



2020 HUBZone Council Advocacy Action Report

As of October 2020

(All items below are ongoing advocacy efforts)

Response to Coronavirus

Due to the Council's deep relationships with both the Senate and House Small Business Committees, the Council continues to have a direct impact on relief for small businesses in response to COVID-19.

HUBZone Program Flexibilities in Response to COVID-19

- Initiated discussions with SBA/sent letter about flexibilities for HUBZone companies as a result of COVID-19 that led to the following flexibilities:
 - Suspension of mandatory annual recertification requirement
 - Flexibility related to the “legacy” HUBZone employee rule for employees placed in unpaid status
 - Flexibility related to the 35% HUBZone residency requirement for employees affected by student housing closures
 - Expedited certification for firms intending to bid on COVID-19-related solicitations
 - Flexibility related to the principal office requirement for teleworking employees
- Got extension of the expedited certification and flexibility related to principal office requirement until March 31, 2021
- Continuing to work with SBA on further extensions or additional needs for companies moving forward

Paycheck Protection Program (PPP)/ Economic Injury Disaster Loan (EIDL) Grants

- Direct and ongoing input in Congress on program and also how to shape/changes moving forward
- Council is part of a PPP Forgiveness Coalition pushing for forgiveness for all loans under \$150K/streamlined process
 - S. 4117/H.R. 7777

Section 3610

- Council advocated for and helped secure provision in CARES Act
- Worked with Congress/federal agencies on changes to get expansion and more defined provision
- Submitted comments to DoD on their 3610 Draft Guidance – feedback incorporated into final documents

Other COVID-19 Related Items

- Spearheaded a Senate letter on additional policy asks for small business relief at beginning of the pandemic Economic Injury Disaster Loan (EIDL) grants – continue to work with Congress and helped get included in CARES Act
- Supported *Small Business PPE Tax Credit Act*
- Prompt payment provision in relief bill that implemented 15 day payment terms

Advocacy Activity Areas (Not COVID-19 Related)

Shaping GSA's New Small Business Governmentwide Acquisition Contract (GWAC)

- Meeting with General Services Administration (GSA) staff responsible for putting together the next small business GWAC and how to best shape for HUBZone companies
- Ongoing dialogue with GSA on vehicle formation

Cybersecurity: DoD's Cybersecurity Maturity Model Certification (CMMC) / Section 889 Implementation

- Raising awareness and hold ongoing discussions with staff in House/Senate about implications for small business
- Connecting Congressional staff with Council members to share experiences
- DoD public meeting
- Awareness amongst companies with panel at virtual summit

HUBZone Office of Hearings and Appeals (OHA) Bill

- Shaped and got introduced in the House: H.R. 8229, "Parity for HUBZone Appeals Act of 2020"
- Bill requires the Small Business Administration (SBA) to authorize its OHA to decide all appeals from formal protest determinations in connection with the status of a HUBZone small business.
- Marked up by House Small Business Committee

Sole Source Changes for HUBZone Program

- Working with the Senate Small Business Committee to pass contracting provisions in SBA Reauthorization bill (last year Council testified and suggestions incorporated)
- Signed onto community letter led by Council advocacy team with over 500 signatures supporting amendments to make changes, including many HUBZone companies
- Continue to work to get items in contracting section of the bill passed – 7 items as a result of Council testimony before the Senate included in the Chairman's mark of the bill

Prompt Payment

- Got provision in coronavirus relief bill implementing accelerated to 15 day payment terms on all contracts vs. typical 30 day
- Provision in the FY2021 House NDAA bill for a report from head of each federal agency on the timeliness of payments made to a covered prime contractor

Subcontracting

- Working with Congress on actions that would spur subcontracting plan compliance
- Potential legislation in the House
- Two suggestions as a result of Congressional testimony in 2019 remain in Senate SBA Reauthorization bill draft
- RISE Act flexibilities

Category Management

- Taken the lead on for small business contracting community
- Got provision into House version of FY2021 NDAA that exempts contracts awarded to 8(a), WOSB, HUBZone and SDVOSBs that are categorized as tier 0 from category management (FY2021 NDAA is still being negotiated)
- Working with Congress and federal agencies to find solutions to combat problems that have arisen out of category management for HUBZone companies

Companies Transitioning From Small to Midsize

- Council supported legislation throughout the process that was signed into law in December 2018, but wrote comments in support when SBA invoked rulemaking - officially enacted as of January 6, 2020
- Provision in FY2021 House NDAA bill that would increase the employee-based NAICS average from 12 months to 24 months

Other items

- Appropriations – Requested \$5 million for HUBZone program