



*REGULATORY CHANGES
HIGHLIGHTS RELATED TO SMALL BUSINESS PROGRAMS
Air Force MAJCOM Director's Meeting*

CAUTION: This list is for informational purposes only and is not meant to be all-inclusive.
Please read carefully - "Proposed" vs "Interim" vs "Final" vs "Open Case"

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SMALL BUSINESS ADMINISTRATION (SBA): *Title 13 CFR*

- **NOTICE OF INTENT to Waive Nonmanufacturer Rule:** Personal computers, NAICS 334111; **comments due 10/27/2006** (See <http://www.sba.gov/GC/indexprograms-nonmanufacturer.html> for current list)
- **NOTICE OF WAIVER of Nonmanufacturer Rule:** Plastic Pallets (Twin Sheet Thermoformed), NAICS 326199; effective 9/27/2006
- **PROPOSED SBA RULE: Surety Bond Guarantee Program:** Obligates SBA to guarantee 90% of Loss Incurred by a Prior Approval Surety on bonds for VOSBs/SD-VOSBs; **comments due 10/26/2006**
- **PROPOSED SBA RULE: Size Recertification:** GWACs, Multiple Award Schedules contracts, & Federal Supply Schedules; annual re-certification as small business (on contract award anniversary date); comments closed 6/24/2003; over 600 comments received – Final Rule at OFPP, await publishing
- **PROPOSED SBA RULE: WOSB Federal Contract Assistance Program:** Economically disadvantaged woman-owned small business & woman-owned small business set-asides; only permitted in certain NAICS yet to be determined; 3-year certification requirement; random verification of eligibility; published 6/15/2006; comments closed 7/17/2006

REGULATORY CHANGES: *DFARS*

- **INTERIM RULE: Tiered Evaluation of Offers (2006-D009):** Guidance required by Section 816 FY2006 National Defense Authorization Act; also known as "cascading"; must first conduct market research; document why set-aside determination could not be made; DFARS & DFARS PGI coverage; effective 9/8/2006; **comments due 11/7/2006**
- **FINAL RULE: Threshold for Small Business Specialist Review (2003-D060):** eliminates mandatory SBS review <\$100k that are 100% SBSA; includes orders placed against FSS contracts; allows agency flexibility; some info moved to DFARS PGI including SBS appointment & functions; proposed rule published for comment 4/23/2004; effective 8/8/2006
- **FINAL RULE: Extension of Contract Goal for SDB & HBCU/MI (2006-D010):** DoD 5% goal of prime & subcontract dollars for SDB & HBCU/MI extended thru FY 2009; effective 7/11/2006
- **FINAL RULE: Sole Source 8(a) Awards to Native Hawaiian Organizations (2004-D031):** Permits sole source awards to small businesses owned by Native Hawaiian Organizations; mfg contracts > \$5M; non-mfg contracts > \$3M; must be offered to & accepted by SBA; effective 6/16/2006
- **OPEN CASE: Small Business Programs (2003-D047):** Implements DFARS Transformation; move info to PGI; published 2/23/2006; comments closed 4/23/2006; DAR editor for review 9/6/2006

ITEMS OF INTEREST

- **DFARS Transformation Continues:** DFARS will contain only requirements of law, DoD-wide policies, delegations of FAR authorities, FAR deviations, & significant policies/procedures; DFARS Procedures, Guidance, & Instruction (DFARS PGI) will contain non-regulatory requirements & guidance, internal DoD procedures without significant impact to the public
- **Central Contractor Registration (CCR) Changes:**
 - Effective 7/28/2006: Business name & address now validated with D&B; if D&B is inaccurate then registrant must first correct D&B records
 - Effective 1/30/2006: If you select SD-VOSB business type, VOSB automatically selected
 - Effective 10/30/2005: Taxpayer ID Number & taxpayer name validated with IRS
- **DoDD 4205.1:** DoD Small Business & Disadvantaged Business Utilization Programs – *revision in progress*



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REGULATORY CHANGES: *FAR*

- **FINAL RULE: Inflation Adjustments of Acquisition-Related Thresholds (FAC 2005-13):** P.L. 108-375 inflation adjustment every 5 years based on specified index except for Davis-Bacon Act, Service Contract Act, & trade agreements thresholds (e.g., 8(a)/HUBZone/SDVOSB sole source, bundling, subcontract plans, emerging small business reserve amount, etc.); effective 9/28/2006
- **INTERIM RULE: ORCA Archiving Capability (FAC 2005-13):** KO can now reference date of ORCA verification in contract file; effective 9/28/2006; [comments due 11/27/2006](#)
- **INTERIM RULE: Use of Brand Name Specs (FAC 2005-13):** Must publish on GPE/e-Buy justification for brand name specs for buys > \$25,000 including open market, FSS, sole source; effective 9/28/2006; [comments due 11/27/2006](#)
- **INTERIM RULE: Local Community Recovery Act of 2006 (FAC 2005-12):** Authorizes set-asides to allow only offerors residing/doing business primarily in geographic area affected by major disaster or emergency; must be based on specific geographic area, within Presidential declaration(s) of disaster or emergency; may be used with small business set-aside; work must be performed by prime/other employees residing or primarily residing in designated area; services/supplies ≥ 50%; general construction ≥ 15%; specialty construction ≥ 25%; effective 8/4/2006; [comments due 10/3/2006](#)
- **INTERIM RULE: Emergency Acquisitions (FAC 2005-11):** Incidents of national significance, emergency declaration, or major disaster declaration; exemption from CCR/FEDBIZOPPS synopsis; may limit number of sources & full & open competition need not be provided; preference to local organizations, firms, & individuals; effective 7/5/2006; comments closed 9/5/2006; final report due 11/1/2006
- **PROPOSED RULE: Contract Terms & Conditions Required to Implement Statute or Executive Orders – Commercial Items (2006-012):** Adds 52.219-16, Liquidated Damages – subcontracting Plan to FAR 52.212-5 Contract Terms & Conditions Required to Implement Statute or Executive Orders – Commercial Items; published 7/26/2006; comments closed 9/25/2006; report due 10/11/2006
- **OPEN CASE: HUBZone Program Revisions (2006-005):** Implements SBA Rule published 8/30/2005; adds "base closure areas" & redesignated areas"; must immediately notify Contracting Officer if material change in status occurs before contract award; may include employees of qualified HUBZone subcontract towards limitations in subktg: general construction – 50% self or may subkt at least 35% to qualified HUBZone subktrs: specialty construction – 50% self or may subkt at least 25% to qualified HUBZone subktrs; Final Report for proposed rule to FAR Council 8/30/2006
- **OPEN CASE: SB Credit for ANCs & Indian Tribes (2004-017):** Permits subkts w/ANCs to count toward SB & SDB subkt goals & subkts w/Indian tribes to count as SB subktrs, regardless of size; published 6/3/2005; comments closed 8/2/2005; DARC agreed to Final Rule 8/23/2006; Now @ GSA legal
- **OPEN CASE: Electronic Subcontracting Reporting System (eSRS) (2005-040):** Implement electronic subcontract reporting (replace SF 294/295; flowdown report requirements; <http://www.esrs.gov>, ongoing FAR Acquisition Strategy Team meetings; Report due 10/18/2006

REGULATORY WEBSITES

- Electronic CFR Beta Test Site: <http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=%2Findex.tpl>
- Federal eRulemaking Portal: <http://www.regulations.gov>
- Defense Acquisition Regulations Directorate: <http://www.thecre.com/fedlaw/legal25a/dars.htm>
- Defense Procurement & Acquisition Policy: <http://www.acq.osd.mil/dpap/dars/index.htm>
- Federal Register: <http://www.gpoaccess.gov/fr/index.html>