



Legislative Updates / Topics for Small Business

Legislative & Regulatory Affairs
Strategic Work Placement / Supplier Diversity

Geopolitical Summary

Boeing Global Supplier Diversity



Global Recession



New Defense Strategy



New Administration



DoD Budget Rebalancing



Government Bailout



Acquisition Reform



Budget Crisis



Increasing Social Programs

Challenging environment impacts small businesses first

President Obama's Small Business Agenda

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- Increase transparency, “acquisition reform and oversight“
- Invest in Women-owned Small Businesses and increase minority access to capital
- Support Rural Small Businesses through state agricultural grants
- Fix Health Care for SBs
- Provide tax relief for SB's and start-ups – support high-tech and R&D job creation
- Expand SBA loan and micro loan programs
- Create national public-private business incubator infrastructure

Small business = jobs

Emerging Issues (General)

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- Legislative Proposals
 - Increase statutory SB goal to 25% (from 23%)
 - More “penalties” for non-achievement of SB subcontracting goals
 - New criteria for “good faith” compliance with subcontracting plans
 - 5 year debarment for fraudulent misrepresenting business size
 - SDB personal net worth criteria increase to \$978K
 - Parity within socioeconomic subcontracting programs
 - CSP covered contracts subject to liquidated damages
 - SB Subcontracting Plan threshold increase to \$650K (from \$550K)
 - Foreign-owned firms ineligible for SB status

Emerging Issues (General)

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- Regulatory Proposals
 - SBA re-write of Size Standards – *proposed*
 - Analyzes the need for DoD-specific size standards
 - Revisions of 8(a) Business Development Program criteria
 - Quarterly eSRS reporting for GSA Contracts (FAR class deviation / memo)
 - DoD may follow suit

Emerging Issues (Specific)

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- Bill S.2989
 - Penalties for business size misrepresentation
 - Expansion of small business set-asides into more agency IDIQ contracts
 - Changes to prime-subcontracting processes (e.g., “bait and switch”)
 - certification to execute subcontract in the same quantity/quality as contained in a federal government proposed offer
- Federal Funding, Accountability & Transparency Act (FFATA) **interim rule 6/25**
 - Affects all solicitations and contracts (except classified) \geq \$25K

American Recovery & Reinvestment Act (ARRA) – **already in affect**

- Affects solicitations and contracts (except classified) that are funded in whole or in part by the Recovery Act
- Requires quarterly reporting at the Prime contract level, (and Subcontractor level if prime has any subcontracts \geq \$25K)

FFATA / ARRA Qtrly Reporting Elements

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1. Funding Agency Code / Name
2. Awarding Agency Code / Name
3. Contracting Office Code / Name
4. Program Source (Treasury Account Symbol (TAS))
5. Award Number* and Order Number (if applicable)
6. DUNS Number*
7. Legal Name*, Doing Business As Name*, and Full Address* (pre-populated from CCR if available, D&B is secondary source)
8. Recipient's Congressional District*
9. Parent DUNS Number (pre-populated from CCR)
10. Recipient's Account Number (optional field for the recipient's use)
11. Award Date*
12. Award Description (narrative)
13. Quarterly Activities / Project Description (narrative) (cumulative)
14. Project Status (Not Started, <50% Complete, >50% Complete, Complete) (cumulative)

* Must also report these elements for any first tier subcontractor for subcontract \geq \$25K

FFATA / ARRA Reporting Elements

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15. Project Title (optional)
16. NAICS Code / NAICS Code Description
17. Number of Jobs Created / Retained (cumulative)
18. Description of Jobs Created / Retained (narrative) (cumulative)
19. Amount of Award (Total Amount of Recovery Funds Obligated for the Contract or Order)*
20. Total Amount of Recovery Funds Invoiced (cumulative)
21. Primary Place of Performance Full Address*
22. Primary Place of Performance Congressional District*
23. Recipient Indication of Applicability Regarding Highly Compensated Executives*
24. Names of the 5 Most Highly Compensated Executives (conditional based on the recipient's indication of applicability)*
25. Compensation Amount of the 5 Most Highly Compensated Executives (conditional based on the indication of applicability)*
26. Total Number and Amount of Sub-awards to Individuals (cumulative)
27. Total Number and Amount of Sub-awards <\$25K per Award (cumulative)

* Must also report these elements for any first tier subcontractor for subcontract \geq \$25K

Industry Concerns / Open Issues

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- Modernization of Small Business Programs – e.g.
 - Comprehensive Subcontracting Plan (CSP) Test Program
 - Extended to 2014
 - Modernization to be addressed during extension
 - New program participants prohibited during extension
- Emerging socioeconomic categories at subcontracting level–
 - AbilityOne
 - Economically disadvantaged women-owned small business (EDWOSB) – potential goal flowdown to primes
- Reauthorization of Small Business Innovative Research Program
 - Lack of “permanency”
 - DoD extended thru Sept 20th (other Agencies thru April 30th)

Industry Concerns / Open Issues

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- Non-standard small business language in RFPs (e.g. FMS)
 - SBA guidelines excludes FMS from SB goal base (DOD push back)
 - SBA official policy pending (tentative ECD - end of FY10)
- Globalization
 - Leveraging US small business regulations; expanding to “global supplier diversity” model
- Subcontracting Plan Flow Down Clause
 - Agencies’ interpretation:
 - primes review/negotiate/monitor their Tier 1’s subcontracting plan goals and performance
 - FAR / industry practice does not support Agency’s interpretation
 - SBA, DOD, OSB, etc. redressing the issue on a government- and industry-wide basis

Summary

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- Websites for more information
 - www.thomas.gov
- Congressional Bills
 - S. 2989
 - H.R. 4496
 - H.R. 1983
 - H.R. 2568
 - H.R. 4253
 - H.R. 2747
 - H.R. 3558
 - H.R. 4125
 - H.R. 2415
 - H.R. 2416
 - H.R. 2568
 - H.R. 2769

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Q & A

Back-up