

MEMORANDUM

TO: Port of Seattle Commissioners
FROM: Ralph B. Ibarra, President | DiverseAmerica Network
DATE: March 28, 2017
RE: Veteran Business Enterprises

For the record, my name is Ralph Ibarra and my company is DiverseAmerica Network, and I have been an advocate and activist for small and diverse business enterprises for nearly 30 years. I commend the Commissioners and the staff of the Port for their steadfast commitment to implementing Resolution No. 3618 since its inception as the first phase in providing fair and equitable access to procurement and contracting opportunities for small firms.

Although RESOLUTION No. 3618 makes references to “veterans” as a socio-economic group in a number of spots, Veteran Business Enterprises (VBEs) a/k/a Veteran-owned Small Business (VOSB) and Service-disabled Veteran-Owned Business (SDVOSB), were not included in “Section 6. DEFINITIONS” As such, I respectfully request that all you place VBEs on par with MBEs, WBEs, DBEs, and the other socio-economic groups highlighted in RESOLUTION No. 3618 for the reason I asserted in my January 5, 2010 memo to the Port Commissioners.

“After all, veterans of military service and their families have sacrificed to protect the United States of America and the Greatest Economy in the world; as such, shouldn’t they be afforded due consideration in Section 6?”

To underscore the imperative of acknowledging the sacrifices and supreme commitment to our Nation that uniformed service members, veterans and military families are providing, I offer you examples of how Federal and State statutes bolster the growth and prosperity of VBEs.

Federal References:

- #1 Public Law 106-50 “Veterans Entrepreneurship and Small Business Development Act of 1999, enacted on January 6, 1999.
- #2 Public Law 108-183 “Veterans Benefits Act of 2003”, enacted on December 16, 2003
- #3 Executive Order 13360—Providing Opportunities for Service-Disabled Veteran Businesses To Increase Their Federal Contracting and Subcontracting, signed October 26, 2004
- #4 Public Law 109-461 “Veterans Benefits, Health Care, and Information Technology Act of 2006”, enacted December 22, 2006
- #5 Public Law 110-186 “Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008”, enacted February 14, 2008.

State References:

- #1 The Veteran/Service Member Owned Business Registry was established by SB 5253 during the 2007 Legislative Session. Your Washington State Department of Veterans Affairs is committed to promoting Veteran/ Servicemember Owned Businesses. This Registry is one way

that our state and its citizens can honor you by promoting your business and its products and services statewide.

#2 The Washington State Veteran Linked Deposit Program improves access to capital for certified Veteran and Servicemember owned business enterprises by decreasing interest rates on small business loans up to 2%! Any firm currently certified by the Washington State Department of Veterans Affairs (WDVA) as a Veteran or Servicemember Owned Business is entitled to the Linked Deposit benefit.

**#3 RCW 43.60A.010 | Department of Veterans Affairs
Definitions.**

(7) "Veteran-owned business" means a business that is certified by the department to be at least fifty-one percent owned and controlled by:

(a) A veteran as defined in RCW 41.04.007; or

(b) An active or reserve member in any branch of the armed forces of the United States, including the national guard, coast guard, and armed forces reserves.

Effective date—2010 1st sp.s. c 26; 2010 1st sp.s. c 7: See note following RCW 43.03.027.

Purpose—2010 c 5: "The legislature recognizes the unique sacrifices made by veterans and the substantial challenges that returning veterans face after a period of military duty away from home. The legislature further recognizes that veterans who own private businesses may face particular hardships as a direct result of their military service. The purpose of this act is to mitigate economic damage to veteran-owned businesses as a result of military service, and to provide opportunities to them in recognition of the outstanding service they have given to their country." [2010 c 5 § 1.]

RCW 43.60A.190 | Certified veteran-owned businesses.

(1) The department shall:

(a) Maintain a current list of certified veteran-owned businesses; and

(b) Make the list of certified veteran-owned businesses available on the department's public web site.

(2) To qualify as a certified veteran-owned business, the business must:

(a) Be at least fifty-one percent owned and controlled by:

(i) A veteran as defined as every person who at the time he or she seeks certification has received a discharge with an honorable characterization or received a discharge for medical reasons with an honorable record, where applicable, and who has served in at least one of the capacities listed in RCW 41.04.007; or

(ii) An active or reserve member in any branch of the armed forces of the United States, including the national guard, coast guard, and armed forces reserves; and

(b) Be either an enterprise which is incorporated in the state of Washington as a Washington domestic corporation, or an enterprise whose principal place of business is located within the state of Washington for enterprises which are not incorporated.

(3) To participate in the linked deposit program under chapter 43.86A RCW, a veteran-owned business qualified under this section must be certified by the department as a business:

(a) In which the veteran owner possesses and exercises sufficient expertise specifically in the business's field of operation to make decisions governing the long-term direction and the day-to-day operations of the business;

(b) That is organized for profit and performing a commercially useful function; and

(c) That meets the criteria for a small business concern as established under chapter 39.19 RCW.

(4) The department shall create a logo for the purpose of identifying veteran-owned businesses to the public. The department shall put the logo on an adhesive sticker or decal suitable for display in a business window and distribute the stickers or decals to veteran-owned businesses listed with the department.

(5)(a) Businesses may submit an application on a form prescribed by the department to apply for certification under this section.

(b) The department must notify the state treasurer of veteran-owned businesses who have participated in the linked deposit program and are no longer certified under this section. The written notification to the state treasurer must contain information regarding the reasons for the decertification and information on financing provided to the veteran-owned business under RCW 43.86A.060.

(6) The department may adopt rules necessary to implement this section.

[2014 c 182 § 1; 2008 c 187 § 1; 2007 c 11 § 1.]

RCW 43.60A.200 | Awards of procurement contracts by state agencies to veteran-owned businesses.

(1) State agencies are encouraged to award three percent of all procurement contracts that are exempt from competitive bidding requirements under *RCW 43.19.1906(2) to veteran-owned businesses certified by the department under RCW 43.60A.195.

(2) State agencies shall:

(a) Perform outreach to veteran-owned businesses in collaboration with the department to increase opportunities for veteran-owned businesses to sell goods and services to the state; and

(b) Work to match agency procurement records with the department's database of certified veteran-owned businesses to establish how many procurement contracts are being awarded to those businesses.

[2010 c 5 § 4.]

Thank you for your thoughtful consideration and I am available to the Commissioners for any questions you may have about this memorandum.

