



While the Council has been immensely successful in making important changes to the HUBZone program, we recognize the importance of tackling broader small business procurement changes that impact HUBZone businesses. The Council's advocacy team has been working closely with the Senate and House Small Business Committees during this year's reauthorization of the Small Business Administration (SBA) programs. The HUBZone Council adds an important voice to the greater small business community's push to change federal acquisition policies that benefit all small business contractors.

Current Legislative Actions

Increase sole source authority for small businesses. Raise the sole source thresholds to \$8 million generally and \$10 million for manufacturing contracts for each year of the contract - thus eliminating the inclusion of option years currently in law.

The Council is spearheading a proposed amendment by Senator Cardin that would eliminate the following language from the WOSB/HUBZone/SDVOSB sole source programs: "unless the contracting officer is unable to obtain offers from two or more small business concerns that are competitive with market prices and are competitive with regard to the quality and delivery of the goods or services being purchased."

Ensure small businesses are not negatively impacted by category management. The Council led the effort to bring the small business community and government stakeholders together to work to minimize negative impacts by the governmentwide category management initiative on small businesses. These efforts resulted in the inclusion of a provision in the House FY2020 National Defense Authorization Act (NDAA) that requires annual reporting of small business participation on Best in Class vehicles.

Give businesses more runway when transitioning from small to midsize companies. The Small Business Runway Extension Act was signed into law on December 17, 2018. However, the SBA invoked the rulemaking process. The law gives larger small businesses more runway to adjust to rapid growth by changing the lookback period for size determination from 3 to 5 years for all revenue-based size standards.

This effort was organized by Montgomery County Chamber of Commerce (MCCC). The HUBZone Council partnered with MCCC on this effort and submitted comments to SBA urging them to expeditiously complete the regulatory process.

Maximize subcontracting opportunities in the federal marketplace. The Council has participated in small business roundtables on the contentious debate surrounding subcontracting compliance. As a result of these discussions, included in the Senate reauthorization draft bill are two provisions: (1) require the Offices of Small and Disadvantaged Business Utilization (OSDBUs) to assist contracting officers with subcontracting compliance and (2) create transparency in the SBA procurement scorecard by expanding required subcontracting reporting by the SBA. Each agency would be required to report its subcontracting goal achievement including the number, dollar amount, and distribution of subcontracts awarded to small businesses each year.

Ensure prompt payment for small businesses. Included in the Senate SBA Reauthorization bill draft is the establishment of a goal of 15 days for federal agencies to pay small business contractors for work performed after receipt of proper invoice and the establishment of a goal for prime contractors to pay small business subcontractors for work performed within 15 days after receipt of proper invoice. The Council has worked with the entire small business community to push for this change.