

Memorandum



TO: State Representative Jarrod B. Martin
FROM: Nadine Wise, Legislative Liaison *NW*
DATE: December 30, 2009
RE: Information related to Veteran's businesses in Ohio

- The Ohio Department of Administrative Services (DAS) supports improving the economic climate for Ohio veterans.
- Currently, the Ohio Revised Code recognizes the following preferences, each having their own administrative rules and procedures:
 - Minority business enterprise (MBE)*
 - Encouraging diversity, growth and equity (EDGE)*
 - Inmate rehabilitation (OPI)
 - People with work-limiting disabilities (CRP)
 - Visually impaired (BSVI)
 - Buy Ohio
 - Buy America
- Veteran-owned businesses may qualify under the above preferences, where participants are eligible for contract assistance, financial and bonding assistance, management and technical assistance and protégé opportunities with industry mentors. DAS is currently discussing and planning training efforts in collaboration with the Ohio Department of Veterans Services.
- The Ohio Department of Veteran Services' (ODVS) mission is "To actively identify, connect with, and advocate for veterans & their families."
- ODVS is committed to advertising and assisting DAS in marketing and outreach to the veteran's community regarding the current DAS contract programs. We will provide information about these programs during our monthly advisory council meetings as well as our statewide trainings. In addition, ODVS will begin to study the Veteran-Owned market that exists in Ohio today.
- In an effort to educate veterans on how to do business with the state, DAS provided ODVS with MBE/EDGE certification information and guidelines, invitations to and information on our Equal Opportunity Division's Reverse Trade Fair and state procurement vendor-registration information. We're combining efforts to disseminate information to encourage veterans to do business with the state of Ohio.
- It is unknown how many Veteran-Owned businesses are in Ohio and what products or services they provide. Ohio does not have veteran-owned business guidelines, qualifications or requirements in place. A study commission would help us survey the

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business community and help us determine appropriate preference amounts and guidelines.

- As you are aware, and as your legislation mentions, the United States Small Business Administration lists these definitions:
 - **Veteran:** A person who served on active duty with the U.S. Army, Air Force, Navy, Marines or Coast Guard, for any length of time and at any place and who was discharged or released under conditions other than dishonorable. Reservists or members of the National Guard called to Federal active duty or disabled from a disease or injury incurred or aggravated in the line of duty or while in training status also qualify as a veteran
 - **Veteran-owned Business:** Not less than 51% of which is owned by one or more veterans, or in the case of any publicly owned business, not less than 51% of the stock of which is owned by one or more veterans; and the management and daily business operations of which are controlled by one or more veterans
 - **Service Disabled Veteran:** A veteran who possesses a disability rating letter issued by the Department of Veterans Affairs, establishing a service-connected rating between 0 and 100% or a disability determination from the Department of Defense
 - **Service Disabled Veteran-Owned Business:** Not less than 51% of which is owned by one or more service-disabled veterans, or in the case of any publicly owned business, not less than 51% of the stock of which is owned by one or more service-disabled veterans; and the management and daily business operations of which are controlled by one or more service-disabled veterans, or in the case of a veteran with a permanent and severe disability, a spouse or permanent caregiver of such veteran.

**State agencies and universities struggle to meet these goals. Ohio does not meet the MBE set-aside percentage of 15 percent, nor the EDGE 5 percent goal.*