



2012 Contracting Reform Bills Passed by House Small Business Committee Summary

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1. HR 3850: Goals
 - Contracting goal 23%→25%
 - Subcontractor goal 35.9%→40%
 - Hold agencies accountable for not meeting goals by reviving the requirements concerning the information the agency has to include in the annual report.
2. HR 3851: OSDBU
 - Amends the Federal Acquisition Streamlining Act of 1994 to require the Small Business Procurement Advisory County to: (1) conduct reviews of each Office of Small and Disadvantaged Business Utilization to determine compliance with SBA requirements; (2) identify best practices for maximizing small business utilization in federal contracting, and (3) report annually to the small business committees on such reviews and best practices.
3. HR 3893: Subcontracting (Subcontracting Transparency and Reliability Act of 2012)
 - Enforcement of subcontracting plans and increases teaming
 - Increases transparency by publishing insourcing, allowing teaming, and cracking down on pass through entities
4. HR 3980: Procurement Center Representatives
 - Greater involvement of PCRs through acquisition process
5. HR 3985: Mentor-Protégé
 - Standardizes mentor-protégé programs
6. HR 3987: NAICS codes size standards
 - Authorize SBA to establish or approve a single standard for a grouping of NAICS codes only if the SBA makes publicly available, no later than the date on which it is established or approved, a justification that such standard is appropriate for each individual classification in the grouping.
7. HR 4118: Multiple Award Contracts
 - Increase small business participation through multiple award contracts
8. HR 4121: Early Stage Program
 - Implements new federal contracting program for early stage small businesses (no more than 15 employees and average annual receipts of no more than \$1 million)

9. HR 4081: Bundling (Contract Bundling – the consolidation of two or more procurement requirements into a single solicitation for a single prime contract that is unlikely, because of its size or complexity to be suitable for award to a small business)

- Stronger agency justification for bundling appeal process
- Stronger appeal process unjustified bundling
- Includes construction

10. HR 4206: Fraud Prevention

- Addresses fraud

11. HR 4203: WOSB Program

- Removes dollar caps
- Allows sole source authority
- Adds SBA Certification program

FLORIDA SMALL BUSINESS LEGISLATION

337.139. Efforts to encourage awarding contracts to disadvantaged business enterprises

In implementing chapter 90–136, Laws of Florida, the Department of Transportation shall institute procedures to encourage the awarding of contracts for professional services and construction to disadvantaged business enterprises. For the purposes of this section, the term “disadvantaged business enterprise” means a small business concern certified by the Department of Transportation to be owned and controlled by socially and economically disadvantaged individuals as defined by the **Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU)** ~~Surface Transportation and Uniform Relocation Act of 1987~~. The Department of Transportation shall develop and implement activities to encourage the participation of disadvantaged business enterprises in the contracting process. Such efforts may include:

- (1) Presolicitation or prebid meetings for the purpose of informing disadvantaged business enterprises of contracting opportunities.
- (2) Written notice to disadvantaged business enterprises of contract opportunities for commodities or contractual and construction services which the disadvantaged business provides.
- (3) Provision of adequate information to disadvantaged business enterprises about the plans, specifications, and requirements of contracts or the availability of jobs.
- (4) Breaking large contracts into several single-purpose contracts of a size which may be obtained by certified disadvantaged business enterprises.

295.187. Florida ~~Service-Disabled~~ Veteran Business Enterprise Opportunity Act

(1) **Short title.**--This section may be cited as the “Florida ~~Service-Disabled~~ Veteran Business Enterprise Opportunity Act.”

(2) **Intent.**--It is the intent of the Legislature to rectify the economic disadvantage of service-disabled veterans, who are statistically the least likely to be self-employed when compared to the veteran population as a whole and who have made extraordinary sacrifices on behalf of the nation, the state, and the public, by providing opportunities for service-disabled veteran business enterprises as set forth in this section. **The Legislature also intends to recognize wartime veterans and veterans of a period of war for their sacrifices as set forth in this section.**

(3) **Definitions.**--For the purpose of this section, the term:

- (a) “Certified ~~service-disabled~~ veteran business enterprise” means a business that has been certified by the Department of Management Services to be a ~~service-disabled~~ veteran business enterprise as defined in paragraph (c).
- (b) “Service-disabled veteran” means a veteran who is a permanent Florida resident with a service-connected disability as determined by the United States Department of Veterans Affairs or who has been terminated from military service by reason of disability by the United States Department of Defense.
- (c) “~~Service-disabled~~ Veteran business enterprise” means an independently owned and operated business that:
 1. Employs 200 or fewer permanent full-time employees;
 2. Together with its affiliates has a net worth of \$5 million or less or, if a sole proprietorship, has a net worth of \$5 million or less including both personal and business investments;
 3. Is organized to engage in commercial transactions;
 4. Is domiciled in this state;

5. Is at least 51 percent owned by one or more wartime veterans or service-disabled veterans; and

6. The management and daily business operations of which are controlled by one or more wartime veterans or service-disabled veterans or, for a service-disabled veteran having with a permanent and total disability, by the spouse or permanent caregiver of the veteran.

(d) "Wartime veteran" means:

1. A wartime veteran as defined in s. 1.01(14); or

2. A veteran of a period of war, as used in 38 U.S.C. s. 1521, who served in the active military, naval, or air service:

a. For 90 days or more during a period of war;

b. During a period of war and was discharged or released from such service for a service-connected disability;

c. For a period of 90 consecutive days or more and such period began or ended during a period of war; or

d. For an aggregate of 90 days or more in two or more separate periods of service during more than one period of war.

(4) Vendor preference.--

(a) A state agency, when considering two or more bids, proposals, or replies for the procurement of commodities or contractual services, at least one of which is from a certified ~~service-disabled~~ veteran business enterprise, which ~~that~~ are equal with respect to all relevant considerations, including price, quality, and service, shall award such procurement or contract to the certified ~~service-disabled~~ veteran business enterprise.

(b) Notwithstanding s. 287.057(11), if a ~~service-disabled~~ veteran business enterprise entitled to the vendor preference under this section and one or more businesses entitled to this preference or another vendor preference provided by law submit bids, proposals, or replies for procurement of commodities or contractual services which ~~that~~ are equal with respect to all relevant considerations, including price, quality, and service, ~~then~~ the state agency shall award the procurement or contract to the business having the smallest net worth.

(c) Political subdivisions of the state are encouraged to offer a similar consideration to businesses certified under this section.

(5) Certification procedure.--

(a) The application for certification as a ~~service-disabled~~ veteran business enterprise must, at a minimum, include:

1. The name of the business enterprise applying for certification and the name of the ~~service-disabled~~ veteran submitting the application on behalf of the business enterprise.

2. The names of all owners of the business enterprise, including owners who are wartime veterans, service-disabled veterans, and owners who are not a wartime veteran or a service-disabled veteran ~~veterans~~, and the percentage of ownership interest held by each owner.

3. The names of all persons involved in both the management and daily operations of the business, including the spouse or permanent caregiver of a veteran who has with a permanent and total disability.

4. The service-connected disability rating of all persons listed under subparagraphs 1., 2., and 3., as applicable, with supporting documentation from the United States Department of Veterans Affairs or the United States Department of Defense.

5. Documentation of the wartime service of all persons listed under subparagraphs 1., 2., and 3., as applicable, from the United States Department of Veterans Affairs or the United States Department of Defense.

6. ~~5.~~The number of permanent full-time employees.

7. ~~6~~—The location of the business headquarters.

8. ~~7~~—The total net worth of the business enterprise and its affiliates. In the case of a sole proprietorship, the net worth includes personal and business investments.

(b) To maintain certification, a ~~service-disabled~~ veteran business enterprise shall renew its certification biennially.

(c) ~~The provisions of Chapter 120, relating to application, denial, and revocation procedures, applies shall apply~~ to certifications under this section.

(d) A certified ~~service-disabled~~ veteran business enterprise must notify the Department of Management Services within 30 business days after any event that may significantly affect the certification of the business, including, but not limited to, a change in ownership or change in management and daily business operations.

(e) The certification of a ~~service-disabled~~ veteran business enterprise shall be revoked for 12 months if the Department of Management Services determines that the business enterprise violated paragraph (d). An owner of a certified ~~service-disabled~~ veteran business enterprise whose certification is revoked may is not ~~permitted to~~ reapply for certification under this section as an owner of any business enterprise during the 12-month revocation period.

1. During the 12-month revocation period, a ~~service-disabled~~ veteran business enterprise whose certification has been revoked may bid on state contracts but is not eligible for any preference available under this section.

2. A ~~service-disabled~~ veteran business enterprise whose certification has been revoked may apply for certification at the conclusion of the 12-month revocation period by complying with requirements applicable to initial certifications.

(6) Duties of the department of veterans' affairs.--The department shall:

(a) Assist the Department of Management Services in establishing a certification procedure, which shall be reviewed biennially and updated as necessary.

(b) Identify eligible ~~service-disabled~~ veteran business enterprises by any electronic means, including electronic mail or Internet website, or by any other reasonable means.

(c) Encourage and assist eligible ~~service-disabled~~ veteran business enterprises to apply for certification under this section.

(d) Provide information regarding services that are available from the Office of Veterans' Business Outreach of the Florida Small Business Development Center to ~~service-disabled~~ veteran business enterprises.

(7) Duties of the department of management services.--The department shall:

(a) With assistance from the Department of Veterans' Affairs, establish a certification procedure, which shall be reviewed biennially and updated as necessary.

(b) Grant, deny, or revoke the certification of a ~~service-disabled~~ veteran business enterprise under this section.

(c) Maintain an electronic directory of certified ~~service-disabled~~ veteran business enterprises for use by the state, political subdivisions of the state, and the public.

(8) Report.--The Small Business Development Center shall include in its report required by s. 288.705 the percentage of certified ~~service-disabled~~ veteran business enterprises using the statewide contracts register.

(9) Rules.--The Department of Veterans' Affairs and the Department of Management Services, as appropriate, may adopt rules as necessary to administer this section.