

Journey to Success: Employment Tools for Veterans with Disabilities

Part 4: Finding Your Self-Employment Destination



Securing today
and tomorrow



PART 4: FINDING YOUR SELF-EMPLOYMENT DESTINATION

Are you, or is someone you know, a United States military Veteran who acquired a disability during or after your service?

Military Veterans bring experience and skills of great value to the workforce. This document is part of a 5-part series called Journey to Success, which describes services that help Veterans with a disability enter the workforce and find fulfilling employment. Some of the services are open only to Veterans, but many of them are available to any American with a disability. You can find other information in this series, as well as a comprehensive document including all five parts, on our website at www.socialsecurity.gov/people/veterans/.

Note: The following list of resources includes federal and federally funded entities, as well as nonfederal or privately funded entities. Social Security does not endorse any of the nonfederal resources, nor does it guarantee any of the services advertised by those resources. Social Security is not responsible for the content or accessibility of third-party websites.

TRAINING TO HELP YOU START YOUR OWN BUSINESS

Entrepreneurship Bootcamp for Veterans with Disabilities (EBV) National Program is designed to leverage the skills, resources, and infrastructure of higher education to offer experiential training in entrepreneurship and small business management to post-9/11 Veterans with service-connected disabilities. This program is also available to military family members who serve in a caregiver role to a Veteran with a service-connected disability. The aim of the program is to develop competencies in creating and sustaining an entrepreneurial venture. For more information, go to: <http://ebv.vets.syr.edu/>.

Small Business Administration's Veterans Business Outreach Program (VBOP) is designed to provide entrepreneurial development services such as business training, counseling and mentoring, and referrals for eligible Veterans owning or considering starting a small business. The SBA has 15 organizations participating in this cooperative agreement and serving as Veterans Business Outreach Centers (VBOC). For more information, go to: www.sba.gov/tools/local-assistance/vboc.

Boots to Business has a two-step entrepreneurial training program offered by the U.S. Small Business Administration (SBA) as a training track within the Department of Defense's Transition Assistance Program. It is open to active duty military members (and their partners/spouses) separating from service who elect to participate in the entrepreneurship training track of Boots to Business. The SBA collaborates with the Institute for Veterans and Military Families at Syracuse University on program curriculum development, course materials, and instruction. The curriculum provides assistance to those interested in exploring business ownership or other self-employment opportunities by leading them through the key steps for evaluating business concepts and providing foundational knowledge required to develop a business plan. In addition, the program introduces participants to SBA resources available

to access start-up capital, technical assistance, and contracting opportunities. The Boots to Business entrepreneurship training track has no registration or tuition fees for participants. All service members will receive textbooks and resources necessary to complete the program. For more information go to: <http://boots2business.org/>.

Boots to Business Reboot is a two-part training program sponsored by the SBA covering the small business ownership as a career vocation that is open to Veterans of all eras, Service Members including members of the National Guard and Reserves, and their spouses. The course covers an overview of business ownership as a career vocation, an outline and knowledge of the components of a business plan, a practical exercise in opportunity recognition, and an introduction to available public and private resources. There is no cost to Boots to Business Reboot participants. For more information go to: <http://boots2business.org/reboot/>.

Small Business Development Centers (SBDCs) help new entrepreneurs realize the dream of business ownership and existing business owners remain competitive in the complex marketplace of an ever-changing global economy. Hosted by leading universities, colleges, and state economic development agencies, and funded in part by the United States Congress through a partnership with the SBA, nearly 1,000 service centers are available to provide no-cost business consulting and low-cost training. For more information, go to: <http://americassbdc.org/>.

Office of Small & Disadvantaged Business Utilization is run by the VA and can assist with the process of registering as a Veteran-owned or service-disabled Veteran-owned business. These certifications make your business eligible to access assistance and benefits. Additionally, your business may also qualify for other SBA certification and representations such as women-owned and small disadvantaged business. For information on SBA certifications and representations as well as resources to support your business, visit SBA's Starting and Managing a Veteran Owned Small Business page at: www.va.gov/osdbu/.

ASSISTANCE IN FINANCING YOUR START-UP BUSINESS

7(a) Small Business Loans are the most basic and most used type of loan available through the SBA's business loan programs. The loan's name comes from section 7(a) of the Small Business Act, which authorizes the agency to provide business loans to American small businesses. The loan program assists for-profit businesses that are not able to get financing from other resources. SBA provides loans to businesses instead of individuals. The program bases eligibility on aspects of the business, not the owners. SBA's 7(a) loan program will only consider businesses that:

- Meet SBA size standards;
- Operate for-profit;
- Do not yet have the internal resources (business or personal) to provide the financing; and
- Demonstrate the ability to repay the loan.

Some special purpose 7(a) loan programs may also require that the business meet additional eligibility criteria.

The maximum length of the loan is 25 years for real estate and seven years for working capital. The maximum loan amount is \$2 million. For more information go to: www.sba.gov/content/7a-loan-program-eligibility.

The Small Business Investment Company (SBIC) program, part of the SBA, was created to fill the gap between the availability of venture capital and the needs of small businesses in start-up and growth situations. SBICs exist to supply equity capital, long-term loans, and management assistance to qualifying small businesses. The privately owned and operated SBICs use their own capital and funds borrowed from the SBA to provide financing to small businesses in the form of equity securities and long-term loans. SBICs are profit-seeking organizations that select small businesses to finance within rules and regulations set by SBA. Specialized SBICs (SSBIC) are a particular type of SBIC that provide assistance solely to small businesses owned by socially or economically disadvantaged persons. This program provides equity investment as opposed to debt financing. An equity investment involves an investment company that buys a piece of your business. They become co-owners in the business. Both the investor and the company negotiate these investments and therefore do not have standard terms like a debt financing (loan) program. For more information go to: www.sba.gov/sbic/financing-your-small-business/how-should-you-approach-sbic-financing.

The MicroLoan Program provides very small loans to start-up, newly established, or growing small business concerns and certain not-for-profit childcare centers. Under this program, SBA makes funds available to nonprofit community based lenders (Microlender Intermediaries) which, in turn, make loans to eligible borrowers in amounts up to a maximum of \$50,000. The average loan size is about \$13,000. Applicants submit their applications to the local intermediary, who decides on the local level whether to fund the request. Each intermediary lender has its own lending and credit requirements. However, business owners contemplating application for a microloan should be aware that intermediaries will generally require some type of collateral, and the personal guarantee of the business owner. The maximum term allowed for a microloan is six years. However, loan terms vary according to the size of the loan, the planned use of funds, the requirements of the intermediary lender, and the needs of the small business borrower. Interest rates vary, depending upon the intermediary lender and costs to the intermediary from the U.S. Department of the Treasury. For more information go to: www.sba.gov/content/microloan-program.

Thank You

Social Security thanks you for your service and sacrifice. We hope these resources are helpful to you on your employment adventure!



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