

In recent years, the Federal Government has not consistently reached its small business contracting goals. Although we have made some progress—particularly with respect to Recovery Act contracts—more work can and should be done. I am committed to ensuring that small businesses, including firms owned by women, minorities, socially and economically disadvantaged individuals, and service-disabled veterans, have fair access to Federal Government contracting. Indeed, where small businesses have the capacity to do more, we should strive to exceed the statutory goals. While Chief Acquisition Officers and Senior Procurement Executives have many priorities, small business contracting should always be a high priority in the procurement process.

Obtaining tangible results will require an honest and accurate accounting of our progress so that we can have transparency and accountability through Federal small business procurement data. Additionally, we must expand outreach strategies to alert small firms to Federal contracting opportunities.

In order to coordinate executive departments' and agencies' efforts towards ensuring that all small businesses have a fair chance to participate in Federal contracting opportunities, it is hereby ordered as follows:

SECTION 1. *Establishment.* There is established an Interagency Task Force on Federal Contracting Opportunities for Small Businesses (Task Force). The Secretary of Commerce (Secretary), the Director of the Office of Management and Budget (Director), and the Administrator of the Small Business Administration (Administrator) shall serve as Co-Chairs of the Task Force and shall direct its work.

SEC. 2. *Membership.* In addition to the Secretary, the Director, and the Administrator, the Task Force shall consist of the following members:

- (i) the Secretary of the Treasury;
 - (ii) the Secretary of Defense;
 - (iii) the Attorney General;
 - (iv) the Secretary of Labor;
 - (v) the Secretary of Housing and Urban Development;
 - (vi) the Secretary of Transportation;
 - (vii) the Secretary of Veterans Affairs;
 - (viii) the Secretary of Homeland Security;
 - (ix) the Administrator of General Services;
 - (x) the Administrator of the National Aeronautics and Space Administration;
 - (xi) the Director of the Minority Business Development Agency;
 - (xii) the Director of the Office of Science and Technology Policy;
 - (xiii) the Director of the Domestic Policy Council;
 - (xiv) the Director of the National Economic Council;
 - (xv) the Chair of the Council of Economic Advisers;
- and
- (xvi) the heads of such other executive departments, agencies, and offices as the President may, from time to time, designate.

A member of the Task Force may designate, to perform the Task Force functions of the member, one or more senior officials who are part of the member's department, agency, or office, and who are full-time officers or employees of the Federal Government.

SEC. 3. *Functions.* The Task Force shall provide to the President, not later than 120 days after the date of this memorandum, proposals and recommendations for:

- (i) using innovative strategies, such as teaming, to increase opportunities for small business contractors and utilizing and expanding mentorship programs, such as the mentor-protégé program;
- (ii) removing barriers to participation by small businesses in the Federal marketplace by unbundling large projects, improving training of Federal acquisition officials with respect to strategies for increasing small business contracting opportunities, and utilizing new technologies to enhance the effectiveness and efficiency of Federal program managers, acquisition officials, and the Directors of Offices of Small Business Programs and Offices of Small and Disadvantaged Business Utilization, their managers, and procurement cen-

ter representatives in identifying and providing access to these opportunities;

- (iii) expanding outreach strategies to match small businesses, including firms located in Historically Underutilized Business Zones and firms owned and controlled by women, minorities, socially and economically disadvantaged individuals, and service-disabled veterans of our Armed Forces, with contracting and subcontracting opportunities; and

- (iv) establishing policies, including revision or clarification of existing legislation, regulations, or policies, that are necessary or appropriate to effectuate the objectives of this memorandum.

SEC. 4. *Using Technology to Improve Transparency and Accountability.* Within 90 days of the date of this memorandum, the Assistant to the President and Chief Technology Officer and the Federal Chief Information Officer, in coordination with the Task Force, shall develop a website that illustrates the participation of small businesses, including those owned by women, minorities, socially and economically disadvantaged individuals, and service-disabled veterans of our Armed Forces, in Federal contracting. To foster greater accountability and transparency in, and allow oversight of, the Federal Government's progress, this website shall be designed to encourage improved collection, verification, and availability of Federal procurement data and provide accurate data on the Federal Government's progress in ensuring that all small businesses have a fair chance to participate in Federal contracting opportunities.

SEC. 5. *Outreach.* In developing its recommendations, the Task Force shall conduct outreach with representatives of small businesses and small business associations.

SEC. 6. *General Provisions.* (a) This memorandum shall be implemented consistent with applicable law and subject to the availability of any necessary appropriations.

(b) This memorandum does not create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(c) The heads of executive departments and agencies shall assist and provide information to the Task Force, consistent with applicable law, as may be necessary to carry out the functions of the Task Force. Each executive department and agency shall bear its own expenses of participating in the Task Force.

(d) The Director is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

§ 631a. Congressional declaration of small business economic policy

(a) Foster small business

For the purpose of preserving and promoting a competitive free enterprise economic system, Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practical means and to take such actions as are necessary, consistent with its needs and obligations and other essential considerations of national policy, to implement and coordinate all Federal department, agency, and instrumentality policies, programs, and activities in order to: foster the economic interests of small businesses; insure a competitive economic climate conducive to the development, growth and expansion of small businesses; establish incentives to assure that adequate capital and other resources at competitive prices are available to small businesses; reduce the concentration of economic resources and expand competition; and provide an opportunity for entrepreneurship, inventiveness, and the creation and growth of small businesses.

(b) Capital availability to small business

Congress further declares that the Federal Government is committed to a policy of utilizing all reasonable means, consistent with the overall economic policy goals of the Nation and the preservation of the competitive free enterprise system of the Nation, to establish private sector incentives that will help assure that adequate capital at competitive prices is available to small businesses. To fulfill this policy, departments, agencies, and instrumentalities of the Federal Government shall use all reasonable means to coordinate, create, and sustain policies and programs which promote investment in small businesses, including those investments which expand employment opportunities and which foster the effective and efficient use of human and natural resources in the economy of the Nation.

(Pub. L. 96-302, title III, §302, July 2, 1980, 94 Stat. 848.)

Editorial Notes**CODIFICATION**

Section was enacted as part of the Small Business Economic Policy Act of 1980, and not as part of the Small Business Act which comprises this chapter.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE**

Section effective Oct. 1, 1980, see section 507 of Pub. L. 96-302, set out as an Effective Date of 1980 Amendment note under section 631 of this title.

SHORT TITLE

For short title of title III of Pub. L. 96-302, as the Small Business Economic Policy Act of 1980, see Short Title of 1980 Amendments note set out under section 631 of this title.

§ 631b. Reports to Congress; state of small business**(a) Report on Small Business and Competition**

The President shall transmit to the Congress not later than January 20 of each year a Report on Small Business and Competition which shall—

(1) examine the current role of small business in the economy on an industry-by-industry basis;

(2) present current and historical data on production, employment, investment, population, job creation and retention, annual business failures, annual business startups, and other economic variables for small business in the economy as a whole and for small business in each sector of the economy, with, to the extent practicable, specific statistics divided as to urban, suburban, and rural areas;

(3) identify economic trends which will or may affect the small business sector and the state of competition;

(4) examine the effects on small business and competition of policies, programs, and activities, including, but not limited to the Internal Revenue Code [26 U.S.C. 1 et seq.], the Employee Retirement Income Security Act [29 U.S.C. 1001 et seq.], the Securities Act of 1933 [15 U.S.C. 77a et seq.], and the Securities Ex-

change Act of 1934 [15 U.S.C. 78a et seq.], and regulations promulgated thereunder; identify problems generated by such policies, programs, and activities; and recommend legislative and administrative solutions to such problems; and

(5) recommend a program for carrying out the policy declared in section 631a of this title, together with such recommendations for legislation as he may deem necessary or desirable.

(b) Appendix to report

The President also shall transmit simultaneously as an appendix to such annual report, a report, by agency and department, on the total dollar value of all Federal contracts exceeding \$10,000 in amount and the dollar amount (including the subcontracts thereunder in excess of \$10,000) awarded to small, minority-owned, female-owned, and veteran-owned businesses.

(c) Supplementary reports

The President may transmit from time to time to the Congress reports supplementary to the Report on Small Business and Competition, each of which shall include such supplementary or revised recommendations as he may deem necessary or desirable to achieve the policy declared in section 631a of this title.

(d) Referral to Congressional committees

The Report on Small Business and Competition and all supplementary reports transmitted under subsections (b) and (c) of this section shall, when transmitted to Congress, be referred to the Senate Select Committee on Small Business and the Committee on Small Business of the House of Representatives.

(e) Small business concerns owned by disadvantaged individuals and by women¹

The information and data required to be reported pursuant to subsection (a) shall separately detail those portions of such information and data that are relevant to—

(1) small business concerns owned and controlled by socially and economically disadvantaged individuals, by gender, as defined pursuant to section 637(d) of this title;

(2) small business concerns owned and controlled by women; and

(3)² qualified HUBZone small business concern (as defined in section 632(p)³ of this title).

(3)² small business concerns owned and controlled by veterans, as defined in section 632(q) of this title, and small business concerns owned and controlled by service-disabled veterans, as defined in such section 632(q) of this title.

(Pub. L. 96-302, title III, §303, July 2, 1980, 94 Stat. 848; Pub. L. 100-533, title V, §503, Oct. 25, 1988, 102 Stat. 2697; Pub. L. 100-590, title I, §124, Nov. 3, 1988, 102 Stat. 3000; Pub. L. 101-574, title III, §305, Nov. 15, 1990, 104 Stat. 2829; Pub. L. 105-135, title VI, §604(c), title VII, §705, Dec. 2, 1997, 111 Stat. 2633, 2637; Pub. L. 106-50, title VI, §602, Aug. 17, 1999, 113 Stat. 248.)

¹ See 1988 Amendment note below.

² So in original. Two pars. (3) have been enacted.

³ See References in Text note below.