



Steve Stivers, President & Chief Executive Officer
Ohio Chamber of Commerce
Proponent Testimony – Senate Bill 12
February 22, 2023

Good afternoon, Chairman Lang, Vice Chair Wilkin, Ranking Member Sykes and members of the Senate Small Business and Economic Opportunity Committee. Thank you for allowing me to present proponent testimony on Senate Bill 12. My name is Steve Stivers, and I am the President and CEO for the Ohio Chamber of Commerce. For 130 years, the Ohio Chamber has served as the state's leading business advocate and we represent over 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

Senate Bill 12 makes duly certified veteran-owned business enterprises eligible for contract purchases set aside by the Ohio Department of Administrative Services (DAS) and other state agencies. The Director of the Ohio Department of Development would adopt rules to establish a veteran-owned business enterprise certification program along the same lines as those of minority and women-owned programs.

At present, and each fiscal year, these public entities are required to set aside approximately 15% of the estimated total value of purchases for competition only by minority business enterprises. The bill does not alter this 15% arrangement, but rather creates a separate 5% set aside of state purchasing contracts for competition among veteran-owned business enterprises. As noted by the Legislative Service Commission, the legislative and judicial branches, boards of elections, and the Adjutant General are excepted from this requirement, and under previous court rulings there continues to be no set-aside requirement for state-awarded construction contracts.

SB 12 defines "veteran-owned business enterprise" as a sole proprietorship, association, partnership, corporation, limited liability company, or joint venture of any kind that that is owned and controlled by a veteran who is a U.S. citizen and resident of Ohio. "Owned and controlled" means that at least 51% of the business enterprise, including corporate stock if it is a corporation, is owned by a veteran and that such an owner has control over the day-to-day operations of the business and an interest in the capital, assets, and profits and losses of the business proportionate to the veteran's percentage of ownership.

The Ohio Chamber recently unveiled the *Blueprint for Ohio's Economic Future*, a constructive look at policy areas where Ohio can better capitalize on opportunities and position itself as a leader in the coming decade. Studies by our Ohio Chamber Research Foundation and our partner, Accenture, identified several categories of hidden workers, including veterans, that our state should aspire to better integrate into our workforce.

According to The MetLife and U.S. Chamber of Commerce Small Business Index, more than 80% of veteran- and non-veteran-owned small businesses say that it is important to focus on hiring veterans. Not only are veterans model job candidates across most industries, yet nationally only about one in 10 small businesses have intentionally recruited military veterans. The same report found that nearly half of small businesses with 20 or more employees and 37% of businesses with less than five employees say it is difficult to find useful information about hiring veterans.

The "Education and Workforce" section of our Blueprint specifically recommends reducing barriers to employment by supporting increased recruitment and retention of veterans. SB 12 aligns with the Chamber's long-term policy vision for the state and is an important step towards recognizing and elevating our veterans, particularly those who are entrepreneurs and creating Ohio-based job opportunities.

Mr. Chairman and members of this committee, thank you for your consideration of SB 12 and for recognizing the importance of this legislation. I would be happy to answer any questions at this time.