

S 2139

Small Contractors Improve Competition Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Commerce

Introduced: Oct 6, 2015

Current Status: By Senator Vitter from Committee on Small Business and Entrepreneurship filed written report under a

Latest Action: 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. (Dec 20, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/2139>

Sponsor

Name: Sen. Vitter, David [R-LA]

Party: Republican • **State:** LA • **Chamber:** Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Shaheen, Jeanne [D-NH]	D · NH		Oct 6, 2015

Committee Activity

Committee	Chamber	Activity	Date
Small Business and Entrepreneurship Committee	Senate	Reported By	Dec 2, 2015

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
114 HR 1481	Related bill	Apr 19, 2016: Placed on the Union Calendar, Calendar No. 390.
114 HR 1735	Related bill	Oct 22, 2015: Vetoed by President.
114 HR 1444	Related bill	Mar 18, 2015: Referred to the House Committee on Small Business.

Small Contractors Improve Competition Act of 2015

(Sec. 2) This bill expresses the sense of Congress that, when used appropriately, with respect to federal agency procurement, an auction between a group of offerors who compete against each other by submitting offers for a contract or task or delivery order with the ability to submit revised offers with lower prices throughout the course of the auction (reverse auction) may improve the federal government's procurement of commercially available commodities by increasing competition, reducing prices, and improving opportunities for small businesses.

The Small Business Act is amended to prohibit the use of reverse auctions for certain Small Business Administration (SBA) federal procurement contracts (covered contracts) for:

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

This prohibition applies specifically to any covered contract to be made under the procurement programs for women-owned small business concerns and for small business concerns owned and controlled by service-disabled veterans, as well as under the Historically Underutilized Business Zone (HUBZone) program.

In the case of an award of a non-covered contract, a reverse auction may be used for the award only if specified decisions are made by a contracting officer trained on the appropriate use and supervision of reverse auctions for such contracts.

A federal agency may not award such a contract using a reverse auction if:

- only one offer is received;
- offerors do not have the ability to submit revised bids with lower prices throughout the course of the auction; or
- at any time during the procurement process the federal agency misinforms an offeror about the price ranking of the last offer submitted by an offeror.

(Sec. 3) If another applicable federal law or regulation permits the acceptance of a bond from a surety not subject to certain federal requirements for surety corporations, and is based on a pledge of assets by the surety, the assets pledged by such surety shall:

- consist of specified eligible obligations; and
- be submitted to the government official required to approve or accept the bond, who shall deposit the obligations according to specified requirements.

The Small Business Investment Act of 1958 is amended with respect to any SBA guarantee or agreement to indemnify a surety under the Small Business Investment Program against loss from a breach of the terms of a bid bond, payment bond, performance bond, or ancillary bonds by a principal on any total work order or contract amount at the time of bond execution that does not exceed \$6.5 million, as adjusted for inflation.

Increases from 70% to 90% of the loss incurred and paid by a surety authorized to issue bonds (subject to SBA guarantee) the SBA's maximum obligation to pay the surety under the guarantee or agreement to indemnify.

Actions Timeline

- **Dec 20, 2016:** 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.
- **Dec 2, 2015:** Committee on Small Business and Entrepreneurship. Reported by Senator Vitter with amendments. Without written report.
- **Dec 2, 2015:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 308.
- **Oct 7, 2015:** Committee on Small Business and Entrepreneurship. Ordered to be reported with an amendment favorably.
- **Oct 6, 2015:** Introduced in Senate
- **Oct 6, 2015:** Read twice and referred to the Committee on Small Business and Entrepreneurship.