

HR 3867

Small Business Contracting Program Improvements Act

**Congress:** 110 (2007–2009, Ended)

**Chamber:** House

**Policy Area:** Commerce

**Introduced:** Oct 17, 2007

**Current Status:** Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship

**Latest Action:** Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship. (Nov 1, 2007)

**Official Text:** <https://www.congress.gov/bill/110th-congress/house-bill/3867>

Sponsor

**Name:** Rep. Velazquez, Nydia M. [D-NY-12]

**Party:** Democratic • **State:** NY • **Chamber:** House

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Clarke, Yvette D. [D-NY-11]	D · NY		Oct 17, 2007
Rep. Fallin, Mary [R-OK-5]	R · OK		Oct 17, 2007
Rep. Reyes, Silvestre [D-TX-16]	D · TX		Oct 17, 2007

Committee Activity

Committee	Chamber	Activity	Date
Small Business and Entrepreneurship Committee	Senate	Referred To	Nov 1, 2007
Small Business Committee	House	Reported By	Oct 22, 2007

Subjects & Policy Tags

**Policy Area:**

Commerce

Related Bills

Bill	Relationship	Last Action
110 HRES 773	Procedurally related	Oct 30, 2007: Motion to reconsider laid on the table Agreed to without objection.

**Small Business Contracting Program Improvements Act - Title I: Ensuring Government Contract Opportunities for Small Business Concerns Owned and Controlled by Service-Disabled Veterans** - (Sec. 101) Amends the Small Business Act to: (1) permit agencies to enter into contracts with a small business owned and controlled by a service-disabled veteran without first ensuring that there is only one company can perform a contract; and (2) allow contracting officers to decide whether or not to set aside contracts where at least two underutilized business zone (HUBZone) qualified companies could compete for the contract.

(Sec. 102) Provides for the assessment of civil penalties against any company that misrepresents itself as a small business owned and controlled by service-disabled veterans for purposes of federal contracting preferences.

(Sec. 103) Directs the Administrator of the Small Business Administration (SBA) to comply with Executive Order No. 13360 and provide federal contracting information, training, and other assistance to small businesses owned and controlled by service-disabled veterans.

(Sec. 104) Requires the Administrator, in implementing section 101 above, to give a priority to certified service-disabled veterans that are severely disabled.

**Title II: Protecting Taxpayers and Ensuring Program Consistency** - (Sec. 201) Prohibits a small business from receiving SBA federal contracting assistance unless the Administrator has verified, through a background check, that the business owners and officers do not lack business integrity. Provides a presumption of lack of business integrity with respect to previous criminal convictions.

(Sec. 202) Includes participants in the section 8(a) general business loan program within the establishment of government-wide goals for small business participation in federal procurement contracts and subcontracts.

(Sec. 204) Provides an inflation-based increase to SBA limits on contracts (other than manufacturing contracts) awarded to small businesses without full and open competition.

(Sec. 205) Includes any small business as an "interested party" permitted to challenge the eligibility of a small business to receive SBA loan or federal contracting assistance.

(Sec. 206) Subjects to debarment from the receipt of future federal contract assistance authorized by this Act any employer found to have engaged in a pattern of hiring or recruiting for employment unauthorized aliens.

**Title III: Expanding Opportunities for Women Entrepreneurs** - (Sec. 301) Revises SBA provisions which authorize a federal contracting officer to restrict contract competition for procurement or service contracts to small businesses owned and controlled by women to: (1) remove limits on the anticipated award price of such contracts; (2) require the Administrator, every five years (currently, only once), to conduct a study to identify industries in which small businesses owned and controlled by women are underrepresented in federal contracting; (3) deem specified industries, until the first of such studies is completed, as underrepresented for such purposes; and (4) include any small business as an "interested party" permitted to challenge whether a small business is owned and controlled by women for purposes of such assistance.

**Title IV: Strengthening Community Development** - (Sec. 401) Requires: (1) an on-site SBA inspection of HUBZone-approved companies before the award of a second contract based on a HUBZone contracting preference; and (2) the

SBA to develop procedures to ensure that HUBZone companies notify the SBA prior to their award of a HUBZone contract subject to an inspection.

(Sec. 402) Prohibits a small business from obtaining a construction contract under the HUBZone program unless the construction project is located in or near the HUBZone in which the small business has its principal place of business.

(Sec. 403) Directs the Administrator to: (1) study the effectiveness of the HUBZone program in reaching rural areas; and (2) report study results to Congress.

**Title V: Modernizing the 8(a) Program** - (Sec. 501) Revises net worth limitations for participation in the SBA's 8(a) loan program as an economically disadvantaged small business to make eligible an owner with a net worth of \$550,000 or less (excluding equity in the business or the owner's principal residence). States that once a company has been approved into the program, such approval will last throughout the program term.

(Sec. 502) Extends to ten years, with a six-year developmental phase and a four-year transitional phase, the 8(a) program term.

(Sec. 503) Requires an annual report from the Administrator to the congressional small business committees on progress toward implementing a requirement to make 8(a) program participants eligible for other federally funded programs for small disadvantaged businesses without having to reapply for such programs.

(Sec. 504) Directs the Administrator to: (1) study changes required to provide greater federal contracting assistance to 8(a) program participants that have less equity in their business than other program participants; and (2) report study results to the small business committees.

(Sec. 505) Requires the Administrator to: (1) examine the list of groups the members of which are presumed to be socially disadvantaged for purposes of the 8(a) program; (2) consider whether the list should be updated to include additional groups; and (3) report results to Congress.

**Title VI: Other Matters** - (Sec. 601) Requires the Administrator, in determining whether a franchisee is affiliated with a franchiser in the temporary employee services industry, to disregard: (1) whether the franchiser finances the payroll of the temporary staff; or (2) the tax status of such personnel.

(Sec. 602) Expresses the sense of the House of Representatives that small business set-asides should not be excluded from any acquisitions under the General Services Administration (GSA) Federal Supply Schedule.

(Sec. 603) Directs the Administrator to: (1) conduct a study to determine, with respect to small business contracts, whether incumbent federal contractors submit frivolous protests in order to extend the length of current contracts while such protests are resolved; and (2) report study results to Congress.

(Sec. 604) Requires the Administrator to establish an SBA liaison position.

(Sec. 605) Prohibits the Administrator or any SBA employee, in carrying out requirements of this Act, from purchasing business-class or first-class airline travel in contravention of Code of Federal Regulations travel requirements for federal employees.

## Actions Timeline

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- **Nov 1, 2007:** Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship.
- **Oct 30, 2007:** Rule H. Res. 773 passed House.
- **Oct 30, 2007:** Considered under the provisions of rule H. Res. 773. (consideration: CR H12170-12188; text of measure as reported in House: CR H12176-12178)
- **Oct 30, 2007:** Rule provides for consideration of H.R. 3867 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. No amendment to the bill shall be in order except those printed in the report of the Committee on Rules accompanying this resolution.
- **Oct 30, 2007:** House resolved itself into the Committee of the Whole House on the state of the Union pursuant to H. Res. 773 and Rule XVIII.
- **Oct 30, 2007:** The Speaker designated the Honorable Tim Holden to act as Chairman of the Committee.
- **Oct 30, 2007:** GENERAL DEBATE - The Committee of the Whole proceeded with one hour of general debate on H.R. 3867.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Velazquez amendment.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Akin amendment.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Welch (VT) amendment.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Mica amendment.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Moran (VA) amendment.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Baird amendment.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Brown-Waite (FL) amendment.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Gillibrand amendment.
- **Oct 30, 2007:** DEBATE - Pursuant to the provisions of H. Res. 773, the Committee of the Whole proceeded with 10 minutes of debate on the Lampson amendment.
- **Oct 30, 2007:** The House rose from the Committee of the Whole House on the state of the Union to report H.R. 3867.
- **Oct 30, 2007:** The previous question was ordered pursuant to the rule. (consideration: CR H12186)
- **Oct 30, 2007:** The House adopted the amendments en gross as agreed to by the Committee of the Whole House on the state of the Union.
- **Oct 30, 2007:** Mr. Chabot moved to recommit with instructions to Small Business. (consideration: CR H12186-12188; text: CR H12186)
- **Oct 30, 2007:** DEBATE - The House proceeded with 10 minutes of debate on the Chabot motion to recommit with instructions. The instructions contained in the motion seek to require the bill to be reported back to the House with an amendment that strikes section 101(b) from the bill.
- **Oct 30, 2007:** The previous question on the motion to recommit with instructions was ordered without objection. (consideration: CR H12187)
- **Oct 30, 2007:** On motion to recommit with instructions Failed by the Yeas and Nays: 177 - 240 (Roll no. 1016).
- **Oct 30, 2007:** Passed/agreed to in House: On passage Passed by recorded vote: 334 - 80 (Roll no. 1017).
- **Oct 30, 2007:** On passage Passed by recorded vote: 334 - 80 (Roll no. 1017).
- **Oct 30, 2007:** Motion to reconsider laid on the table Agreed to without objection.
- **Oct 30, 2007:** The Clerk was authorized to correct section numbers, punctuation, and cross references, and to make other necessary technical and conforming corrections in the engrossment of H.R. 3867.
- **Oct 24, 2007:** Rules Committee Resolution H. Res. 773 Reported to House. Rule provides for consideration of H.R. 3867 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions

except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. No amendment to the bill shall be in order except those printed in the report of the Committee on Rules accompanying this resolution.

- **Oct 22, 2007:** Reported by the Committee on Small Business. H. Rept. 110-400.
- **Oct 22, 2007:** Placed on the Union Calendar, Calendar No. 254.
- **Oct 18, 2007:** Committee Consideration and Mark-up Session Held.
- **Oct 18, 2007:** Ordered to be Reported by the Yeas and Nays: 21 - 4.
- **Oct 17, 2007:** Introduced in House
- **Oct 17, 2007:** Referred to the House Committee on Small Business.
- **Oct 17, 2007:** Hearings Held by Committee on Small Business Prior to Introduction and Referrel (October 4, 2007)..