

*NDIA Government Policy  
Division*

*Legislative Update*

*NDIA National Small Business  
Conference*

*May 25, 2010*

## *Small Business Legislation 111<sup>th</sup> Congress*

- *Bills Introduced in the House: 51*
- *Bills Passed by the House: 10*
- *Bills Introduced in the Senate: 24*
- *Bills Passed by the Senate: 3*
  
- *Bills Enacted into Law: 5*  
*Four Short Term SBIR Extensions  
for all except DoD, one on the use of  
previously appropriated funds*

*111<sup>th</sup> Congress Small Business  
Legislation Introduced in the Senate*

*S 177: Strengthening Our Economy Through Small Business  
Innovation Act of 2009*

*S 1070: Establish the Small Business Information Security Task  
Force*

*S 1161: Small Business Paper Relief Act of 2009*

*S 1196: International Trade Enhancements Act of 2009*

*S 1208: Export Opportunity Development Act of 2009*

*S 1229: Entrepreneurial Development Act of 2009*

*S 1489: Small Business Contracting Programs Parity Act of 2009*

*S 1615: Next Step for Main Street Credit Availability Act of 2009*

*S 1831: Venture Capital Act of 2009*

*S 1832: Access to Capital Act of 2009*

*S 2770: Venture Business Center Act of 2009*

*S 2780: Intermediary Lending Pilot Program Act of 2009*

## *111<sup>th</sup> Congress Small Business Legislation Introduced in the Senate*

- S 2862: Export Enhancement and International Trade Act of 2009*
- S 2869: Job Creation and Access to Capital Act of 2009*
- S 2918: Helping Small Business Succeed Act of 2009*
- S 3084: Export Promotion Act of 2010*
- S 3089: Require a Study and Report by Office of Advocacy of the SBA regarding the effects of proposed changes in patent law*
- S 3103: Job Creation Act of 2010*
- S 3190: Small Business Programs Parity Act of 2010*
- S 3228: SBA to make grants to small business concerns to assist the commercialization of research developed with funds received under the second phase of the SBIR Program*
- S 3020: HUBZone Improvement Act of 2010*
- S 1233: SBIR/STTR Reauthorization Act of 2009*
- S 2989: Small Business Contracting Revitalization Act of 2010*



*111<sup>th</sup> Congress Small Business  
Legislation Introduced in the House*

- HR 440: Small Business Liability Reform Act*
- HR 456: Disabled Veteran SB Eligibility Expansion Act of 2009*
- HR 535: Working small business regulatory relief act*
- HR 575: Increase guaranteed loans for small businesses*
- HR 648: Women's Business Ownership Act*
- HR 1491: Securing Equity for the Economic Development of  
Low Income Areas Act of 2009*
- HR 1538: Repeal SB Competitiveness Demonstration Program*
- HR 1763: The Responsible Reinvestment Act of 2009*
- HR 1803: Veterans Business Center Act of 2009*
- HR 1838: Funding for SBA Woman's business center*
- HR 1839: Amend the Small Business Act to improve SCORE*
- HR 1842: Expanding Entrepreneurship Act of 2009*

*111<sup>th</sup> Congress Small Business  
Legislation Introduced in the House*

*HR 1845: Small Business Development Centers  
Modernization Act of 2009*

*HR 2281: Small Business Opportunity Act of 2009*

*HR 2299: Minority SB Enhancement Act*

*HR 2415: Use of federal supply schedules to meet  
contracting goals*

*HR 2416: Use of federal supply schedules to meet  
contracting goals*

*HR 2461: Veterans Small Business Verification Act*

*HR 2527: Small Business debt refinancing*

*HR 2568: Fairness and Transparency in Contracting Act 2009*

*HR 2769: Commercializing Small Business Research and  
Development Act*

*HR 2747: Rural Technology Development and Outreach Act*

*111<sup>th</sup> Congress Small Business  
Legislation Introduced in the House*

*HR 2767: Investing in Tomorrow's Technology Act*

*HR 2772: SBIR and STTR Enhancement Act*

*HR 3223: VA Contracting Goals*

*HR 3363: To amend the Small Business Act to improve the preference for small business concerns owned and controlled by veterans*

*HR 3558: Small Business Fair Competition Act*

*HR 3684: American Small Business Innovation Act*

*HR 3722: Enhanced New Markets and Expanded Investment in Renewable Energy for small Manufacturers Act of 2009*

*HR 3723: Credit Expansion and Loan Markets Stabilization Act of 2009*

## *111<sup>th</sup> Congress Small Business Legislation Introduced in the House*

- HR 3729: To amend section 31 of the Small Business Act with respect to awarding contract opportunities to qualified HUBZone small business concerns,*
- HR 3738: Early-Stage Investment Act of 2009*
- HR 3740: Small Business Company Investment Act of 2009*
- HR 3771: Establish Mentorship and Assistance programs*
- HR 3854: Financing and Investment Act of 2009*
- HR 4125: Service-Disabled Veteran Owned SB Procurement Reform Act of 2009*
- HR 4220: Promoting Jobs for Veterans Act of 2009*
- HR 4253: To amend the Small Business Act to change the net worth amount under the small business program for socially and economically disadvantaged individuals from \$750,000 to \$978,722, and for other purposes*
- HR 4265: Direct Lending Program for Small Businesses*



## *111<sup>th</sup> Congress Small Business Legislation Introduced in the House*

- HR 4295: Small Business Emergency Capital Assistance Act of 2009*
- HR 4302: Job Creation and Access to Capital Act of 2009*
- HR 4420: SB Contracting Protection Act of 2010*
- HR 4422: Minority Entrepreneurship and Business Development Act*
- HR 4496: Helping SB Compete Act of 2010*
- HR 4549: SB Innovation to Job Creation Act of 2010*
- HR 4660: To direct the Comptroller General of the United States to conduct a study on the performance of Federal Government in meeting certain small business procurement contracting goals, and for other purposes*
- HR 4818: Not Too Small to Succeed in Business Act of 2010*
- HR 4849: Small Business and Infrastructure Jobs Tax Act of 2010*
- HR 4929: Expanding Opportunities for Main Street Act of 2010*
- HR 4508: To provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958*

## *Unresolved Major Issues*

- *SBIR/STTR Re-Authorization:*
  - *House Passed Version: July 8, 2009*
  - *Senate Passed Version: July 13, 2009*
  - *Final Resolution of Differences Under Consideration by Conference Committee*
  - *Both Versions expire on January 1, 2010*

## *SBIR/STTR Re-Authorization Continued*

- Major *Differences* Between Senate and House Versions:
  - Senate Re-Authorizes to **2017**
  - House Re-Authorizes to **2011**
- Increase in *Agency Participation*
  - Senate Increases Agency Allocations by 0.1% per year until 2020
  - House – no increases
- *Venture Capital* Participation
  - Senate Permits VC participation as long as a Single VC company owns no more than 49%. *Allows Majority Ownership participation* (up to 8% of SBIR funds) *by Multiple VC Companies.*
  - House Permits VC participation only if no single VC company owns more than 49%. *No Multiple VC Ownership allowed.*

## *SBIR/STTR Re-Authorization Continued*

- *Increase in SBIR/STTR Award Levels*
  - *SBIR/STTR Phase One Increases*
    - *House: \$250K*
    - *Senate: \$150K*
  - *SBIR/STTR Phase Two Increases*
    - *House: \$2 Million*
    - *Senate: \$1 Million*
- *Senate version requires a GAO Report to Congress on Intellectual Property Protection (IP) for SBIR awardees*
- *Senate version establishes a SBIR-STEM Pilot Program*



## *3% Withholding*

*Current Law* mandates that federal, state, and local governments withhold 3% of Contract Payments as of *January 1, 2012*

*Significant Impact on Small Businesses*

*\$17 Billion – DoD Estimated Cost to Implement Just within DoD over five years.*

*H.R. 275 Repeal of Withholding Tax*

*Introduced 1/7/2009, 150 co-sponsors*

*Referred to House Ways & Means Committee*

*H.R. 1 American Recovery & Reinvestment Act of 2009 (House Passed Version) Included Repeal of Withholding – Changed in Conference to delay implementation date until January 2012.*

## *Presidential Memorandum Establishing Small Business Task Force*

- *Established 4/20/2010: Interagency Task Force on **Federal Contracting Opportunities for Small Businesses** in order to coordinate executive departments' and agencies' efforts towards ensuring that all small business have a fair chance to participate in Federal Contracting*
  - *16 Agencies led by Secretary of Commerce*
  - *Report due to the President by August 20, 2010*

## *Executive Order Establishing Interagency Task Force on Veterans Small Business Development*

- *Established 4/26/2010: Interagency Task Force on **Veterans Small Business Development** in order to coordinate the effort of Federal agencies to improve capital, business development opportunities, and pre-established Federal contracting goals for small business concerns owned and controlled by veterans and service-disabled veterans*
  - *7 Agencies led by the SBA Administer plus four members from Veterans' service or military organizations selected by SBA*
  - *Report due to the President one year after first meeting and annually thereafter*

## *Impact of DoD Insourcing on Small Businesses*

- *Congress Mandated Single government-wide criteria for **inherently governmental** functions.*
- *May 2009 – DoD guidance on Insourcing*
  - *Requires Review of all Contracted Services for Possible Insourcing.*
  - *Provides Insourcing Guidance, Requires Cost Analysis*
- *March 2010 – OMB Issued Proposed Policy Letter*
  - *Definition of **Inherently Governmental Function** (IGF)*
  - *Establishes Criteria to Identify **Critical Functions** (CF)*
  - *Guidance on Internal Management of IGF & CF*
  - *Comments due by June 1, 2010*
- *Small Business Loosing Traditional Contracts and Employees*



## *Questions - Comments*

- For any *Questions* or *Comments*, please let us know...
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