$2 million or less shall be set-aside on a class basis for exclusive participation by small business concerns. This class set-aside does not apply when:

1. The acquisition is procured using simplified acquisition procedures;
2. Use of a set-aside is precluded by the Small Business Competitiveness Demonstration Program (SBCDP) (See FAR 19.10);
3. A non-competitive acquisition has been approved under the procedures of FAR 6.3;
4. Work is to be performed outside the U.S.; or
5. The BPC determines that adequate competition is not likely to be obtained if the acquisition is restricted to small business concerns, applying the requirements of FAR 19.202–2.

(b) The use of such set-asides is contingent upon current policy in effect under application of the SBCDP (See FAR 19.10).

1419.505 Rejecting Small Business Administration recommendations.

(a) A written justification in support of the CO's decision to reject the set-aside recommendation shall be approved by the HCA. It shall then be forwarded for sequential review through the Director, OSDBU and the Director, PAM, for action by the AS/PMB.

(b) As prescribed in FAR 19.505, the AS/PMB is authorized to reply to the Administrator of SBA on any SBA appeal of a contracting officer's set-aside recommendation.

1419.506 Withdrawing or modifying small business set-asides.

The HCA is authorized, without the power of redelegation, to resolve disagreements between the CO and the BUDS concerning withdrawals or modifications of individual or class set-asides as prescribed in FAR 19.506. OSDBU shall be provided timely notification of such disagreements and the recommendation of the BUDS in order to provide assistance in resolving the disagreement.