

107TH CONGRESS
1ST SESSION

S. 1472

To amend the Small Business Act to promote the involvement of small business concerns and small business joint ventures in certain types of procurement contracts, to establish the Small Business Procurement Competition Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 26, 2001

Mr. KERRY (for himself and Mr. BOND) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To amend the Small Business Act to promote the involvement of small business concerns and small business joint ventures in certain types of procurement contracts, to establish the Small Business Procurement Competition Program, 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 “Small Business Pro-
5 curement Competition Act of 2001”.

1 **SEC. 2. DEFINITION OF COVERED CONTRACTS.**

2 Section 15(e)(4) of the Small Business Act (15
3 U.S.C. 644(e)(4)) is amended—

4 (1) by inserting after “bundled contract” the
5 following: “, the aggregate dollar value of which is
6 anticipated to be less than \$8,000,000, or any con-
7 tract, whether or not the contract is a bundled con-
8 tract, the aggregate dollar value of which is antici-
9 pated to be \$8,000,000 or more”;

10 (2) by striking “In the” and inserting the fol-
11 lowing:

12 “(A) IN GENERAL.—In the”; and

13 (3) by adding at the end the following:

14 “(B) CONTRACTING GOALS.—

15 “(i) IN GENERAL.—A contract award
16 under this paragraph to a team that is
17 comprised entirely of small business con-
18 cerns shall be counted toward the small
19 business contracting goals of the con-
20 tracting agency, as required by this Act.

21 “(ii) PREPONDERANCE TEST.—The
22 ownership of the small business that con-
23 ducts the preponderance of the work in a
24 contract awarded to a team described in
25 clause (i) shall determine the category or
26 type of award for purposes of meeting the

1 contracting goals of the contracting agen-
2 cy.”.

3 **SEC. 3. PROPORTIONATE WORK REQUIREMENTS FOR BUN-**
4 **DLED CONTRACTS.**

5 (a) SECTION 8.—Section 8(a)(14)(A) of the Small
6 Business Act (15 U.S.C. 637(a)(14)(A)) is amended—

7 (1) in clause (i), by striking “and” at the end;

8 (2) in clause (ii), by striking the period at the
9 end and inserting “; and”; and

10 (3) by adding at the end the following:

11 “(iii) notwithstanding clauses (i) and (ii), in the
12 case of a bundled contract—

13 “(I) the concern will perform work for at
14 least 33 percent of the aggregate dollar value of
15 the anticipated award;

16 “(II) no other concern will perform a
17 greater proportion of the work on that contract;
18 and

19 “(III) no other concern that is not a small
20 business concern will perform work on the con-
21 tract.”.

22 (b) QUALIFIED HUBZONE SMALL BUSINESS CON-
23 CERNS.—Section 3(p)(5)(A)(i)(III) of the Small Business
24 Act (15 U.S.C. 632(p)(5)(A)(i)(III)) is amended—

25 (1) in item (bb), by striking “and” at the end;

1 (2) by redesignating item (cc) as item (dd); and
 2 (3) by inserting after item (bb) the following:

3 “(cc) notwithstanding items
 4 (aa) and (bb), in the case of a
 5 bundled contract, the concern will
 6 perform work for at least 33 per-
 7 cent of the aggregate dollar value
 8 of the anticipated award, no
 9 other concern will perform a
 10 greater proportion of the work on
 11 that contract, and no other con-
 12 cern that is not a small business
 13 concern will perform work on the
 14 contract; and”.

15 (c) SECTION 15.—Section 15(o)(1) of the Small
 16 Business Act (15 U.S.C. 644(o)(1)) is amended—

17 (1) in subparagraph (A), by striking “and” at
 18 the end;

19 (2) in subparagraph (B), by striking the period
 20 at the end and inserting “; and”; and

21 (3) by adding at the end the following:

22 “(C) notwithstanding subparagraphs (A) and
 23 (B), in the case of a bundled contract—

1 “(i) the concern will perform work for at
2 least 33 percent of the aggregate dollar value of
3 the anticipated award;

4 “(ii) no other concern will perform a great-
5 er proportion of the work on that contract; and

6 “(iii) no other concern that is not a small
7 business concern will perform work on the con-
8 tract.”.

9 **SEC. 4. SMALL BUSINESS PROCUREMENT COMPETITION**
10 **PILOT PROGRAM.**

11 (a) DEFINITIONS.—In this section—

12 (1) the term “Administrator” means the Ad-
13 ministrator of the Small Business Administration;

14 (2) the term “Federal agency” has the same
15 meaning as in section 3 of the Small Business Act
16 (15 U.S.C. 632);

17 (3) the term “Program” means the Small Busi-
18 ness Procurement Competition Program established
19 under subsection (b);

20 (4) the term “small business concern” has the
21 same meaning as in section 3 of the Small Business
22 Act (15 U.S.C. 632); and

23 (5) the term “small business-only joint ven-
24 tures” means a team described in section 15(e)(4) of

1 the Small Business Act (15 U.S.C. 644(e)(4)) com-
2 prised of only small business concerns.

3 (b) ESTABLISHMENT OF PROGRAM.—The Adminis-
4 trator shall establish in the Small Business Administration
5 a pilot program to be known as the “Small Business Pro-
6 curement Competition Program”.

7 (c) PURPOSES OF PROGRAM.—The purposes of the
8 Program are—

9 (1) to encourage small business-only joint ven-
10 tures to compete for contract awards to fulfill the
11 procurement needs of Federal agencies;

12 (2) to facilitate the formation of joint ventures
13 for procurement purposes among small business con-
14 cerns;

15 (3) to engage in outreach to small business-only
16 joint ventures for Federal agency procurement pur-
17 poses; and

18 (4) to engage in outreach to the Director of the
19 Office of Small and Disadvantaged Business Utiliza-
20 tion and the procurement officer within each Federal
21 agency.

22 (d) OUTREACH.—Under the Program, the Adminis-
23 trator shall establish procedures to conduct outreach to
24 small business concerns interested in forming small busi-
25 ness-only joint ventures for the purpose of fulfilling pro-

1 curement needs of Federal agencies, subject to the rules
2 of the Administrator, in consultation with the heads of
3 those Federal agencies.

4 (e) REGULATORY AUTHORITY.—The Administrator
5 shall promulgate such regulations as may be necessary to
6 carry out this section.

7 (f) SMALL BUSINESS ADMINISTRATION DATA-
8 BASE.—The Administrator shall establish and maintain a
9 permanent database that identifies small business con-
10 cerns interested in forming small business-only joint ven-
11 tures, and shall make the database available to each Fed-
12 eral agency and to small business concerns in electronic
13 form to facilitate the formation of small business-only
14 joint ventures.

15 (g) TERMINATION OF PROGRAM.—The Program
16 (other than the database established under subsection (f))
17 shall terminate 3 years after the date of enactment of this
18 Act.

19 (h) REPORT TO CONGRESS.—Not later than 60 days
20 before the date of termination of the Program, the Admin-
21 istrator shall submit a report to Congress on the results
22 of the Program, together with any recommendations for
23 improvements to the Program and its potential for use
24 Governmentwide.

1 (i) RELATIONSHIP TO OTHER LAWS.—Nothing in
2 this section waives or modifies the applicability of any
3 other provision of law to procurements of any Federal
4 agency in which small business-only joint ventures may
5 participate under the Program.

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