



EXCLUSIVE INTERVIEW

Congressman Steve Chabot,
Chairman of the House Small Business Committee

BY MATTHEW PAVELEK

LAST NOVEMBER, President Obama signed the Veterans Entrepreneurship Act of 2015. This piece of legislation accomplished numerous financial business advantages for veterans. First, it prohibits the Small Business Administration (SBA) from collecting a guarantee fee in connection with a loan made under the SBA Express Program to a veteran or a military spouse.

The bill also requires the SBA to assess for Congress the level of outreach to and consultation with female veterans regarding access to capital by women's business centers and Veterans Business Outreach Centers. Finally, it amended the Consolidated and Further Continuing Appropriations Act, 2015 and increased the limit for general business loans from \$18.75 billion to \$23.5 billion.

Congressman Steve Chabot (R-Ohio), who serves as the Chairman

of the U.S. House of Representatives Committee on Small Business, spearheaded the bill and pushed it all the way to the president's desk. Chabot said he plans to build on that success as he enters the second year of his chairmanship and remind people that helping small businesses owned by veterans remains one of his top priorities for the new session of Congress.

We sat down and talked with Congressman Chabot about his passion for veterans and business and what we can expect in the near future.

Why are you such a supporter of veterans issues?

Since I became chairman of the committee a little more than a year ago, one of my top priorities has been helping veteran-owned small businesses. When you think about it, and you think what's necessary to launch

a new small business, it's strategic planning, it's tactical expertise, it's perseverance, it's the ability to adjust plans and it's the ability to overcome challenges and make decisions literally at a moment's notice. And that's kind of the essence of what we find in the men and women who have worn the uniform of our nation's military and our warfighters.

Those same qualities are what successful small businesses have in common with these vets. They are an important part of the community. They put their life on the line for us and I think we owe it to them to make sure that when they come back from Vietnam or Afghanistan or Iraq or wherever they've been, or even if they didn't go overseas, even if they've served our country here in the United States, when they get out and they come into the private sector, ▶



► we have a responsibility to reach out and help them rather than discourage them. It's tough enough for somebody who's just starting out in the private sector. But, when you put your life on hold for a while, there are all sorts of things that can happen and we have a responsibility to reach out and that's what I tasked our folks on small business to make a priority.

Tell us how the Veterans Entrepreneurship Act of 2015 came about?

I really felt we needed policies that encouraged veteran entrepreneurs and didn't discourage them. And veterans, along with every small business person, needs money. They need access to capital in order to get started and we made it easier for veterans to do so when we passed the legislation.

We did this in a bi-partisan manner. We have a very good working relationship with the ranking member on that committee, Nydia Velazquez [D-New York], our friend in New York. She had been the chairwoman of the committee in the past and I was her ranking member, so we've known

each other for a long time and we trust each other. And we've actually encouraged the various members on both sides of the aisle to take up the bill. We were very open to amendments from either side, whether it was Republicans or Democrats.

With this particular bill, what it does is it waives the fee up front for veterans for the SBA 7(a) loan program. These fees can be pretty hefty to apply for a loan and that can be a stumbling block if you have to pay \$1,500 or \$2,000 bucks and this waives that fee for veterans. We passed it pretty quickly through the committee and the House and the Senate as well. We worked closely with our Senate colleagues on this. And President Obama, to his credit, signed it into law. This is something that we need more veterans to be aware of so they can take advantage of it and get the capital they need in order to start their business venture.

I would also encourage veterans to contact their particular member of the House or their Senator to get more information about this. ►

"I really felt we needed policies that encouraged veteran entrepreneurs and didn't discourage them."

CONGRESSMAN STEVE CHABOT
Chairman

*U.S. House of Representatives
Committee on Small Business*

► **We've heard some folks say that veterans issues are the only remaining non-partisan issues left. What do you think?**

(Laughing) There's probably a lot of truth to that. I think both sides care a whole lot about veterans and even though we may have a little different perspective on the best ways to assist them, in general I think both sides are pretty sincere in wanting to do everything possible to make sure veterans are being treated absolutely the best way possible.

What other programs have you been involved in that are beneficial to small businesses in general or veteran entrepreneurs in particular?

Another area that the Small Business Committee has been working on to help veteran small business is in the area of contracting reform. Just last month we passed legislation called the Defending America's Small Contractors Act. This bill reformed and improved veterans contracting programs relative to their dealings with both the SBA and the VA [Department of Veterans Affairs].

Also, in last year's National Defense Authorization Act we were able to pass a number of improvements in several areas. For example, in the Mentor-Protégé program, and what that does is it partners small businesses, often veteran-owned small businesses, with larger Mentor companies that can win and successfully perform more contracts and subcontracts. We passed it in both the House and the Senate and these were also done in our committee in a bi-partisan manner and now it's the law of the land. We reached out to the Democrats in the committee and encouraged them to offer amendments. And they actually came up with some pretty good ones. And we included a whole range of them from both sides in this and get most of them in the bill.



“When you consider that 70 percent of jobs in the American economy are created by small businesses, that’s a huge impact on the economy.”

What other information do you want to share with the veterans entrepreneurship community?

One other area that has helped all small businesses is the Tax Extenders Bill. For example, permanent extension of section 179. Businesses can now expense things right in the year. So if you get a big piece of equipment you don't have to extend it over seven years or more. Now you can expense it in one year and that's a huge thing for small business owners. In the past, since it was a year-by-year basis, you couldn't plan for it ahead of time.

Now you can plan for it and

uncertainty is the enemy of all small business. And another part of it was the research and development tax credit as well. So we are making some progress up here. I think, especially among small businesses, this is just critical. When you consider that 70 percent of jobs in the American economy are created by small businesses, that's a huge impact on the economy. And most members realize that and one of our responsibilities is to make sure that every member of Congress knows that because all of them have small businesses in their districts and a lot of them are small businesses. ☺

**TO LEARN MORE ABOUT THE VETERANS
ENTREPRENEURSHIP ACT OF 2015 VISIT:
NAVOPBA.COM/VEA15**