

NDAA Update

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Wisconsin District Director

**US Small Business
Administration**

Contracting

Government-wide Small Business Contracting
Goals are a floor—not a ceiling!

**\$99.96 Billion to Small
Business in FY2016**

\$57.8 Billion from DoD alone

Contracting

What are the Government-wide Small Business Contracting Goals and Achievement?

<i>CATEGORY</i>	<i>GOAL</i>	<i>2016</i> %	<i>2016</i> \$	<i>2015</i> %	<i>2015</i> \$	<i>2014</i> %	<i>2014</i> \$	<i>2013</i> %	<i>2013</i> \$
<i>Small Business</i>	23.00 %	24.34 %	99.96B	25.75 %	90.7B	24.99 %	\$91.7B	23.39 %	\$83.1B
<i>Small Disadvantaged Business</i>	5.00%	9.52%	39.13B	10.06 %	35.43B	9.46%	\$34.7B	8.61%	\$30.6B
<i>Service Disabled Veteran Owned Small Business</i>	3.00%	3.98%	16.34B	3.93%	13.83B	3.68%	\$13.5B	3.38%	\$12.02B
<i>Women Owned Small Business</i>	5.00%	4.79%	19.67B	5.05%	17.81B	4.68%	\$17.2B	4.32%	\$15.3B
<i>HUBZone</i>	3.00%	1.67%	6.86B	1.81%	6.42B	1.82%	\$6.97B	1.76%	\$6.2B

Bold=Goal met

Woman-Owned Small Business Goal achieved for the first time in 2015

NDAA 2018

- Simplified Acquisition Threshold increased from \$150,000 to \$250,000
- Micro-Purchase Threshold increased from \$3,500 to \$10,000 (supplies)
 - Construction and Services are subject to Wage Rate Requirements and Service Contract Act respectively
 - Micro-purchases may be awarded without soliciting competitive quotations

NDAA 2018

- Limitations on Subcontracting and the Non-Manufacturer Rule will not apply to small business set-asides below \$250,000
- Small Business Reservation:
 - Each contract for the purchase of goods and services that has an anticipated value greater than Micro Purchase Threshold but not greater than Simplified Acquisition Threshold shall be reserved exclusively for small business concerns 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.

NDAA 2018

- Prime Contract Definition:
 - For purposes of the Small Business Act, as a contract or contractual action entered into by the Federal Government to obtain supplies, materials, equipment, or services of any kind.

NDAA 2018-HUBZone

- Most of the changes will not take effect until January 1, 2020, but one important change is effective immediately: the current HUBZone maps will be “frozen” and will not change until at least January 1, 2020 then will be updated every 5 years
- This means that areas that currently are designated as HUBZone (or in redesignated status) will remain HUBZones until 2020

NDAA 2018–HUBZone

- SBA will still consider “redesignated” areas to be HUBZones for three years, and these are the areas that previously were census tract or nonmetropolitan county HUBZones but no longer meet the definitions for those types of HUBZones.
- This means that if an area is a HUBZone in 2020, it will remain a HUBZone through at least 2028 because the HUBZone online tool will not be updated until 2025 and even if an area no longer meets the HUBZone definition in 2025, it can remain a “redesignated” area for 3 years.

NDAA 2018

- HubZone
- Nonmetropolitan counties based on income level will be determined by comparing the nonmetropolitan county's median household income against the statewide median household income, and not the median household income for only nonmetropolitan counties in that state

NDAA 2018

- HubZone
- A HUBZone designation of a military base closure area begins when the SBA Administrator designates an area as a base closure area, not when the base actually closes
- Base Closure Area will remain HUBZone for at least 8 years

NDAA 2018

- HubZone
- Governors can request that SBA designate areas in the Governor's state that do not fall into the existing HUBZone definitions as HUBZone. Governors can submit one petition per year requesting that an area or areas in the state be designated as HUBZones.

NDAA 2018-HUBZone

- HUBZone recertification no later than every 3 years
- Program Examination – if ineligible, firm has 30 days to show qualified, may not compete for HUBZone contracts during that time

NDAA 2018-HUBZone

- SBA must annually report on whether HUBZone is promoting economic development in distressed areas
- When a company submits an application for the HUBZone program, SBA will verify the eligibility of the applicant within 60 days.

Mentor/Protégé Program

- The purpose of the Mentor/Protégé program is to enhance the capabilities of participants and to improve their ability to successfully compete for federal government contracts

MPA Benefits

- A protégé and mentor may joint venture as a small business for any government prime contract or subcontract, provided the protégé qualifies as small for the procurement

MPA Term

- SBA regulations only authorizes two 3-year MPAs with different mentors;
- but will allow each to be extended for a second 3 years provided the protégé has received the agreed-upon business development assistance and will continue to receive additional assistance.

Mentor Protégé

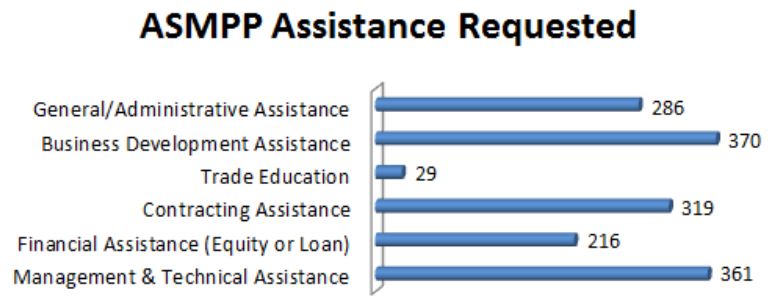
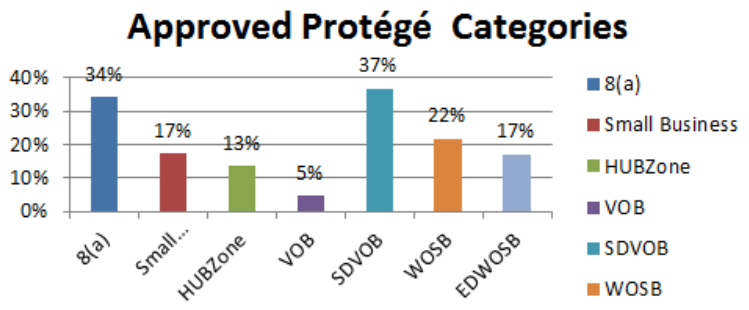


All Small Mentor Protégé Program Weekly Update
 January 1, 2018 – January 5, 2018
 Strategic Objective 2.1.3 and 1.3

Process	Policy	Advocacy
<ul style="list-style-type: none"> Deliver an average turnaround time for processing MPAs in 8-10 working days (Strategic Goal 2.1.3) Annual Reporting Workflow (redesign) (Strategic Objectives 4.1.1 and 4.1.2) Recruit two detailees for ASMPP Annual Report and JV process Recruit PMF Rotation for Q2-2018 	<ul style="list-style-type: none"> ASMPP strategic 2018 work plan & staff performance plans ASMPP/GCBD Goal Cascade SOP Draft for Clearance Delegation of Authority for MPP Program determination Present ASMPP staffing strategy to the RMB to get approval for additional FTEs 	<ul style="list-style-type: none"> Convene Interagency Mentor Protégé Council (January 16, 2018) Treasury Small Business Training Day (January 10, 2018)

All Small MPP Application Status			
	Last Week	This Week	FY/17 18 YTD
MPA New Agreements Approved	3	0	365
8(a) MPA Transfer Agreements Approved	1	0	18
Total Approved MPA Agreements	3	0	379
MPA Applications Pending	26	31	
MPA Agreements Declined	3	1	78
Annual Reports Submitted	3	0	31

ASMPP DO Distribution							
Alabama DO	15	Indiana DO	4	North Dakota DO	0	Syracuse DO	1
Alaska DO	8	Kansas City DO	8	North Florida DO	15	Tennessee DO	5
Arizona DO	9	Kentucky DO	4	Oklahoma DO	4	Utah DO	3
Arkansas DO	2	Los Angeles DO	3	Philadelphia DO	5	Vermont DO	0
Baltimore DO	24	Louisiana DO	4	Pittsburgh DO	5	West Virginia DO	1
Boise DO	3	Lower Rio Grande DO	0	Portland DO	2	Wichita DO	0
Buffalo DO	1	Lubbock DO	0	Puerto Rico DO	0	Wisconsin DO	1
Cleveland DO	2	Maine DO	1	Rhode Island DO	0	WMADO	88
Colorado DO	6	Massachusetts DO	4	Richmond DO	9	Wyoming DO	0
Columbus DO	4	Michigan DO	5	Sacramento DO	2		
Connecticut DO	0	Minnesota DO	2	San Antonio DO	17		
Dallas/Fort Worth DO	4	Mississippi DO	3	San Diego DO	8		
Delaware DO	1	Montana DO	1	San Francisco DO	3		
Des Moines DO	4	Nebraska DO	1	Santa Ana DO	1		
El Paso DO	2	Nevada DO	4	Seattle DO	8		
Fresno DO	1	New Hampshire DO	1	South Carolina DO	7		
Georgia DO	13	New Jersey DO	3	South Dakota DO	0		
Hawaii DO	2	New Mexico DO	9	South Florida DO	16		
Houston DO	4	New York DO	4	Spokane DO	0		
Illinois DO	2	North Carolina DO	8	St. Louis DO	1		



Staff Updates

- Assoc. Administrator, Office of Gov't Contracting & Business Development—
Robb Wong (3 / 17)
- Region 5 Administrator— Robert Scott
(1 / 18)
- Region V Advocate— Les Davies (7 / 17)
- National Rural Advocate (sitting in WI)—
Joe Knilans (1 / 18)

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