



MARYLAND MILITARY COALITION

SENATE BILL 359 – SUPPORT

**Senate Bill 359 – Disadvantaged Business Enterprises and Veteran-Owned
Small Business Enterprises – Filing Fee Exemption and Study
Budget and Taxation Committee
February 5, 2020**

The Maryland Military Coalition is a **nonprofit, all volunteer, Veterans advocacy group** representing the interests of Maryland Veterans, Service members, and their Families. Our alliance consists of sixteen organizations, listed on the following page, with over 100,000 members. We represent about one-fourth of Maryland's Veterans, Service members, and their Families.

The Maryland Military Coalition strongly supports Senate Bill 359.

This legislation requires the State Department of Taxation to waive document filing fees for Veteran-owned small business enterprises for a three-year period. This change, eliminating a \$300 annual filing fee, can have a significant impact on promoting Veteran entrepreneurship.

Veterans have long been an entrepreneurial force in the U.S. But these days, the number of veteran-owned businesses is declining. Only 4.5 percent of post-9/11 military veterans have gone on to open a business, compared to almost 50 percent of WWII veterans and 40 percent of Korean War veterans.

This sharp decline in veteran business ownership isn't for a lack of drive: 26 percent of veterans say they're interested in starting a business of their own. However, veterans face significant obstacles in their quest to start a business, from knowledge gaps to financing challenges.

Veterans can also use their military skills to become government contractors. However, veteran-owned businesses must go through a lengthy process before winning government contracts. You must prove to the VA that you're a legitimate business by submitting the necessary paperwork, answering any follow-up questions, and then waiting for approval. This can cause the costs of doing business to swell, while navigating the approval process needed to "get to the money" necessary to stay viable.

We need to reduce the financial burdens on existing veteran-owned small businesses, as well as promote more start-ups, by creating financial incentives such as provided by **Senate Bill 359**.

The Maryland Military Coalition believes we must honor the countless sacrifices of our Veterans by actively promoting and enhancing their ability to participate in and own the small businesses that are the bedrock of Maryland's economy!

We respectfully request a favorable report for Senate Bill 359.

For questions or additional information, please feel free to contact
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Member Organizations, Maryland Military Coalition

James P. Monahan
Air Force Sergeants Association

Stacy P. May
American Military Society

Lynn A. Nash
Commissioned Officers Association of the
US Public Health Service

Wilbert B. Forbes
Disabled American Veterans

Sheldon Goldberg
Distinguished Flying Cross Association

Pleasala J. Collins
Fleet Reserve Association

Evan A. Buttrick
Jewish War Veterans of the USA

Steve L. Bloodgood
Maryland Air National Guard Retirees'
Association

Harvey Kaplan
Military Officers Association of America

Charles Egbert
Military Order of the Purple Heart

Mervyn Rice
National Association for Black Veterans

Michael P. Hays
Naval Enlisted Reserve Association

Christian Andreasen
NOAA Association of Commissioned Officers

Catherine L. McGraw
Society of Military Widows

Arthur L. Cooper
The Retired Enlisted Association

Thomas C. Williams
Veterans of Foreign Wars