



**NDIA Government Policy  
Department**

**Legislation Concerning  
Small Business**

**110<sup>th</sup> Congress**



## What's Out There?

- Small Business Administration Reauthorization (S.2920)
- SBIR Reauthorization (H.R. 5819)
- Small Business Contracting Revitalization Act (S.2300 & H.R. 3867)
- Small Business Women's Procurement Program Improvement Act (S.2608)
- Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186)
- 3% Tax Withholding Requirement



## S.2920 Small Business Administration Reauthorization Act

- Introduced on 4/28/08 as a Consolidation of Four Previously Submitted Bills:
  - S.1256 Small Business Lending Reauthorization and Improvements Act of 2007
  - S.1662 Small Business Venture Capital Act of 2007
  - S.1671 Entrepreneurial Development Act of 2007
  - S.2288 Small Business Lending Oversight and Program Performance Improvement Act of 2007
- All approved by Senate SB Committee; however, none considered in full Senate
- **STATUS:** Waiting for Senate Floor Action





## H.R. 5819 SBIR Reauthorization

- Passed in the House 4/23/08 368-43
- Committee Recommended Agency Set-Aside Increases Deleted by a Floor Amendment
- Phase I Awards Increase to \$300K
- Phase II Awards Increase to \$2.2M
- Allows Application for Phase II Without Receiving Phase I Funding
- Encourages Grants to Veteran and Minority owned Businesses and Companies Located in Economically Depressed Areas
- Expands Venture Capital Firms Participation
- **STATUS:** Waiting for Senate Committee/Floor Action



## S.2300 & H.R. 3867 Small Business Contracting Revitalization Act

- Improves Contracting Opportunities for SDVOSBs
- Expands Opportunities for Women Entrepreneurs
- Improves SBA Management of HUBZones
- Revises net worth limitations for participation in the 8(a) Program
- Increases the Size Limits on Contracts Eligible for Small Business Preferences
- Provides Incentives to Prime Contractors that Exceed Small Business Goals
- **STATUS:** Waiting for Senate Floor Action



## S.2608 Small Business Women's Procurement Program Improvement Act

- Ensures SBA Properly Implements the Women's Contracting Procurement Program to meet the 5% Goal Set in 1994 but never met
- Substantially Broaden the range of Business Industries Eligible for Set-Asides as Part of the Women's Contracting Procurement Program
- Reverses SBA Proposed Rule Issued in December 2007
- **STATUS:** Pending Senate Committee Action





# Public Law 110-186 Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008

- Increase SBA Funding for Veterans Business Development
- Establishes Interagency Task Force to Coordinate Federal Efforts for SDVOSB
- Increase Number of Veteran Outreach Centers
- Extends Time to Apply for a Disaster Loan as a Result of Essential Employees being called to Active Duty
- Requires SBA and DoD to develop a Joint Website on Programs Available to Veterans and Reservists
- Increases Time Limits for Loans Made to Veterans Called to Active Duty or Become Service Disabled
- **STATUS:** Signed into law on February 14, 2008



## 3% Tax Withholding Requirement

- 2005 Tax Incentive Bill Included a Requirement that 3% of all Federal Contracts be withheld - effective 2011
- New Requirement was Not Included in Either House or Senate Versions of the Tax Bill, "Magically" appeared in the Conference Report Signed by the President
- 2008 NDAA Required DoD to Study Impact of Implementation - DoD Report Last Month Reported the \$17 Billion would be Needed Over Five Years
- Numerous Bills Filed in the House and Senate to Repeal
- SBA to IRS: "The 3% withholding requirement will adversely impact all small business...(they) will be forced to increase their debt level to ensure sufficient cash flows and be forced to pass on these additional expenses...(and it) will force many small firms...out of the Federal contracting business." (April 24, 2008)
- **STATUS:** Waiting House/Senate Floor Action on Pending Repeal/Delay Bills