

**ONE HUNDRED AND THIRD NATIONAL CONVENTION
OF
THE AMERICAN LEGION
Milwaukee, Wisconsin
August 30, 31, September 1, 2022**

Resolution No. 16: Abating the Negative Impact of Category Management Procurement Practices for Veteran-Owned Small Businesses

Origin: California

Submitted by: Convention Committee on Veterans Employment & Education

WHEREAS, The Category Management initiative implemented by the federal government in 2016 sought to streamline federal procurement and minimize costs to taxpayers through buying common goods and services via government-wide best in class (BIC) contract vehicles; and

WHEREAS, By consolidating smaller contracts and incentivizing preference for larger firms that have the resources to provide a broader range of government services, the Category Management initiative has led to the deterioration of the small business federal supplier base by establishing cumbersome barriers to entry for emerging firms; and

WHEREAS, The number of small businesses doing work with the federal government fell by 38% between 2009 and 2018 according to the Government Accountability Office; and

WHEREAS, Many federal agencies continue to meet their 3% contracting goal threshold for service disabled veteran-owned small businesses (SDVOSBs) only by virtue of providing larger contracts to fewer SDVOSBs with extensive past performance records; and

WHEREAS, The precipitous decline of new entrants into the government marketplace threatens economic resilience and the ability of the government to source new and innovative solutions to address societal challenges; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Milwaukee, Wisconsin August 30, 31, September 1, 2022, That The American Legion favors legislative action that protects veteran-owned small businesses from the negative consequences of the Category Management procurement initiative; and, be it finally

RESOLVED, That Congress provides the necessary resources and funding for the Small Business Administration to train veteran small businesses without past performance records about current Category Management practices to ensure they are provided the opportunity to compete in the government marketplace.