

MEMORANDUM TO THE OSDBU COUNCIL

DATE: March 20, 2003

FROM: Arthuretta H. Martin, Chair Legislative Committee

SUBJECT: March 2003 Legislative Report

The following is the status of bills before congress affecting small businesses doing business with the Federal Government in the 108th Congress. They include bills that directly name small businesses as well as bills that affect Federal Procurement Policy. Subsequent reports will only include activity that occurred after this report. Any recommendations to improving the report should be submitted to me at Arthuretta.martin@hhs.gov.

H.R.1166

Title: To amend the Small Business Act to expand and improve the assistance provided by Small Business Development Centers to Indian tribe members, Native Alaskans, and Native Hawaiians.

Sponsor: Rep Udall, Tom [NM-3] (introduced 3/6/2003)

Latest Major Action: 3/6/2003 Referred to House committee. Status: Referred to the House Committee on Small Business.

H.RES.138

Title: Expressing the sense of the House of Representatives that small business concerns should continue to play an active role in assisting the United States military, Federal intelligence and law enforcement agencies, and State and local police forces by designing and developing innovative products to combat terrorism, and that Federal, State, and local governments should aggressively seek out and purchase innovative technologies and services from small business concerns to improve homeland defense and aid in the fight against terrorism.

Sponsor: Rep Wynn, Albert Russell [MD-4] (introduced 3/11/2003)

Latest Major Action: 3/11/2003 Referred to House committee. Status: Referred to the House Committee on Small Business.

H.R.1216

Title: To amend the Small Business Act to increase the minimum Government-wide goal for procurement contracts awarded to small business concerns.

Sponsor: Rep Wynn, Albert Russell [MD-4] (introduced 3/11/2003)

Latest Major Action: 3/11/2003 Referred to House committee. Status: Referred to the House Committee on Small Business.

S.633

Title: A bill to modify the contract consolidation requirements in the Small Business Act, and for other purposes.

Sponsor: Sen Kerry, John F. [MA] (introduced 3/17/2003)

Latest Major Action: 3/17/2003 Referred to Senate committee. Status: Read twice and referred to the Committee on Small Business and Entrepreneurship.

H.R.1217

Title: To amend the Small Business Act to provide a penalty for the failure by a Federal contractor to subcontract with small businesses as described in its subcontracting plan, and for other purposes.

Sponsor: Rep Wynn, Albert Russell [MD-4] (introduced 3/11/2003)

Latest Major Action: 3/11/2003 Referred to House committee. Status: Referred to the House Committee on Small Business

H.R.1215

Title: To amend title 31, United States Code, to require the provision of a written prompt payment policy to each subcontractor under a Federal contract and to require a clause in each subcontract under a Federal contract that outlines the provisions of the prompt payment statute and other related information.

Sponsor: Rep Wynn, Albert Russell [MD-4] (introduced 3/11/2003)

Latest Major Action: 3/11/2003 Referred to House committee. Status: Referred to the House Committee on Government Reform.

H.R.1346

Title: To amend the Office of Federal Procurement Policy Act to provide an additional function of the Administrator for Federal Procurement Policy relating to encouraging Federal procurement policies that enhance energy efficiency.

Sponsor: Rep Turner, Michael R. [OH-3] (introduced 3/19/2003)

Latest Major Action: 3/19/2003 Referred to House committee. Status: Referred to the House Committee on Government Reform.

S.346

Title: A bill to amend the Office of Federal Procurement Policy Act to establish a government wide policy requiring competition in certain executive agency procurements. This bill specifically addresses the Federal Prison Industries. The Bill seeks

Sponsor: Sen. Levin, Carl [MI] (introduced 2/11/2003) **Cosponsors:** 2

Latest Major Action: 2/11/2003 Referred to Senate committee. Status: Read twice and referred to the Committee on Governmental Affairs.

Angela Styles, Administrator of OFPP believes there is a need to balance providing work to prisoners and business opportunities for corporate America.

Regulatory and Policy Issues Affecting Small Business:

A new section to the monthly Legislative Report will include this section on issues that affect small businesses. Feel free to share this information with your contractors – especially small businesses.

The SBA IG says SBA does not have the resources to make sure HuBzone certified firms are indeed eligible for the program. www.sba.gov/ig.

A study prepared for the Office of Advocacy finds that small companies with multiple inventions and patents obtained patents more technically important than those of large firms between 1996-2000. www.sba.gov/advo.

OFPP has issued policy to agencies that manage government wide acquisitions that they must require annual re-certification by companies if the contracts were awarded under small business set aside provisions.

Reviewing approximately \$13.8 billion worth of federal agency buying charged to government purchase cards, the General Accounting Office (GAO) has uncovered faulty data-tracking procedures that may prevent small firms from winning a bigger share of the Congressionally-mandated 23-percent small business procurement goal. Purchase cards are intended to streamline the process of acquiring goods and services by authorizing a broad range of government employees to purchase directly from merchants rather than going through the regular procurement process. According to the GAO, about 2 million cards are in use by federal personnel. Moreover, spending on goods and services via purchase cards stands at an estimated \$13.8 billion and is increasing rapidly. Purchases grew by \$1.5 billion between Fiscal Year 2000 and FY 2001 alone. (GAO-03-56) www.gao.gov/

The House Veteran's Affairs Committee may vote to make mandatory the federal procurement goal for companies owned by service-disabled veterans.

Disparity Study for Women Business Owners set-aside Program was delayed for almost a year however funding has recently been approved. However, the future for the study in addition to the set-aside for women business owners is undetermined. A survey conducted by the Center for Women's business Research has found that only 4% of all funds spent by Fortune 1000 companies on outside goods and services goes to women-owned businesses. According to an article published by The National Report on Minority, women-Owned and Disadvantaged Businesses, 70% of the WOB's surveyed say learning about opportunities is the biggest challenge, 40% cite bundling of smaller contracts into larger ones and 45% say the biggest problem is corporate cost cutting. www.cdpublications.com

The GAO issued a final rule on January 24, 2003, which has changed bid protest procedures. GAO has modified its procedures that specify that companies may hand deliver their protest to their GAO office however that office may decline acceptance of the hand delivery for security or other reasons. www.gao.gov

At a recent hearing before the Senate Small Business Committee, SBA Administrator Barreto went on record to state that his agency already has sufficient resources to accomplish its congressional mandate.

You may review the members and leadership of both the House and Small Business committees by going to www.senate.gov or www.house.gov.

Respectfully submitted by Arthuretta Martin, Deputy Director OSDBU
Department of Health and Human Services