

## HR 1481

Small Contractors Improve Competition Act of 2015

**Congress:** 114 (2015–2017, Ended)

**Chamber:** House

**Policy Area:** Commerce

**Introduced:** Mar 19, 2015

**Current Status:** Placed on the Union Calendar, Calendar No. 390.

**Latest Action:** Placed on the Union Calendar, Calendar No. 390. (Apr 19, 2016)

**Official Text:** <https://www.congress.gov/bill/114th-congress/house-bill/1481>

### Sponsor

**Name:** Rep. Chabot, Steve [R-OH-1]

**Party:** Republican • **State:** OH • **Chamber:** House

### Cosponsors

*No cosponsors are listed for this bill.*

### Committee Activity

Committee	Chamber	Activity	Date
Small Business Committee	House	Reported By	Apr 19, 2016

### Subjects & Policy Tags

**Policy Area:**

Commerce

## Related Bills

Bill	Relationship	Last Action
114 S 2139	Related bill	<b>Dec 20, 2016:</b> By Senator Vitter from Committee on Small Business and Entrepreneurship filed written report under authority of the order of the Senate of 12/10/2016. Report No. 114-416.
114 S 958	Related bill	<b>Jun 28, 2016:</b> By Senator Vitter from Committee on Small Business and Entrepreneurship filed written report. Report No. 114-288.
114 HR 1735	Related bill	<b>Oct 22, 2015:</b> Vetoed by President.
114 HR 1583	Related bill	<b>Mar 24, 2015:</b> Referred to the House Committee on Small Business.
114 HR 1429	Related bill	<b>Mar 18, 2015:</b> Referred to the House Committee on Small Business.
114 HR 1444	Related bill	<b>Mar 18, 2015:</b> Referred to the House Committee on Small Business.
114 HR 1386	Related bill	<b>Mar 17, 2015:</b> Referred to the House Committee on Small Business.
114 HR 1390	Related bill	<b>Mar 17, 2015:</b> Referred to the House Committee on Small Business.
114 HR 1410	Related bill	<b>Mar 17, 2015:</b> Referred to the House Committee on Small Business.

*(Much of H.R. 1481, ordered to be reported on March 25, 2015, but not actually reported till April 19, 2016, was already incorporated in November 2015 into two Public Laws: P. L. 114-88, the Recovery Improvements for Small Entities After Disaster Act of 2015 or the RISE After Disaster Act of 2015; and P.L. 114-92, the National Defense Authorization Act for Fiscal Year 2016. The following summary reflects changes to the original bill that were ordered to be reported on March 25, 2015.)*

### **Small Contractors Improve Competition Act of 2015**

(Sec. 2) This bill amends the National Defense Authorization Act for Fiscal Year 2013 to require federal agency heads to ensure that specified executive personnel assume responsibility for the agency's success in achieving small business subcontracting goals and percentages.

The Government Accountability Office (GAO) shall study whether the systems of an agency or department accurately record the data necessary for compliance with any requirements related to subcontracting at any tier under the Small Business Act.

In addition, the GAO shall conduct a study to: (1) assess whether federal agencies are accurately identifying the size status of business concerns awarded contracts in the Federal Procurement Data System as small business concerns, and (2) identify the impact of incorrect size status designations on meeting specified requirements related to procurement contracts.

(Sec. 3) The Small Business Administration (SBA) must implement a specified plan for improving the quality of data reported on bundled or consolidated contracts in the federal procurement data system.

The SBA must annually certify to Congress the accuracy and completeness of data reported on bundled and consolidated contracts.

The GAO shall study the effectiveness of the data quality improvement plan to assess whether contracts are accurately labeled as bundled or consolidated.

(Sec. 4) The bill addresses federal agency decisions about consolidation of its contract requirements made with a view to providing small business concerns with appropriate opportunities to participate in agency procurements as prime contractors and subcontractors.

After making a determination that an acquisition strategy involving a consolidation of contract requirements is necessary and justified, the senior procurement executive or Chief Acquisition Officer of an executive agency (other than the Department of Defense) shall publish a notice, with the justification, on a public website that the determination has been made. Any procurement solicitation related to that acquisition strategy may not be published before seven days after the notice is published.

The same notice deadlines shall apply to any solicitation for a procurement involving a substantial bundling of contract requirements. The justification accompanying the solicitation shall, in addition to current criteria, identify any alternative contracting approaches that would involve a lesser degree of bundling of contract requirements.

(Sec. 5) The bill revises requirements for the evaluation of offers for bundled or consolidated contracts involving subcontractor teams or joint ventures.

When evaluating a small business prime contractor's offer that includes a proposed team of small business contractors for any multiple award contract above the federal agency's substantial bundling threshold, the agency shall consider the capabilities and past performance of each first tier subcontractor that is part of the team as the capabilities and past performance of the offeror.

For certain contracts awarded to either a small business team or a joint venture of small business concerns, the contracting officer must certify annually to the SBA that the small business status of each member of the team or joint venture remains unchanged from when the contract was awarded. This requirement shall not apply, however, with respect to a contract awarded to a joint venture of small business concerns that is a protege under an approved mentor-protége program.

(Sec. 6) The bill prohibits the use of reverse auction methods for covered contracts involving:

- purchase of office and related supplies;
- procurements from women-owned small business concerns;
- goods and services with an anticipated value between \$2,500 and \$100,000 which are reserved for small business concerns;
- HUBZone small businesses (which operate in historically underutilized business zones);
- small businesses owned and controlled by service-disabled veterans;

A "reverse auction" is, with respect to procurement, an auction in which offerors compete against each other to submit revised offers with lower prices throughout the course of the auction.

Covered contracts are certain SBA federal procurement contracts for:

- design and construction services;
- goods purchased to protect federal employees, members of the Armed Forces, or civilians from bodily harm; or
- other goods or services if the contract is to be awarded based on factors other than price and technical responsibility, or requires the contracting officer to conduct discussions with the offerors about their offer.

In the case of the award of a contract that is not a covered contract, an agency may use reverse auction methods pursuant to certain limitations.

Only a contracting officer who has received specified training related to reverse auction methods may supervise or use such methods in a procurement for a contract.

(Sec. 7) The permission to submit an offer for a procurement contract, even though the offeror is not the actual manufacturer or processor of the product in question (nonmanufacturer rule), shall be extended to:

- women-owned small businesses;
- HUBZone small businesses; and
- small businesses owned and controlled by service-disabled veterans.

This permission shall not apply, however, to a contract that has as its principal purpose the acquisition of services or construction.

Under current law, with respect to a contract for supplies from a regular dealer in such supplies, a covered small business concern is generally required to supply the product of a domestic small business manufacturer or processor. The bill

revises this requirement so that it applies only to a contract that is principally for supplies and not principally for services or construction.

The SBA must publish a list of waivers to the nonmanufacturer rule granted for a class of products.

(Sec. 8) The bill revises exceptions to the requirement for Procurement Center Representatives to obtain a Level III Federal Acquisition Certification in Contracting. Any person serving in such a position on or before January 3, 2013, may continue to serve for another five years. Any person hired after that date, however, may take up to one calendar to obtain that certification.

(Sec. 9) The same requirements and exceptions, with respect however to a Level I Federal Acquisition Certification in Contracting, shall also apply to Business Opportunity Specialists and Commercial Market Representatives.

### **Actions Timeline**

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- **Apr 19, 2016:** Reported (Amended) by the Committee on Small Business. H. Rept. 114-510.
- **Apr 19, 2016:** Placed on the Union Calendar, Calendar No. 390.
- **Mar 25, 2015:** Committee Consideration and Mark-up Session Held.
- **Mar 25, 2015:** Ordered to be Reported (Amended) by Voice Vote.
- **Mar 19, 2015:** Introduced in House
- **Mar 19, 2015:** Referred to the House Committee on Small Business.