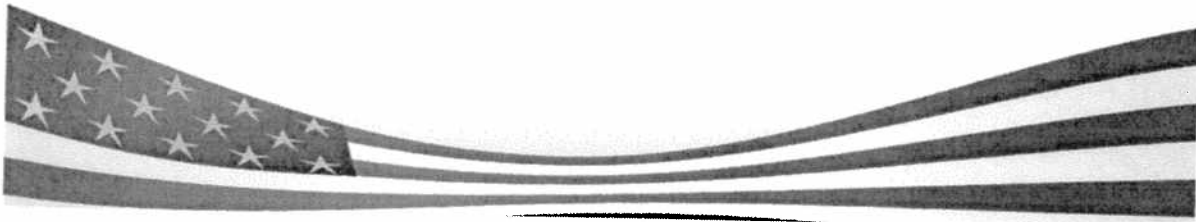


## ALASKA VETERANS BUSINESS ALLIANCE



Rep. Carl Gotto  
Chairman, House Veterans Affairs Cmte  
Mr. Chairman,

On behalf of the Alaska Veterans Business Alliance and its members, we are in full support of HJR 16. It is critical that we secure oversight hearings in the State of Alaska as to why Public Law (P.L.) 106-50 the Veterans Entrepreneurship Act, passed in 1999 creating a 3% federal procurement goal for Service-Disabled Veteran-Owned Businesses (SDVOB), is not being fully implemented in Alaska. As you know, this 3% goal also applies to all prime contractors of the federal government and the 3% goal further applies to subcontracting opportunities within the federal government.

We are going on the 10<sup>th</sup> anniversary that this federal law, and yet the federal agencies in Alaska is nowhere close of meeting their mandate. What we always hear when we approach a federal contracting officer is that the 3% "goal" is being met nationwide. Sir I can provide you documentation through the SBA pooling report of the percentages of each federal entity nationwide where a majority of the agencies are not meeting the goal. To add on to this in 2003, Congress passed P.L. 108-183 the Veterans Benefit Act of 2003. This federal act enables SDVOB's to receive sole source and restricted competition contracts for goods and services used by the U.S. Government. In October 2004 President Bush signed an Executive Order (E.O. 13360) mandating all federal agencies to increase opportunities for SDVOB's. And still, Alaska is left out.

Why should our state legislators care about this? We are talking about tens of millions of dollars in federal spending that should be directed to Alaskan Veteran Owned businesses that are not. Full compliance with these federal laws in Alaska would be very simulative to our state's economy. We are only asking that these laws be fully implemented in Alaska. Nothing more. Just follow the laws you (federal agencies) are directed by Congress and our President to implement.

We have gone to each of our federally elected officials from Alaska and they continue to work this issue as an important priority. And still a number of federal agencies refuse, obfuscate, or side step their mandates. Sen. Begich, even as a freshman Senator and member of the Senate Veterans Affairs Committee, has quickly come on board on this issue. Sen. Begich has told us directly that this of serious concern to him as it takes away from Alaska's economic development opportunities in addition to ignoring our nation's commitments in federal law to help our veterans.

Sir, there is another federal law (P.L. 109-461) that passed in June 2007 which only applies to the Veterans Affairs (VA) and is called "Veterans First". On May 13, 2008 we had a meeting at the Anchorage

VA offices. Present from the VA was the VA's Contracting Officer (CO) and the Director's Public Affairs Officer. Under the "Veterans First" law it states that all contracts being bid by the VA will bid to a SDVOB and if there was no SDVOB to do the work then the bid will go to a Veteran Owned Business (VOB). If then the VA still can't find a VOB then the bid will go into an open competitive bid.

During the meeting in May 2007 we inquired why the VA was not following P.L. 109-461 or "Veterans First". We were told by the CO and she was adamant, that she was not going to bid the VA projects to a SDVOB or VOB because the SDVOB or VOB can jack up the bid that it is only fair to the VA to have the bids for open and full competition. This is blatant disregard of the law (P.L. 109-461) and a slander of both the SDVOB and VOB community in the State of Alaska. So, where we stand is that Congress can pass any law they want, but the bureaucrats in Alaska who decide they don't want to follow the law, just don't. This not only harms veteran owned businesses it harms all Alaskans as this business often goes out of state. There is a reason Congress passes laws, and we need your and our state legislatures help in getting this total disregard for fully promulgated public policy by federal agencies in Alaska.

Rep. Gotto, I hope I shared with you the issues and some of the insights that we have with regards to federal contracting for Alaska's SDVOB community. I urge each and every legislator to sign on as a cosponsor and press for immediate passage of HJR 16 before the end of this legislative session.

On closing we always hear more needs to be done for our Veterans. Sir this is one issue that needs to be done for all SDVOB and VOB in our community as it applies to these federal laws. We need passage of this House Joint Resolution and Congressional oversight hearings to ensure the economic opportunities Congress has promised for Alaska's Veterans.

Thank you,

Tim Wheeler

President

Alaska Veterans Business Alliance

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