

## Red Tape Ensnarls Veteran-Owned Small Business

House Committee on Veteran Affairs calls VA's verification process a failure.

The U.S. House Committee on Veterans Affairs held a joint hearing Wednesday to flush out what lawmakers called significant problems with the process of verifying veteran-owned and service-disabled veteran-owned small businesses (VOSBs and SDVOSBs).

Under Public Law 109-461 sections 502 and 503, VOSBs and SDVOSBs are eligible to join a database that grants special buying power as awarded to the Veterans Administration. This special buying power includes priority and non-competitive contracting and requires selected contractors to use VOSBs and SDVOSBs once they have been verified.

According to opening statements from the House Committee on Veterans Affairs Wednesday, issues were raised that many VOSBs and SDVOSBs have experienced difficulty being validated. Some were even forced to close their business because millions of federal contract dollars went to businesses that were not veteran-owned or didn't meet the criteria.

"The verification process is hostile, cold and a complete failure," said Mathew B. Tully

, a lieutenant colonel in the New York Army National Guard and founding partner of Tully Rinckey PLLC, a multi-state law firm that is also an SDVOSB. "Veterans such as myself have put in our verification applications and months later were denied due to the miniscule errors. Once corrected immediately, we were then told to go to the back of the line and start the process all over again. It's a complete slap in the face to entrepreneurial veterans who are only able to spin their wheels in the muddy mess that is the current CVE verification process."

The Center for Veterans Enterprise (CVE) currently is required to respond to resubmissions within 60 days but many veterans are still waiting for notice over 90 days after resubmitting their verification application. Others who have received a congratulatory acceptance letter to the program are still waiting to be added to the database weeks later. The House Committee on Veterans Affairs called on the U.S. Department of Veterans Affairs Center for Veterans Enterprise to review their process and correct what they view as glaring errors in the system.

"Solid vets who are honest and legitimate have been hurt by a process that is flawed, lacks objectivity and in many instances lacks common sense," said Mr. Tully.

On Wednesday the House Committee on Veteran Affairs called the CVE's testimony "disappointing at best" adding that the "VA can achieve leadership in this area but does so only when it's convenient for them." The CVE was asked for continued reporting so that progress can be made to rectify ongoing problems within the verification process.