

113TH CONGRESS
1ST SESSION

H. R. 2550

To amend the Small Business Act to enhance services to small business concerns that are disadvantaged, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 27, 2013

Mr. RUSH introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act to enhance services to small business concerns that are disadvantaged, and for other purposes.

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 “Minority Small Busi-
5 ness Enhancement Act of 2013”.

6 **SEC. 2. ENHANCEMENT OF SERVICES TO SMALL BUSI-**
7 **NESSES THAT ARE DISADVANTAGED.**

8 (a) NET WORTH.—Section 8(a)(6)(A) of the Small
9 Business Act (15 U.S.C. 637(a)(6)(A)) is amended by in-
10 serting after “disadvantaged individual.” the following:

1 “For purposes of eligibility for admission as a Program
 2 Participant and for continued eligibility after admission,
 3 the net worth of such individual may be any amount less
 4 than \$1,500,000.”.

5 (b) TIME LIMIT ON PARTICIPATION.—Section
 6 7(j)(15) of the Small Business Act (15 U.S.C. 636(j)(15))
 7 is amended—

- 8 (1) by redesignating subparagraphs (A) and
- 9 (B) as clauses (i) and (ii), respectively;
- 10 (2) by inserting “(A)” after “(15)”; and
- 11 (3) by adding at the end the following:

12 “(B) No time limitation relating to the pe-
 13 riod that a small business concern may receive
 14 developmental assistance under the Program
 15 and contracts under section 8(a) shall apply to
 16 a small business concern that has not completed
 17 a contract under section 8(a).”.

18 **SEC. 3. BUNDLED CONTRACTS.**

19 (a) DEFINITION.—Section 3(o) of the Small Business
 20 Act (15 U.S.C. 632(o)) is amended to read as follows:

21 “(o) DEFINITIONS OF BUNDLING OF CONTRACT RE-
 22 QUIREMENTS AND RELATED TERMS.—For purposes of
 23 this Act:

24 “(1) BUNDLED CONTRACT.—

1 “(A) IN GENERAL.—The term ‘bundled
2 contract’ means a contract or order that is en-
3 tered into to meet procurement requirements
4 that are consolidated in a bundling of contract
5 requirements, without regard to its designation
6 by the procuring agency or whether a study of
7 the effects of the solicitation on civilian or mili-
8 tary personnel has been made.

9 “(B) EXCEPTIONS.—The term does not in-
10 clude—

11 “(i) a contract or order with an aggre-
12 gate dollar value below the dollar threshold
13 specified in paragraph (5); or

14 “(ii) a contract or order that is en-
15 tered into to meet procurement require-
16 ments, all of which are exempted require-
17 ments under paragraph (6).

18 “(2) BUNDLING OF CONTRACT REQUIRE-
19 MENTS.—

20 “(A) IN GENERAL.—The term ‘bundling of
21 contract requirements’ means the use of any
22 bundling methodology to satisfy 2 or more pro-
23 curement requirements for goods or services
24 previously supplied or performed under separate
25 smaller contracts or orders, or to satisfy 2 or

1 more procurement requirements for construc-
2 tion services of a type historically performed
3 under separate smaller contracts or orders, that
4 is likely to be unsuitable for award to a small
5 business concern due to—

6 “(i) the diversity, size, or specialized
7 nature of the elements of the performance
8 specified;

9 “(ii) the aggregate dollar value of the
10 anticipated award;

11 “(iii) the geographical dispersion of
12 the contract or order performance sites; or

13 “(iv) any combination of the factors
14 described in clauses (i), (ii), and (iii).

15 “(B) INCLUSION OF NEW FEATURES OR
16 FUNCTIONS.—A combination of contract re-
17 quirements that would meet the definition of a
18 bundling of contract requirements but for the
19 addition of a procurement requirement with at
20 least one new good or service shall be consid-
21 ered to be a bundling of contract requirements
22 unless the new features or functions substan-
23 tially transform the goods or services and will
24 provide measurably substantial benefits to the

1 government in terms of quality, performance, or
2 price.

3 “(C) EXCEPTIONS.—The term does not in-
4 clude—

5 “(i) the use of a bundling method-
6 ology for an anticipated award with an ag-
7 gregate dollar value below the dollar
8 threshold specified in paragraph (5); or

9 “(ii) the use of a bundling method-
10 ology to meet procurement requirements,
11 all of which are exempted requirements
12 under paragraph (6).

13 “(3) BUNDLING METHODOLOGY.—The term
14 ‘bundling methodology’ means—

15 “(A) a solicitation to obtain offers for a
16 single contract or order, or a multiple award
17 contract or order; or

18 “(B) a solicitation of offers for the
19 issuance of a task or a delivery order under an
20 existing single or multiple award contract or
21 order.

22 “(4) SEPARATE SMALLER CONTRACT.—The
23 term ‘separate smaller contract’, with respect to
24 bundling of contract requirements, means a contract
25 or order that has been performed by 1 or more small

1 business concerns or was suitable for award to 1 or
2 more small business concerns.

3 “(5) DOLLAR THRESHOLD.—The term ‘dollar
4 threshold’ means \$65,000,000, if solely for construc-
5 tion services, and \$5,000,000 with respect to all
6 other circumstances.

7 “(6) EXEMPTED REQUIREMENTS.—The term
8 ‘exempted requirement’ means a procurement re-
9 quirement solely for items that are not commercial
10 items (as the term ‘commercial item’ is defined in
11 section 4(12) of the Office of Federal Procurement
12 Policy Act (41 U.S.C. 403(12)).

13 “(7) PROCUREMENT REQUIREMENT.—The term
14 ‘procurement requirement’ means a determination
15 by an agency that a specified good or service is
16 needed to satisfy the mission of the agency.”.

17 (b) PROPOSED PROCUREMENT REQUIREMENTS.—
18 Section 15(a) of the Small Business Act (15 U.S.C.
19 644(a)) is amended—

20 (1) by striking “necessary and justified.” and
21 inserting “necessary and justified, as well as identi-
22 fying information on the incumbent contract holders,
23 a description of the industries which might be inter-
24 ested in bidding on the contract requirements, and
25 the number of small businesses listed in the industry

categories that could be excluded from future bidding if the contract is combined or packaged.”; and

(2) by striking the sentence beginning “Whenever the Administration and the contracting procurement agency fail to agree,” and inserting the following: “Whenever the Administration and the contracting procurement agency fail to agree, the Administrator may review the proposed procurement, may delay the solicitation process for not more than 10 days to make recommendations, and the matter shall be submitted to the Director of the Office of Management and Budget to mediate the disagreement.”.

SEC. 4. FEDERAL CONTRACTING GOALS.

(a) INCREASE IN CERTAIN GOALS.—Section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)) is amended—

(1) by striking “not less than 23 percent” and inserting “not less than 25 percent”; and

(2) by striking “not less than 5 percent” each place it appears and inserting “not less than 10 percent”.

(b) LIMITATION ON NUMBER OF CATEGORIES FOR WHICH A BUSINESS MAY QUALIFY.—Section 15(g) of the

1 Small Business Act (15 U.S.C. 644(g)) is amended by
2 adding at the end the following:

3 “(3) For purposes of this subsection and sub-
4 section (h), with respect to each procurement con-
5 tract a small business concern may not qualify as
6 more than 2 specified categories, regardless of
7 whether such small business concern satisfies the
8 definition of more than 2 specified categories. The
9 specified categories are small business concerns,
10 small business concerns owned and controlled by
11 service-disabled veterans, qualified HUBZone small
12 business concerns, small business concerns owned
13 and controlled by socially and economically disadvan-
14 taged individuals, and small business concerns
15 owned and controlled by women.”.

16 (c) GOVERNMENT ACCOUNTABILITY OFFICE
17 STUDY.—Not later than October 1, 2014, the Comptroller
18 General of the United States shall conduct and submit to
19 Congress a report describing the results of a study on dis-
20 parities in the awarding of Federal contracts to procure
21 goods or services with respect to small business concerns
22 owned and controlled by socially and economically dis-
23 advantaged individuals, small business concerns, and other
24 business concerns.

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