

Calendar No. 482

114TH CONGRESS
2^D SESSION

S. 2838

To improve the HUBZone program.

IN THE SENATE OF THE UNITED STATES

APRIL 21, 2016

Mr. VITTER (for himself, Mr. PETERS, and Mrs. SHAHEEN) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

MAY 24, 2016

Reported by Mr. VITTER, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To improve the HUBZone program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Trans-
5 forming America’s Regions Act of 2016”.

6 **SEC. 2. MODIFICATION TO THE HUBZONE PROGRAM.**

7 (a) IN GENERAL.—Section 3(p) of the Small Busi-
8 ness Act (15 U.S.C. 632(p)) is amended—

1 (1) in paragraph (1)—

2 (A) in subparagraph (E), by striking “or”
3 at the end;

4 (B) by redesignating subparagraph (F) as
5 subparagraph (G); and

6 (C) by inserting after subparagraph (E)
7 the following:

8 “(F) another qualified area designated by
9 the Administrator under section 31(d); or”; and

10 (2) in paragraph (4)(C), by striking “until the
11 later of” and all that follows and inserting “for the
12 7-year period following the date on which the census
13 tract or nonmetropolitan county ceased to be so
14 qualified.”.

15 (b) APPLICABILITY.—The amendment made by sub-
16 section (a)(2) shall apply to any census tract *or nonmetro-*
17 *politan county* that becomes a redesignated area under
18 section 3(p)(4)(C) of the Small Business Act (15 U.S.C.
19 632(p)(4)(C)) on or after the *date that is 3 years before*
20 *the date of enactment of this Act.*

21 (c) OTHER QUALIFIED AREAS.—Section 31 of the
22 Small Business Act (15 U.S.C. 657a) is amended—

23 (1) by redesignating subsection (d) as sub-
24 section (e); and

1 (2) by inserting after subsection (c) the fol-
2 lowing:

3 “(d) OTHER QUALIFIED AREAS.—

4 “(1) DEFINITIONS.—In this subsection—

5 “(A) the term ‘governor’ means the chief
6 executive of a State; and

7 “(B) the term ‘State’ means each of the
8 several States, the District of Columbia, the
9 Commonwealth of Puerto Rico, the Virgin Is-
10 lands, Guam, the Commonwealth of the North-
11 ern Mariana Islands, and American Samoa.

12 “(2) DESIGNATION.—A governor may petition
13 the Administrator to designate 1 or more ~~census~~
14 tracts in the State of the governor as a HUBZone
15 if each ~~tract~~ *nonmetropolitan counties in the State as*
16 *a HUBZone if each nonmetropolitan county—*

17 “(A) has a median household income that
18 is less than ~~70 percent~~ *90 percent* of the median
19 household income of the State in which the
20 ~~tract~~ *nonmetropolitan county* is located based
21 on the most recent data available from the Bu-
22 reau of the Census;

23 “(B) has an unemployment rate that is not
24 less than 120 percent of the average unemploy-
25 ment rate of the United States or of the State

1 in which the ~~tract~~ *nonmetropolitan county* is lo-
 2 cated, whichever is less, based on the most re-
 3 cent data available from the Department of
 4 Labor; or

5 “(C) meets other criteria determined by
 6 the Administrator.

7 “(3) PETITION.—With respect to a petition
 8 submitted by a governor to the Administrator under
 9 paragraph (2)—

10 “(A) the governor may submit not more
 11 than 1 petition in a fiscal year unless the Ad-
 12 ministrator determines that an additional peti-
 13 tion from the State of the governor is appro-
 14 priate;

15 “(B) the governor may not submit a peti-
 16 tion for more than 30 percent of the total num-
 17 ber of ~~eensus tracts~~ *nonmetropolitan counties* in
 18 the State of the governor; and

19 “(C) if the Administrator grants the peti-
 20 tion and designates 1 or more ~~eensus tracts~~
 21 *nonmetropolitan counties* as a HUBZone, the
 22 governor shall, not less frequently than annu-
 23 ally, submit data to the Administrator certi-
 24 fying that each ~~eensus tract~~ *nonmetropolitan*
 25 *county* continues to meet the criteria estab-

1 lishing the eligibility of the ~~tract~~ *nonmetropoli-*
2 *tan county* under the HUBZone program.

3 “(4) PROCESS.—The Administrator shall estab-
4 lish procedures to—

5 “(A) ensure that the Administration ac-
6 cepts petitions under paragraph (2) from all
7 States each fiscal year; and

8 “(B) provide technical assistance, before
9 the filing of a petition under paragraph (2), to
10 a governor who is interested in filing such a pe-
11 tition.”.

12 **SEC. 3. FILING OF PETITIONS FOR RECONSIDERATION OF**
13 **SIZE STANDARDS.**

14 (a) *DEFINITION.*—*In this section, the term “covered*
15 *period” means the period beginning on November 25, 2015*
16 *and ending on the effective date of the regulations estab-*
17 *lishing procedures to implement section 3(a)(9) of the Small*
18 *Business Act (15 U.S.C. 632(a)(9)).*

19 (b) *PETITIONS FOR RECONSIDERATION.*—

20 (1) *ACCEPTANCE OF APPLICATIONS.*—*Section*
21 *3(a)(9)(A) of the Small Business Act (15 U.S.C.*
22 *632(a)(9)(A)) is amended by striking “A person” and*
23 *inserting “On or after the effective date of the regula-*
24 *tions establishing procedures to implement this para-*
25 *graph, a person”.*

1 (2) *COVERED PERIOD.*—Notwithstanding section
 2 3(a)(9)(B) of the Small Business Act (15 U.S.C.
 3 632(a)(9)(B)), a person filing a petition described in
 4 section 3(a)(9)(A) of that Act relating to a size stand-
 5 ard that is revised, modified, or established during the
 6 covered period shall file the petition not later than 30
 7 days after the effective date of the regulations estab-
 8 lishing procedures to implement section 3(a)(9) of
 9 that Act.

10 **SEC. 4. PAST PERFORMANCE CREDIT FOR SUBCONTRAC-**
 11 **TORS.**

12 Section 8(d) of the Small Business Act (15 U.S.C.
 13 637(d)) is amended by adding at the end the following:

14 “(17) *PAST PERFORMANCE CREDIT FOR CERTAIN*
 15 *SMALL BUSINESS SUBCONTRACTORS.*—

16 “(A) *IN GENERAL.*—A prime contractor for
 17 a covered contract, as that term is defined in
 18 paragraph (13)(A), shall provide a past perform-
 19 ance rating for the Contractor Performance As-
 20 sessment Rating System, the Past Performance
 21 Information Retrieval System, or any successor
 22 system for any subcontractor used by the prime
 23 contractor in performing the covered contract as
 24 part of the performance reporting by the prime
 25 contractor for the covered contract.

1 “(B) *TIME FOR COMPLETION.*—A prime
2 contractor shall submit the past performance rat-
3 ing of a subcontractor not later than 14 days
4 after the date of the completion of performance of
5 the subcontract by the subcontractor.

6 “(C) *FAILURE TO ENTER INFORMATION.*—
7 The failure of a prime contractor to enter the
8 past performance rating of a subcontractor shall
9 be considered when evaluating the past perform-
10 ance of the prime contractor.

11 “(D) *USE OF INFORMATION.*—A Federal
12 agency shall use a past performance rating pro-
13 vided under subparagraph (A) for a subcon-
14 tractor that is a small business concern in evalu-
15 ating the past performance of the subcontractor
16 for purposes of determining whether to award a
17 prime contract to the subcontractor.”.

18 **SEC. 5. MEMBERSHIP OF THE ADMINISTRATOR OF THE**
19 **SMALL BUSINESS ADMINISTRATION ON THE**
20 **FEDERAL ACQUISITION REGULATORY COUN-**
21 **CIL.**

22 (a) *ADDITION OF ADMINISTRATOR OF SMALL BUSI-*
23 *NESS ADMINISTRATION TO FEDERAL ACQUISITION REGU-*
24 *LATORY COUNCIL.*—Section 1302(b)(1) of title 41, United
25 States Code, is amended—

1 (1) *in subparagraph (C), by striking “and” at*
2 *the end;*

3 (2) *in subparagraph (D), by striking the period*
4 *and inserting “; and”; and*

5 (3) *by adding at the end the following new sub-*
6 *paragraph:*

7 *“(E) the Administrator of the Small Busi-*
8 *ness Administration.”.*

9 (b) *CONFORMING AMENDMENTS.—Such title is further*
10 *amended—*

11 (1) *in section 1303(a)(1)—*

12 (A) *by striking “and the Administrator of*
13 *National Aeronautics and Space,” and inserting*
14 *“the Administrator of National Aeronautics and*
15 *Space, and the Administrator of the Small Busi-*
16 *ness Administration,”; and*

17 (B) *by striking “and the National Aero-*
18 *navitics and Space Act of 1958 (42 U.S.C. 2451*
19 *et seq.),” and inserting “the National Aero-*
20 *navitics and Space Act of 1958 (42 U.S.C. 2451*
21 *et seq.), and the Small Business Act (15 U.S.C.*
22 *631 et seq.),”; and*

23 (2) *in section 1121(d), by striking “and the Gen-*
24 *eral Services Administration” and inserting “the*

- 1 *General Services Administration, and the Small*
- 2 *Business Administration”.*

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