

THE VETERANS BENEFITS ACT OF 2003

To enhance business opportunities for Service-Disabled Veteran-Owned Business (SDVOSB) entities, Congress has enacted P.L. 108-183: the Veterans Benefits Act of 2003, signed by President George W. Bush on December 16, 2003. P.L. 108-183 enables SDVOSB firms to receive sole source and restricted competition contracts for goods and services used by the U.S. Government. The anticipated award of sole source contracts will not exceed \$5M for manufacturing and \$3M for other contract opportunities. Congress enacted this statute after data collection from more than 60 federal departments and agencies showed that more than half of them reported no procurement dollars expended with SDVOSBs.

The term “service disabled” as defined by the Small Business Act (established by P.L. 106-50 in 1999) means, with respect to disability or death, that such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in the line of duty in the active military, naval, or air service. This definition applies to the new sole source and restricted competition program under P.L. 108-183 and the three percent (3%) goal program set by P.L. 106-50, and includes veterans with 0% and higher VA disability ratings.

To ensure that the new Sole Source and Restricted Competition Law for Service-Disabled Veteran-Owned Small Business would not experience implementation delays, Senate and House Veterans Affairs Committee adopted this compromise agreement language: “The Committee intend that a determination of service-connection by the Secretary of Veteran Affairs would be binding on the Small Business Administration (SBA) for purpose of participation in this program. The Committee also urges the SBA and the Office of Federal Procurement Policy (OFPP) to expeditiously and transparently implement this program, perform outreach, and provide the necessary resources to improve results with respect small business concerns owned and operated by service-disabled veterans. The Committee notes that in 1999, Public Law 106-50 established a 3 percent government-wide goal for procurement from service-disabled veterans. To date, all federal agencies have fallen far short of this procurement goal.”

Currently the Federal Acquisition Regulation (FAR) Council has been issued this case and anticipates approximately 150 days before full implementation. Once implemented, the Army Small Business Office will aggressively market the opportunities afforded to SDVOSBs and educate Army acquisition professionals on P.L. 108-183.