

**Testimony of the Department of Small Business Service (SBS) and Mayor's Office of
Contract Services (MOCS)
Before the New York City Council
Committees on Veterans and Small Business
Oversight: Opportunities for Veteran-Owned Business Enterprises in City Procurement**

We submit this testimony concerning Intro. No. 1159, that seeks to promote opportunities in City procurement for veteran-owned businesses. The City fully supports increasing opportunities for veterans in business and in the workplace and the Department of Small Business Services (SBS) has pursued and enhanced several initiatives designed to improve entrepreneurial efforts and employment outcomes for our veteran community. As detailed below we have established a new Workforce1 Veterans Initiative and made other significant efforts to address the challenges and opportunities we see in better serving veterans and their families while simultaneously preserving the various initiatives that have been instituted for other City programs administered by SBS.

Veterans in the Labor Force

Employment and Entrepreneurship

In August of 2013, the US Department of Labor's Bureau of Labor Statistics reported veteran unemployment at 6.4% nationally compared to 7.3% for non-veterans. While these rates are still very high and indicate nearly 700,000 out of work veterans nationwide, the numbers generally reflect an encouraging downward trend for veteran unemployment. According to 2011 US Census Data and VA projections, over 9,100 veterans are unemployed in New York City.

According to the United States Small Business Administration ("SBA"), veterans are at least 45% more likely to be self-employed and typically outpace their non-military peers in startup rates. Recent reductions reported by the Kauffman Foundation in new veteran entrepreneurship over decade long highs (a 12% to 6% drop last year) are thought to be a result of an aging veteran workforce and lack of information on new venture support and incentives. This means that local veterans with great ideas are well poised for entrepreneurship, especially in New York City's small business-driven economy, and stand to earn profits well beyond the national average, but may not be taking the leap.

Workforce1 Veterans Initiative

In partnership with the Mayor's Fund to Advance New York City ("Mayor's Fund") and with the support of the Robin Hood Foundation ("Robin Hood"), SBS launched the Workforce1 Veterans Initiative in July of 2012. Workforce1 is a service provided by SBS that prepares and connects qualified candidates to job opportunities in New York City. The goal of this new Workforce1 initiative is to create a scalable model for connecting New York City's service members, veterans, and military families to stable, meaningful employment. SBS is one of 19 grantees sponsored by the \$13 million Robin Hood Veterans Initiative, which seeks to create a connecting infrastructure among the most impactful, local veteran-serving organizations.

The Workforce1 Veterans Initiative builds upon the past performance and potential of Workforce1 to meet local veteran employment needs at scale. In 2011, SBS' network of 17 Workforce1 Career Centers served 3,700 veterans and spouses and connected 818 to jobs. Under the initiative, Workforce1 will work to increase the total number of veteran and spouse placements from 800 to 1,250 per year – a 50% increase.

In the expansion, SBS invested an additional \$1.2 million on top of the \$600,000 Robin Hood grant to hire dedicated Veteran Specialists, who make up a collective and centrally managed Priority1 team, at key centers across the City. There are now 10 Veteran Specialists, who are veterans themselves, in all of the main borough centers as well as the Workforce1 Industrial and Transportation Career Center and the Midtown Workforce1 Career Center. These Veteran Specialists are tasked with recruiting veterans to Workforce1 and better identifying those that are already accessing services; providing priority of service to all veterans, which means making sure all veterans and military spouses are first in line for staff appointments and prioritized for all career, training, and job placement services; delivering one-on-one career development support, which includes resume translation and interview assistance; selling Workforce1 services to businesses committed to hiring veterans; referring veterans in need of supportive services to Robin Hood's network of veteran grantees; and connecting veterans to job opportunities. Since launch in July of 2012, the Workforce1 Veterans Initiative has served over 6,000 veterans and military spouses and connected 1,405 to employment.

Connection to Post-9/11 Era Veterans

It can be difficult to reach recently returning veterans who are New York City residents and inform them of the no-cost job and training resources available through Workforce1, NYC Business Solutions, and other agencies and community partners. All veterans must go through a now mandatory Transition Assistance Program (TAP) on a military base with their unit prior to full separation. During TAP, which is delivered by the US Department of Defense ("DOD"), Labor ("DOL"), and Veterans Affairs ("VA"), veterans are given information on education, training, jobs, and entrepreneurship to assist in their transition back into the civilian labor force. The challenge is that veterans go through TAP with their units and not necessarily at the military base near their home town. Further, upon receiving this information, many veterans are not yet ready to take advantage of the services and benefits available to them and may not know how to access these services locally when they are needed. We have made inroads with federal officials on these limitations and will continue to work to engage the recently returning veterans.

Transfer of Military Skills, Training, and Experience

Further, for many veterans, the leadership, skills, training, and experience gained in the military are not always readily transferrable to the degrees, licenses, and certifications required of equivalent civilian jobs. New York state has started to address this through the Governor Cuomo's "Experience Counts" initiative, which helps facilitate the transfer of commercial driving, healthcare, security experience to the relevant licenses here in New York State. Eligible veterans can access these consolidated training courses and fee waivers through the SBS Workforce1 Centers. The City Council also has supported the effort through laws, such as Local Law 26 of 2013, that waive licensing requirements for certain occupations in New York City,

such as electricians, plumbers, technicians, and riggers, where veterans may have a corresponding military specialty.

Opportunities in Entrepreneurship

With regard to entrepreneurship, there is still a need for additional training, career advancement, and entrepreneurship programs for veterans here in New York City. All veteran residents can access support in starting, operating, or expanding their own business through NYC Business Solutions, a set of business services administered by SBS. The services are provided at no cost and address the needs of entrepreneurs and businesses of any size and at any stage. These services are offered through seven NYC Business Solutions Centers, many of which are co-located with Workforce1, in all five boroughs and include: Business Courses; Legal Assistance; Financing Assistance; Incentives; Navigating Government; Recruitment; Training; Selling to Government; and Minority and Women-Owned Business Certifications. Businesses also have access to business information on-line, through NYC Business Express (www.nyc.gov.businessexpress), a city-wide initiative that makes starting, operating, and expanding a business in New York City clearer, faster, and simpler. The one-stop online tool has all the license, permit and tax information and applications needed to do business in New York City and allows businesses to access consolidated information about their interactions with the City.

Additionally, SBS has launched a Veteran Entrepreneurship Pilot Program in partnership with Syracuse University's Institute for Veterans and Military Families ("IVMF") for a cohort of aspiring veteran entrepreneurs here in New York City. SBS is currently receiving applications for a January 2014 program start. IVMF already has a slate of entrepreneurship programs contextualized for veterans and offered at TAP sites across the country. IVMF will offer a two-day introduction to entrepreneurship, which will frame the vocation of a business owner, pathways to business ownership, and case study examples. From there, the cohort will participate in the four-week FastTrac NewVenture course by the Kauffman Foundation and offered through NYC Business Solutions and SUNY Levin. Graduates will be linked with local veteran business owners as mentors and potentially connected to capital grants to launch their own businesses. Graduates will also be informed and assisted in accessing the full range of credits, benefits, loans, and capacity-building resources available to veterans through the SBA and organizations like SCORE and Accion.

Int. 1159 of 2013

Int. 1159 requires the City to conduct a review to assess the percentage of business enterprises that are owned by veterans and that are willing and able to perform on City agency contracts. Furthermore, on the basis of such review, SBS, in consultation with the City Chief Procurement Officer, would be required to establish a program to promote equal opportunity in city procurement for veterans. As stated above and as demonstrated by the work we do at SBS, the City is dedicated to this issue. It is clear that we all share the same objectives – to ensure the continued support and growth of the City's veteran-owned businesses.

Currently, the City does not track businesses that are owned by veterans and are therefore unable to determine their level of utilization in City procurement. Without this information as well as other pertinent data relating to veteran-owned businesses in the five boroughs, SBS cannot determine the total market share that this population holds in New York City, (i.e., how many veteran-owned businesses there are) or whether a significant amount of those veteran-owned businesses sell goods and services that are procured by the City in meaningful ways.

As a result, SBS fully supports efforts to learn more about the City's veteran-owned business population and will work to obtain the information necessary to properly guide policy development in this area. However, a mandated study, which will likely be costly and require significant resources not currently available, may not be a necessary step to obtaining the relevant information and achieving the desired outcomes set forth in Int. 1159. Rather, SBS hopes to obtain veteran-owned business information through various sources, including the intake process at our Business Solutions Centers and well as various state and federal databases. Using this information, SBS can expand efforts to reach out to veteran-owned firms to make them aware of government procurement opportunities. These firms can then be invited to various capacity building programs administered by SBS and learn how to: do business with the City; register as a vendor with the Mayor's Office of Contract Services; market their businesses to City agencies; and use appropriate commodity codes to allow them to be notified of appropriate procurement opportunities. They will also be able to attend the SBS Annual Citywide Procurement Fair, which offers information on doing business with the City and an opportunity to meet with procurement staff from multiple City agencies.

A program to enhance participation by veteran-owned businesses in City procurement may include the creation of a certification and participation goals program, like the Minority and Women-Owned Business ("M/WBE") program, would raise additional concerns. The City has and continues to make significant progress in increasing utilization of M/WBEs in City procurement (last fiscal year the City awarded almost \$440 million in prime and subcontract awards to certified M/WBEs). Given the existing program, the City is concerned that the establishment of yet another certification and participation goals program may not only present operational issues for contracting agencies and vendors (such as multiple subcontracting goals on one contract) but may also reduce some of those strides we have made in M/WBE participation. Additionally, a certification program for veteran owned businesses that would require the submission of proof of ownership and control by applicant veteran businesses, raises the need for substantial resources that SBS does not currently possess to administer the veteran certification program, probe the ownership and control documentation and interview owners as well as conduct audits to verify actual ownership and control.

Finally, we have concerns regarding the time frame required by the bill. July 1, 2014 is simply not enough time to conduct a thorough review of veteran-owned businesses in the City and to establish a program to enhance participation of such businesses in City procurement.

Conclusion

Thank you for the opportunity to submit this testimony about this important issue. SBS will continue to our efforts to ensure that veterans can compete for the City of New York's procurement opportunities and we look forward to continuing to work with the City Council.



Testimony of the General Contractors Association of New York
December 6, 2013. 10:00am
250 Broadway, 16th Floor
Committee on Veterans and Committee on Small Business
Intro 1159 / Resolution 1926

The GCA welcomes opportunities to assist veterans who have honorably served this country and we are active supporters of programs like Helmets to Hardhats and Marine for Life which help to transition military veterans to positions in the construction industry – both professional and trades positions. However, we do not believe that a new contracting mandate, with its attendant certification and compliance requirements, is in the best interest of either the city's taxpayers or the veterans that such a program would purport to assist. Rather, the resources that would be devoted to a contracting program can be more effectively directed to programs, such as job training, a business loan program or assistance locating office or industrial space, all of which will help build capacity among veteran-owned businesses.

A government contracting program that requires a certain percentage of contract awards to categories of people – such as veterans – requires documented evidence of a lack of equal opportunity for firms that are willing and able to compete for government work. There are currently no studies of the number of veteran owned business with the capacity, willingness and ability to perform agency contracts nor are there studies that show these firms do not have equal opportunity to compete for government contracts. It is thus impossible to determine if such a program is actually even needed. While Intro 1159 mandates the study, the bill language leads to the conclusion that a veteran owned business program will be created by next summer.

A November 2013 CNN report on federal employment statistics shows that veterans have a lower rate of unemployment than other classes of individuals. The unemployment rate is slightly higher for young veterans – those who served after 9/11. Rather than spending scarce resources to conduct a study and staff up a certification and monitoring program, the city should focus its efforts on partnering with the private sector to create employment opportunities for veterans, and providing mentoring and capacity building programs that encourage veterans to start their own businesses and help develop and grow those businesses.

We do not believe the New York City Department of Small Business Services has the staff or the capacity to insure adequate controls over the certification process for veteran owned businesses and also properly certify firms as minority, women or emerging businesses and it remains uncertain as to whether SBS will have access to military personnel records to verify the veteran's status. Moreover, any private sector vetting effort will be similarly challenged.

A report last year by the Inspector General of the US Department of Defense found that there were inadequate controls over the federal veteran owned small business set aside program that allowed

ineligible contractors to receive contracts. The DOD IG report found that there were inadequate controls over the verification of contractor status along with coding errors relating to those contracts.

The recent rulemaking process for SBS shows their intent to only perform a site visit on 5% of the firms seeking certification – a limitation that is necessitated by SBS's own staffing and resource constraints. SBS's resources can be better focused on successful implementation of Local Law 1, rather than establishing a new layer of programs. Veterans who served our country – especially those who served after 9/11 – deserve our help in finding employment and in starting and growing a business. Instead of setting up bureaucratic programs that create opportunities for fraud, we should focus our collective energies on immediate and successful private sector partnerships and government training programs to help those who sacrificed so much for our country.

We urge this committee and the Council to vote no on Intro 1159 and on Resolution 1926. We should be helping our veterans, but we should do so in a more productive way.



JAMES P. MOLINARO
PRESIDENT

CITY OF NEW YORK
PRESIDENT
OF THE
BOROUGH OF STATEN ISLAND

BOROUGH HALL, STATEN ISLAND, N.Y. 10301

STATEMENT OF JAMES P. MOLINARO
BOROUGH PRESIDENT OF STATEN ISLAND

BEFORE

NEW YORK CITY COUNCIL
COMMITTEE ON VETERANS

AND

NEW YORK CITY COUNCIL
COMMITTEE ON SMALL BUSINESS

250 BROADWAY – 16TH FLOOR
NEW YORK, NEW YORK

December 6, 2013

CHAIRMAN EUGENE AND CHAIRMAN REYNA, DISTINGUISHED MEMBERS OF THE COMMITTEE ON VETERANS AND COMMITTEE ON SMALL BUSINESS, I APPRECIATE THIS OPPORTUNITY TO SHOW MY SUPPORT FOR INTRO 1159 AND EXPRESS MY OPPOSITION TO RESO 1926, WHICH REPRESENTS A SET-ASIDE AND RUNS CONTRARY TO THE STATE FINANCE LAW. MANY OF THE POINTS I RAISE TODAY HAVE PREVIOUSLY BEEN DISCUSSED BY ME AT THE VETERANS COMMITTEE PUBLIC HEARING HELD ON SEPTEMBER 29, 2005.

ON SEVERAL OCCASIONS GOING BACK TO 1991, THE BOROUGH PRESIDENT OF STATEN ISLAND HAS TESTIFIED AT A MYRIAD OF HEARINGS REGARDING THE NEED TO INCLUDE WARTIME AND DISABLED VETERANS IN ALL PRESENT-DAY PROCUREMENT AND ECONOMIC EMPHASIS PROGRAMS ON CITY AND STATE LEVELS OF GOVERNMENT.

INTRO 1159 IS A NECESSARY FIRST STEP IN ADDRESSING THE NEEDS OF OUR CITY'S YOUNGEST VETS AND I COMMEND ALL OF THE SPONSORS AND THE COMMITTEE'S EFFORTS TO FINALLY MAKE THIS CUTTING-EDGE INTRO INTO A REALITY.

HERE IN THE CITY OF NEW YORK, AND INDEED IN MOST OF OUR LARGE CITIES THROUGHOUT THE NATION, OUR MILITARY VETERANS CONSTITUTE A "RAINBOW COALITION" OF INDIVIDUALS WHO HAVE NOT ONLY SERVED THEIR COUNTRY, BUT HAVE INDIRECTLY CONTRIBUTED TO THE GROWTH OF LARGE AND SMALL BUSINESSES ALIKE, BY ENSURING A FREE AND PEACEFUL HOME-FRONT FOR THESE OPERATIONS TO EVOLVE.

THESE HEROIC MEN AND WOMEN, MANY OF WHOM BECAME DISABLED DURING THEIR TIME IN THE MILITARY, RECEIVE ONLY NOMINAL ECONOMIC EMPHASIS FROM VARIOUS LEVELS OF GOVERNMENT, WHILE THE CURRENT CITY CHARTER FAILS TO PROVIDE ANY ECONOMIC OR NON-CIVIL SERVICE EMPLOYMENT EMPHASIS FOR THE SAME. TODAY, WE CAN SAFELY ASSUME THAT MOST, IF NOT ALL WWII VETERANS AND A LARGE PORTION OF KOREAN WAR VETERANS HAVE RETIRED, WITH THE VIETNAM GENERATION FOLLOWING CLOSELY BEHIND. SO, INTRO 1159 WOULD PRIMARILY SERVE OUR YOUNGEST VETERANS.

ALL INDICATIONS ARE THAT OVER THE NEXT FEW YEARS THE NUMBER OF YOUNG VETERANS DISCHARGED BACK TO THE CITY AND STATE WILL RISE DUE TO THE WIND-DOWN OF OPERATIONS IN THE MIDDLE-EAST AND RELATED THEATRES. AS A RESULT, THERE IS A GLARING NEED TO REVISE ECONOMIC AND EMPLOYMENT EMPHASIS PROGRAMS TO INCLUDE AT A MINIMUM, WAR-TIME AND DISABLED VETERANS.

BECAUSE MEMBERS OF THE MILITARY ARE REMOVED FROM THE LOCAL EMPLOYMENT ENVIRONMENT FOR YEARS AT A TIME, IT MAY BE POSSIBLE THAT RETURNING VETERANS ARE DISENFRANCHISED AS A GROUP IN TERMS OF EMPLOYMENT, PARTICULARLY WHEN GOVERNMENT IS "DOWNSIZED."

DEPARTMENT OF LABOR STATISTICS CONSISTENTLY SHOW THAT THE UNEMPLOYMENT RATE FOR YOUNGER VETERANS IS ABOVE THE NATIONAL AVERAGE, PARTICULARLY FOR FEMALE VETS AGED FROM 20 TO 24 YEARS.

IMPLEMENTATION OF INTRO 1159 WOULD HAVE NOMINAL START-UP COSTS, AS AN INFRASTRUCTURE SERVING THE CITY'S MINORITY AND WOMAN BUSINESS ENTERPRISES HAS BEEN IN PLACE FOR OVER 20 YEARS NOW. INDEED, THE IMPACT OF ADDING THIS DESERVING GROUP AND ALLOWING THEM TO BENEFIT FROM THE PROCUREMENT AND TECHNICAL ASSISTANCE OPPORTUNITIES OFFERED IN INTRO 1159 CAN ONLY MAKE THE CITY'S ECONOMIC BASE STRONGER.

IN CLOSING, I HOPE THAT TODAY'S HEARING WILL RESULT IN POSITIVE CHANGES FOR THE VETERANS OF NEW YORK CITY. WHILE THE GREAT STATE OF CALIFORNIA HAS HAD A DISABLED VETERANS BUSINESS ENTERPRISE PROGRAM FOR OVER TWO DECADES, THERE IS NO SIMILAR PROGRAM IN THE ENTIRE NORTHEAST UNITED STATES. IT'S TIME FOR THE CITY OF NEW YORK TO LEAD THE WAY IN THIS AREA AND ENCOURAGE THE STATE TO FOLLOW SUIT WITH LEGISLATION SUCH AS A. 8230 AND S. 5968, WHICH WOULD ACCOMPLISH SIMILAR OBJECTIVES STATEWIDE FOR OUR WARTIME AND DISABLED VETERANS.

I HAVE ATTACHED AN ARTICLE FROM CRAIN'S WHICH OUTLINES TODAY'S "VETREPRENEURS," WHO ARE ALREADY DOING BUSINESS IN THE FIVE BOROUGHES. ADDITIONAL LISTINGS OF EXISTING VETERANS BUSINESS ENTERPRISES IN THE CITY MAY BE OBTAINED FROM THE U.S. SMALL BUSINESS ADMINISTRATION.

THANK YOU.

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CRAIN'S

NEW YORK BUSINESS

Article can be found at <http://www.crainsnewyork.com/article/20110313/SMALLBIZ/303139985>

Veterans' grit gives startups muscle

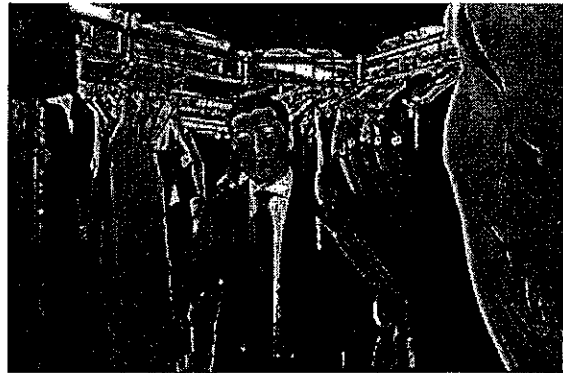
Ex-military personnel prove well-suited to new firms' risks, rigors.

Diane Hess

Published: March 13, 2011 - 12:01 am

Sang Cho didn't initially plan on leaving the military in 2005 after his deployment in Iraq. Indeed, he had dreamed of becoming the first Korean-American general in the U.S. Marine Corps.

But when his parents convinced him that it was time to come home, Mr. Cho seized the chance to grow their dry-cleaning business into a commercial laundry company, Prestige Hospitality Services, which he expects to post \$30 million in sales this year. It has four facilities—in Manhattan, the Bronx and New Jersey and on Long Island—and one is on the way in the Philadelphia area.



Buck Ennis

PRESSED FOR SUCCESS: Sang Cho credits the Marines with teaching him determination.

Entrepreneurship came easily for Mr. Cho, 29. Relying on the discipline and attention to detail he cultivated as a sergeant, he quickly grasped how to serve customers, prepare invoices and manage his 350-plus employees as they process 250,000 pounds of laundry daily.

"I don't walk around our plants with an M16," Mr. Cho said. "But the basic qualities of determination and refusal to give up on problems, which the Marine Corps teaches you, are part of my job every day."

GRAVITATING TO OPPORTUNITIES

Entrepreneurial careers are attracting many veterans, locally and across the country. The U.S. Small Business Administration estimates that one in seven veterans is self-employed or owns a small business, and that vets are 50% more likely than the rest of the work force to become entrepreneurs.

The trend is attributable partly to a weak job market, but also owes to veterans' disposition and skills, which a stint in the military hones.

"A lot of people have good ideas, but they don't have the stomach for risk-taking," said Ari Ginsberg, a professor of entrepreneurship at New York University's Stern School of Business. "Soldiers are steeled for this kind of experience."

(OVER)

They also have the discipline to tough it out in New York City's competitive market. Consider Chris Cancialosi, who spent two years as an Army battalion operations officer in Iraq and as a Black Hawk helicopter pilot. He launched organizational consulting firm GothamCulture five years ago; it's on track to record over \$1 million in sales this year.

"My experience in the Army gave me the confidence to make the leap into the unknown and the perseverance to be successful," said Mr. Cancialosi, 36, whose 21 corporate clients include Footlocker, Google and JetBlue Airways.

Some servicemen and women learn that they prefer to accomplish their goals outside of the armed forces' "Yes, sir" culture. But it's not easy for every vet recovering from war to leap into business ownership.

In recent years, the government, nonprofits and private-sector enterprises have taken steps to support entrepreneurial veterans. The Entrepreneurship Bootcamp for Veterans with Disabilities offers training at seven universities nationwide, in partnership with the SBA. The "Buy Veteran" campaign, launched by the National Veteran-Owned Business Association last Veterans Day, connects Americans with the country's 3 million veteran-run businesses.

PROGRAM PROVIDES A BOOST

Jorege Quintana, 32, just took advantage of a 25% discount from VetFran—an International Franchise Association initiative that introduces vets to franchise opportunities—to buy a Smart Tax store in Queensbridge, Queens, for \$40,000. Mr. Quintana expects \$80,000 in sales this year.

After he got the keys to his shop in December, Mr. Quintana turned to a handful of buddies to help him gut the store and complete a renovation in two weeks. He credits his can-do attitude to his four years as a diesel-engine mechanic in the Marine Corps. His team once had to fix 379 vehicles and 129 trailers in two months to meet inspection standards.

"We worked 16-hour days and ate in the shop," he recalled.



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**Testimony by Christian Hylton of Abrams Fensterman
before the New York City Council Committee on Veterans
December 6th, 2013**

I am Christian Hylton of Abrams Fensterman, and I am providing testimony in support of Intro 1159 of 2013 for Opportunities for Veteran Owned Business Enterprises in City Procurement. I am speaking today on behalf of Sandra Wilkin, President of Bradford Construction, and President Emeritus of the Women Builders' Council. Some of you may be aware of her passionate advocacy for the MWBE community through the New Agenda for MWBEs. Unfortunately, Sandra was unable to be present today.

If there was ever a group of individuals who deserve the opportunity to be fairly represented in New York City procurement, it is the brave service members who have fought to protect our country. Their ability to succeed under the toughest circumstances imaginable has already been proven, so it is clear they can contribute greatly to our city's economy as entrepreneurs. If there is a chance that veterans are not being fairly represented in New York City's procurement process, a disparity study must be done to determine the extent of gap that exists, as a preliminary step towards eliminating that gap entirely.

- Additionally, a Mentor protégé program for veterans should be in place, which would include how to start a business , and enhance their capabilities to ensure that these businesses have the greatest chance of success.

I am strongly in favor of creating procurement goals for veteran owned businesses if a procurement gap exists. I appreciate the effort that the members of this Committee and the New York City Council have put forth in creating the landmark legislation, Local Law 1 of 2013. I wish to thank the members of the committee for considering this legislation; it will truly help our deserving veterans get their boots on the ground.

December 6, 2013

LaGuardia Community College PTAC
Edgard Hernandez
Director

Good morning. I would like to thank the Chair, Council Women Reyna and committee members for inviting me to speak today. I commend the entire committee for supporting New York City small businesses and Veteran Owned Small Businesses.

My name is Edgard Hernandez, Director of the PTAC at LaGuardia Community College. The PTAC program stands for Procurement Technical Assistance Center. Our mission is to assist businesses located in Queens to market their goods and services to the Federal, State, and local governments. We strive to simplify the steps necessary to successfully sell to the government. The center offers procurement technical assistance and training workshops to meet the needs of any size business, including Minority Owned Small Business, Service Disabled Veteran Owned Small Business/Veteran Owned Small Business (SDVOSB/VOSB) and Women Owned Small Businesses throughout the Queens region. There are 7 PTACs in New York and a total of 98 throughout the country and U.S. territories.

My goal being here today is to share my thoughts with the committee in regards to the Veteran Owned Small Business Community (returning and existing Veterans). There are several things that we can do to make the process easier for Veterans to become knowledgeable in business and successful in selling to New York City and New York State government contracting agencies.

I would like to make the following suggestions for the committee to consider when creating the new Veteran Owned Small Business certification:

- Veteran certification should be part of the Minority/Women Business Enterprise (M/WBE) certification
- Allow Veterans or M/WBEs to combine the certification to V/M/WBE.
- Create a fast track application for Veteran Owned Small Businesses (VOSB) who are currently certified by the Federal Government.
- Business/Professional Development training and/or education for Veterans
- Incentives for hiring Veterans by Veterans or New York City businesses
- Networking and/or Government contracting events for Veterans

Hopefully the suggestions I just went over have provided the small business committee clarity on how we can assist Veteran Owned Small Businesses in the near future and creating a seamless process for Veterans to do business with New York City and New York State. The 3% Veteran procurement goal would be a step in the right direction in bridging the gap between New York City and the Veterans Community.

Thank you once again for inviting me to speak today.



12/06/13

My name is Robert Piechota. I am the Director of the Brooklyn Small Business Development Center, (SBDC). New York City has eight SBDCs dedicated to the small business owners of New York City. The NYC SBDCs are located at the following academic institutions: *Columbia-Harlem, Lehman-The Bronx, Baruch-Manhattan, Pace-Manhattan, LaGuardia- Queens, York-Queens, College of Staten Island-SI, and NYC College of Technology- Brooklyn*. Prior to my ascending to become the Director at the Brooklyn SBDC, I have had the privilege of serving as the Small Business Veteran advisor for all five boroughs of the City of New York. During my entire tenure associated with the Brooklyn SBDC either as the Veteran Advisor- ("VASP), or now as Director; I have advised or assisted in the counseling over four hundred veterans in three years. The "VASP", ("Veteran Assistance and Support Program" was funded three years ago by the state providing for one designated counselor to advise veterans of NY City in all matters pertaining to Small Business ownership. Unfortunately December 31, 2013, this program terminates.

Since 2010 over 800 veterans have been counseled by NY City SBDC's. Of this number only 46 specifically requested "Procurement" counseling. While the reasons why Veterans are not "self-identifying" more or why they are not more actively pursuing procurement strategies is unclear. Anecdotally, newly returning service people report to me that they are more focused on working for established businesses upon their return to civilian status. While leadership ability and work ethic are well honed skills often perfected in the military; service people are used to, and comfortable with a chain of command, which offers a sense of security. For this reason I suspect, the first course of action for many upon leaving the service is to become employed. For those veterans that are inclined toward self-employment, most we see have been separated from the military for over three years. The number one question we are asked while counseling a veterans is "Are there any special deals for veterans?" Currently there is no New York State or NY City program that gives any special incentive to a Veteran Owned business in the procurement space.

At present there is an initiative at the NY State level "S5968/A8230 sponsored by Senator Kathleen A. Marchione and Assembly Member John T. McDonald. This legislation is affectionately named "OORAH"- (*Opening Opportunities, Resources and Access for Heroes*). A copy of this draft legislation is submitted for the committee's review. New York State is 28% lower than the national average in terms of Veteran Owned-("VOSB"s) and Service Disabled Owned-("SDVOSB"s). The National Average of "VOSB's" and "SDVOSB's" is 9.04 %, and NY State Average is 6.5%.

Given all intuitive indices- (education, income level, work ethic, and demonstrated service leadership qualities), it makes sense in every way to incentivize veterans to increase their participation in the procurement process here in NY City. Not only is it "the right thing to do", but it just makes logical business sense.

Key determinants of a successful business owner are: Capacity, Capability, and Character. “Capacity”- Does the business have the production processes to fulfill contracted goods and or services? “Capability”- Does the management team possess the necessary skill, talent and experience to conduct operations? “Character”- Have the business owners demonstrated all the elements of trustworthiness that are necessary to transact all elements of business? Veterans that have separated from the military with an “Honorable Discharge”, most likely validate these criteria.

The Small Business Development Centers of NY State have advocated for Veteran Small Business owners since the program’s inception. Having recently won two prestigious SBA awards in 2012, (The NY State Veteran Business Outreach Coordinator, [“VBOC”- Mr. John Narciso] and “Veteran Small Business Champion of the Year”, [“VASP”-Mr. Robert Piechota]), the Small Business Development Centers are at your disposal to work in concert with the City Council in any way that contributes to the small business interests of our veterans, their families and our community.

A handwritten signature in black ink, appearing to read 'R. Piechota', with a large, sweeping flourish at the end.

Robert J. Piechota
Director- Brooklyn Small Business Development Center
NY City College of Technology



December 6th, 2013

**Written Testimony Respectfully Submitted to New York City Council Committee on Veterans by
Avi Leshes, Project Manager for Economic Development at the Brooklyn Chamber of Commerce in
Support of Int. No. 1159 and Res. No. 1926**

Hon. Mathieu Eugene, Chair, Veterans Affairs Committee
Hon. Diana Reyna, Chair, Small Business Committee

Good Morning Chairs Eugene and Reyna, other members of the New York City Council Committee on Veterans/Small Business and guests.

My name is Avi Leshes and I serve as the Project Manager for Economic Development, at the Brooklyn Chamber of Commerce (BCC). I stand before you on behalf of Carlo A. Scissura, Esq., President and CEO of BCC in support of making more opportunities available to veteran-owned businesses at the city and state levels.

The Brooklyn Chamber of Commerce is a membership based business assistance organization, which represents the interests of over 1,400 member businesses, as well as businesses across the borough of Brooklyn. The Brooklyn Alliance is the not-for-profit economic development organization of the Chamber, which works to address the needs of businesses through direct business assistance programs.

Veteran entrepreneurship provides an opportunity for New Yorkers to contribute directly to the economic development of their communities, by increasing revenue and hiring both civilians and other Veterans. By introducing legislation to identify veteran owned businesses willing and able to perform agency contracts, ensuring at least 3% of the total value of annual state procurements and effectively communicating these opportunities to this group would give veteran-owned a much needed boost.

According to the U.S. Census of 2010, nearly one-in-10, or 2.4 million, small businesses are veteran-owned. These businesses employ almost 6 million Americans and generate more than a trillion dollars in revenue. By adopting Int. No. 1159 and Res. No. 1926, veteran-owned businesses will have increased capability to expand their businesses and create more jobs.

We owe a great debt of gratitude to our Veterans, who have risked their lives to protect the freedom of the American people. We as a community should work to provide a strong foundation for them to re-enter their communities as successful entrepreneurs. We will not only be 'paying it forward', but also encouraging economic development and giving Veterans an opportunity to continue to make valuable contributions to our communities as entrepreneurs.

New York City Council
250 Broadway
New York, New York
Committee on Veterans
& Committee on Small Business

Testimony from Military Families Speak Out Friday December 6, 2013:
To: New York City Council Committee on Veterans and NYC City Council on
Entrepreneurship,
Honorable Chairman Mathieu Eugene and Members
Honorable Chairman Diana Reyna and Members

RE: Int. No. 1159 - In relation to opportunities for veteran-owned business enterprises in city procurement.
Res. No. 1926 - Resolution calling upon the New York State Legislature to pass, and the Governor to sign, A.2554, legislation which would require at least three percent of the total value of annual state procurements are awarded to veteran-owned businesses.

The population of New York State is 19.4 million as of 2012. There are approximately 1.6 million veterans in New York State and over 220,000 veterans in New York City. There were 23.8 million veterans in the U.S. in 2007. There were over 127,000 small businesses in NYS as of 2007, out of 2,447,000 small businesses in the U.S. owned by veterans. This seems to be a successful post service mode of making a living. Veterans seem to contribute a great deal to the economy, as small businesses (firms with fewer than 500 employees) make up 99% of the economy in the U.S. It would seem to make good business sense to encourage and fund this fundamental driver of the New York State and New York City economy.

Unfortunately most veterans do not have the assets to finance a business, though they have the intelligence, discipline, perseverance, integrity and can manage personnel. The bank will not lend the amount if they do not have assets. Therefore it becomes a good investment for NYS to give veterans a leg up in this situation and will provide a more jobs and supply better services to consumers.

Military Families Speak Out is a national non profit group of families related to soldiers who served since 9/11. Needless to say, we love and miss our troops, want all our troops to come home now, and want to take care of them when they get here. We foresee many veterans coming home looking for work, and since small business is a way veterans have very successfully applied character traits developed in the service, we support Int. No. 1159 and Res. No. 1926 urging material support and opportunities based on the contributions veterans are now making to the economic success of the United States of America.

Respectfully submitted,

Military Families Speak Out

New York City American Legion (NYCAL)
346 Broadway, Suite 802
New York, New York 10013
(212) 267-1998
December 4, 2013

Councilman Mathieu Eugene
250 Broadway Suite 1789
New York, NY 10007

Dear Councilman Eugene:

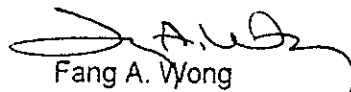
The Legionnaires of New York City strongly support Resolution 1159-2013, aka opportunities for veteran-owned business enterprises in city procurement, as it calls for the passage (by NYS legislature and the Governor) of A.2554. This legislation would require at least 3% of the total value of annual state procurements are awarded to veteran-owned businesses.

Veterans, even with the active duty members included, are a minority comprising approximately 8% of the population. As such, they should be afforded the same preference as other minorities. These men and women - service members - have gained valuable skills as a result of their military service. With the passage of Resolution 1159-2013, veterans will be directly benefited by the increased employment opportunities provided by veteran-owned businesses. Other indirect benefits from this Resolution can be the reduction of homelessness and the prevention of PTSD and/or other illnesses associated with unemployment and other hardships. Therefore, it is incumbent upon us to provide opportunities for them to develop and flourish; to prosper and utilize their skills effectively in ways that can benefit all, to include our community and country. In sum, veteran-owned business enterprises in city procurement will provides such opportunities. Therefore, we strongly support and urge passage of Resolution 1159-2013 to achieve this goal.

We thank you for the opportunity to provide this written testimony on behalf of the members of the New York City American Legion.

If you have any questions in connection with this written statement, feel free to contact the undersigned at (732) 801-7633 or via e-mail: fwong@legion.org.

"We Serve With PRIDE!"


Fang A. Wong
Past National Commander
The American Legion



United War Veterans Council, Inc.

December 2, 2013

Councilman Mathieu Eugene
250 Broadway, Suite 1789
New York, NY 10007

Dear Councilman Eugene:

It is my honor on behalf of the United War Veterans Council, to submit written testimony to the veterans committee. We totally support Intro 1159-2013 - known as 'Opportunities for veteran-owned business enterprises' in city procurement - establishing a Local Law to amend the administrative code of the City of New York, in relation to opportunities for veteran-owned business enterprises in city procurement.

There is widespread support among the veterans and veterans' service organizations in New York State, with the Departments of New York Catholic War Veterans and Veterans of Foreign Wars adopting its passage as part of their legislative goals for the past several years.

Veterans are indeed a minority as they make up less than 1% of the population, and should receive the same preferences as any other minority. Their military service skill sets translated into veteran-owned businesses brought to our great city, is a 'win-win' situation for all concerned.

Passage of Intro 1159-2013 and oppose Resolution 1926 is in keeping with upholding the words of Abraham Lincoln, who urged all Americans "to care for him who shall have borne the battle."

If there are questions regarding the above, please contact me at (212) 693-1476 or patuwvc@aol.com

Thank you for your consideration.

Patrick Gualtieri
Executive Director



CATHOLIC WAR VETERANS OF THE UNITED STATES OF AMERICA

DEPARTMENT OF NEW YORK 346 Broadway, Suite 810, New York, NY 10013 (212) 962-0988

December 2, 2013

Councilman Mathieu Eugene
250 Broadway Suite 1789
New York, NY 10007

Dear Councilman Eugene:

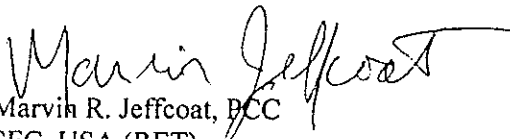
Mr. Chairman, councilmembers, and veterans. Thank you for the opportunity to provide written testimony to the veterans committee. I strongly support Intro 1159-2013 otherwise known as Opportunities for veteran-owned business enterprises in city procurement. This Intro establishes a Local Law to amend the administrative code of the city of New York, in relation to opportunities for veteran-owned business enterprises in city procurement.

This local law enjoys the strongest support among the veterans and veterans' service organizations in New York State. Both the Departments of New York Catholic War Veterans and Veterans of Foreign Wars have adopted its passage as part of their legislative goals for the past several years. The State Commanders of both organizations have sent the state legislature and Governor Cuomo letters urging its passage. Their goal has been to provide all veteran owned businesses and enterprises the same emphasis for bidding on City and State contracts as those offered to other minorities and protected classes.

As we seek to fully integrate New York's returning heroes into society we need to realize that Veterans are an actual minority in that they make up less than 1% of the population. As such they should be afforded the same preference as other minorities. Additionally many other minority groups are represented within their ranks. These young men and woman have gained valuable skills through their military service. We should do everything possible to encourage the application of those skills in a way that best serves all New Yorkers. Opportunities for veteran-owned business enterprises in city procurement provides us just such an opportunity. For these reasons I strongly urge passage of Intro 1159-2013 and oppose Resolution 1926. Again thank you for the opportunity to testify on behalf of the veterans' community and God Bless New York City and God Bless America!

If you have any questions regarding this correspondence please contact me at (347) 841-4335 or jeffcoatm505@aol.com.

Sincerely,
Legislative Chairman Department of NY, Catholic War Veterans


Marvin R. Jeffcoat, BCC
SFC, USA (RET)



VETERANS OF FOREIGN WARS OF THE UNITED STATES

District No. 1, Department of New York, Veterans of Foreign Wars of the U.S., 50-55 45th Street, Woodside, NY 11377
December 2, 2013

Councilman Mathieu Eugene
250 Broadway Suite 1789
New York, NY 10007

Dear Councilman Eugene:

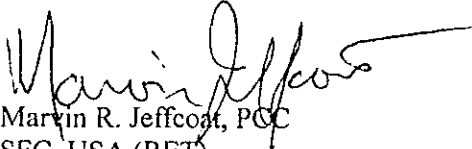
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If you have any questions regarding this correspondence please contact me at (347) 841-4335 or jeffcoatm505@aol.com.

Sincerely,
Legislative Chairman Department of NY, Catholic War Veterans


Marvin R. Jeffcoat, POC
SFC, USA (RET)

**NYC Veterans Advisory Board
346 Broadway – 8th Floor
New York, New York 10013
917-731-2467
mcgowanv@aol.com**

**STATEMENT OF VINCENT M. MCGOWAN
CHAIRMAN, VETERANS ADVISORY BOARD**

BEFORE

**NEW YORK CITY COUNCIL
COMMITTEE ON VETERANS**

AND

**NEW YORK CITY COUNCIL
COMMITTEE ON SMALL BUSINESS**

**250 BROADWAY – 16TH FLOOR
NEW YORK, NEW YORK**

December 6, 2013

My name is Vincent McGowan and I am the Chairman of the city's Veterans Advisory Board (VAB). The VAB was chartered in 1987 under Local Law 53 to advise the Mayor's Office of Veterans Affairs on all matters concerning veterans. In 2002, Local Law 45 expanded the VAB from five to nine members: five appointed by the Mayor and four appointed by the City Council, with each Borough represented on the board. In 2006, Intro 233 enhanced the structure of the VAB and added annual reporting requirements. The first Chairman of the VAB was elected in 2008.

First, I would like to express the VAB's appreciation to the Committee on Veterans and the Committee on Small Business, as well as all of the sponsors for drafting Intro 1159. Intro 1159 is a cutting-edge bill which blends nicely with bi-partisan legislation currently being considered in Albany. The state legislation is known as A.8230 and S.5968, Opening Opportunities, Resources and Access for Heroes, or OORAH for short.

Passage of Intro 1159 will usher in a new era of assistance to the youngest veterans in the City of New York.

The need for legislation allowing veterans business enterprises (VBE's) to participate in the city's procurement process has been discussed several times at VAB meetings, going back to 2002. The VAB has also discussed similar legislation which has circulated in Albany during those years. While this appears to be the first such city procurement legislation, bills creating a state service-disabled veteran-owned business program passed both chambers in 2009 and were sent to then Governor Paterson's desk and promptly vetoed.

Which brings me to why the VAB opposes Reso 1926: our board opposes Reso 1926 for the reasons contained in then Governor Paterson's 2009 veto message, which states in part: "State Finance Law prevents State agencies from entering into procurement arrangements with businesses... that discriminate against New York businesses through pricing preferences or other means..."

How does relate to Reso 1926? Simply put, Reso 1926 supports a 3% set-aside bill now circulating in the Assembly as A.2554. A similar set-aside was included in the state legislation previously vetoed by the governor. Veterans do not need special preference or set-asides. However, our city's veterans can certainly benefit from existing programs now offering technical assistance and bidding opportunities to other economically disadvantaged groups.

In closing, the VAB looks forward to passage of Intro 1159, and the benefits it will bring not only to our youngest vets, but to the coffers of the City of New York. Thank you.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1159 Res. No. 1926

in favor in opposition

(ENTR) (RESO) Date: 12/6/13

(PLEASE PRINT)

Name: Lee Corino for SF BP Jim Molinaro

Address: Boru Hall - SF

I represent: BP Jim Molinaro

Address: Boru Hall SF

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Vince McGowan

Address: 320 W 76 St NY 10021

I represent: Veteran Advisory Bd

Address: 346 Brooker -

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: AVI LESHEE

Address: 335 ADAMS ST

I represent: BROOKLYN CHAMBER OF COMMERCE

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1159 Res. No. _____

in favor in opposition

Date: 12/6/2013

(PLEASE PRINT)

Name: Felice Farber

Address: _____

I represent: General Contractors Association

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Edgard HERNANDEZ

Address: 315 10 Thomson Ave, B309, LIC, NY 11401

I represent: La Guardia Community College

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: CHRISTINA HAYES for Sandra Wilkin

Address: 1 Melrose Ct

I represent: Bradford Castner

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1159 Res. No. 1926

in favor in opposition

Date: 12/6

(PLEASE PRINT)

Name: Kronelle Hamanaka

Address: 60 W 94 St NYC 10025

I represent: Military Families

Address: as above mfs.org

Please complete this card and return to the Sergeant-at-Arms