

STATEMENT OF
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AND GOVERNMENT PROGRAMS
COMMITTEE ON SMALL BUSINESS
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Mr. Chairman and members of the Committee, I am Brad Scott, Regional Administrator, Region 6 of the General Services Administration (GSA). I appreciate the opportunity to report, on behalf of Administrator Steven Perry, on the GSA's continuing efforts to observe the spirit of the two laws enacted to promote government contracting with service-disabled veteran owned small businesses; the Veterans Entrepreneurship and Small Business Development Act of 1999 (P.L. 106-50) and Section 308 of the Veterans Benefits Act of 2003 (P.L. 108-183). It has been my personal privilege to play a meaningful part in developing and implementing programs designed to promote contracting with small businesses owned by service-disabled veterans, as well as implement programs to further GSA's internal goals in achieving this important socioeconomic goal.

GSA is not alone in these efforts. The Department of Veterans Affairs, the Small Business Administration, the Defense Logistics Agency, the Department of Defense, and many other agencies have contributed assistance and partnership to this initiative and the continued effort to assist service-disabled veterans.

I would like to take this opportunity to present an overview of GSA's external and internal strategies.

External Strategy

Our external strategy is a coordinated outreach program aimed at our constituency: federal buyers, business owners and service-disabled veterans. We are harnessing the power of the internet to promote our initiatives. Perhaps the easiest way to obtain information regarding these programs is at the GSA Office of Small Business Utilization (OSBU) website. Here we maintain an updated list of conferences, workshops, and seminars the agency is holding throughout the country to reach the service-disabled veteran small business owners. The website is also host to our Service Disabled Veteran-Owned Small Business page, www.gsa.gov/service-disabled.

When Public Law 108-183 took effect last December, Administrator Perry challenged the GSA management team to aggressively begin planning a series of outreach efforts around the country. To date, GSA has held conferences in Washington D.C. and New York, with major conferences being planned in many of our regions within the next year, hosted by our regional Small Business Utilization offices. All of our regional OSBU offices are acting as conduits to the veterans community. Each of these offices share a sincere and abiding commitment to helping service disabled veteran entrepreneurs understand the immense opportunities presented by this legislation.

Our conference in Washington D.C. was held May 27 at the Ronald Reagan International Trade Building, and was the culmination of months of planning by our National Capital Region. It was a huge success, with over 700 attendees and an address by Senator Bob Dole, a service-disabled veteran himself and a true American hero. While we do not always have that kind of star presence at our conferences, the information, assistance, and counseling we provided was very useful and well received by the veteran community. The conference would not have been the success that it was, were it not for the

cooperation and partnership that we received from the Department of Veterans Affairs, the Department of Defense, SBA, the Defense Logistics Agency, and many other Federal Agencies.

I would like to add that since May 27, Senator Dole has recorded a public service announcement for radio that will inform service-disabled veterans of the opportunities for Service-Disabled Veteran Owned Small Businesses in Federal government contracting.

Even as I speak, our Rocky Mountain regional office in Denver, in cooperation with the Department of Veterans Affairs and the Bureau of Land Management, is sponsoring a small business conference on Federal contracting opportunities for veterans and service-disabled veterans, at the Denver Federal Building. This conference will continue tomorrow. The workshops and panels being held will provide valuable assistance for Service-Disabled Veteran Owned Small Businesses across the country as they begin to do business with the Federal Government.

After the Denver conference, GSA's Mid-Atlantic Region will be holding a similar conference in September at the Pittsburgh area, and our Pacific Region will be holding a conference in December in Pearl Harbor, again with co-sponsoring from the Department of Veterans Affairs, the Department of Defense, and other agencies.

We are actively seeking feedback from veterans organizations. We use our conferences and other venues to solicit ideas on how to improve our customer facing processes. Here in Washington, GSA's OSBU maintains a permanent liaison to the Task Force for Veterans' Entrepreneurship. This task force consists of most of the major veterans service organizations that are interested parties to the federal contracting goals for their constituents. In fact, this month's meeting of the Task Force was hosted at the GSA Main Headquarters building. Although membership in the Task Force is restricted to non-profit, veterans service organizations themselves, GSA has maintained an observer status since shortly after the task force was established in 2000. GSA was among the first agencies to appoint a program manager for service disabled veteran businesses in its Office of Small Business Utilization, in 1999.

GSA's National Customer Service Center in Kansas City has trained its operators to identify any calls relating to the service-disabled veterans program, and to forward them directly to the GSA Regional Office of Small Business Utilization in the caller's geographic area. The small business staff in the appropriate region can immediately respond to the call with its expertise in small business issues.

We also examined our current external web presence and identified many deficient and inaccurate internet hyperlinks. This was preventing our constituents from moving easily between agencies that historically generate the greatest amount of opportunities, such as GSA, SBA, DOD and the Department of Veterans Affairs. Our information technology personnel worked with their counterparts at these agencies to fix such problems during the last three months.

Finally, GSA held a conference in April in Kansas City that brought together representatives of GSA's Small Business Utilization offices assigned to jump start this program. This jump start initiative included establishing criteria for a common customer experience, call center training, and the creation of the website specifically for service disabled veterans. In May of this year, follow up meetings were held during the GSA EXPO to continuously strive to improve GSA's efforts on this initiative.

Internal Strategy

Now I would like to discuss GSA's internal strategy for the program. As you may know GSA has three distinct business lines, the Federal Supply Service (FSS), the Public Buildings Service (PBS), and the Federal Technology Service (FTS).

The Federal Supply Service contracts for products and services for federal government use through its Multiple Award Schedules Program and other contracting vehicles. Currently, over 79 percent of FSS Multiple Award Schedule contractors are small businesses. FSS business volume is over \$25 billion dollars annually and offers more products and services than any commercial enterprise in the world.

The mission of the Public Building Service is to provide a superior workplace for the federal worker and superior value to the American taxpayer. To construct, maintain, and repair these workplaces, PBS contracts with private sector businesses.

The Federal Technology Service delivers best value and innovative solutions in Information Technology, Network Services, and Professional Services to support government agency missions worldwide.

Each of GSA's three services is dedicated to supporting socioeconomic concerns through their contracting opportunities. Agency-wide we are making progress towards our service disabled veteran socioeconomic goal, albeit slower than we had first hoped. We continue to make improvements to the number of opportunities for service disabled veterans.

The net outcome of these ongoing efforts has not only benefited service-disabled veterans, but will also help GSA raise the bar for support of other socioeconomic programs. We are applying the lessons learned during this Service-Disabled Veteran Owned Small Business initiative to improve our processes for all socioeconomic concerns. GSA is working in concert with other Federal agencies to make improvements in helping small businesses publicly identify their socioeconomic status, for example, improvements to DOD's Central Contractor Registration. Today businesses listed in the GSA e-library contracting website, whether they are a small business, a small disadvantaged business, a service disabled veteran owned small business or any other designation recognized by statute, are prominently identified as such.

For example, the end of FY2003, GSA had 167 schedule holders designated as Service-Disabled Veteran Owned Small Businesses. In March of this year, after GSA conducted an in-house review and contacted businesses listed on GSA's Schedule Program to inform

them of the passage and ramifications of Public Law 108-183, that number of schedule holders has nearly doubled to 332 businesses. By June 30 we reached 351 businesses. We maintain and regularly update a list of Service-Disabled Veteran Owned Small Businesses on our www.gsa.gov/service-disabled website. While the contracting process is dynamic, we are endeavoring to provide what our customers have asked for, a more user-friendly method of identifying a pool of Service-Disabled Veteran Owned Small Businesses.

Our service disabled veteran website listing Service-Disabled Veteran Owned Small Businesses is a tool for any agency buyer or contracting officer to review vendors, as well as a way for Service-Disabled Veteran Owned Small Businesses to double-check their status within our systems.

Now, I would like to remark on the achievements of GSA's Office of Acquisition Policy. Although it does not obligate a large amount of dollars itself, this Office's role in federal procurement, through its responsibility of helping to write and then publish the Federal Acquisition Regulations, is one of vast importance. GSA made issuing the acquisition regulations to implement Section 308 of the Veterans Benefits Act of 2003(P.L. 108-183) a top priority, and as a result, interim final regulations were published in the Federal Register on May 6, less than five months after the law was signed. In the world of government regulations, that is very fast. The 60 day comment period has now ended and GSA is reviewing all comments received, with the goal of issuing final regulations before the end of the year.

This concludes my testimony on GSA's actions on behalf of the service-disabled veteran business community and I would be happy to respond to any questions you may have.