



# **TRI-Association Small Business Advisory Panel (TRIAD) Conference**

# Issues Facing Congress

**NDIA**

- **Confirmation hearings**
- **Debt Limit**
- **APPROPRIATIONS / Continuing Resolution (through April 28), then what? Omnibus**
  - Defense Spending, Supplemental, and Sequestration
- **Repeal/Replacement of Patient Protection and Affordable Care Act**
- **Tax Reform**
- **Immigration and Border**
- **Trade**

# Possible Defense Industry Impact of Trump's Presidency

- **Reagan-esque plans to rebuild military, increase defense spending, but unclear how Sequestration issue gets resolved, particularly if there are plan for infrastructure spending**
- **Likely will be more Defense industry friendly than the last 8 years and will seek to remove Executive Orders that have been burdensome for all sizes of companies, but as a popularist will not want to be seen as favoring big business and will be interested in ensuring that taxpayer is getting a good deal (i.e. recent comments on certain contracts – follow-on Air Force One and JSF)**
  - Reducing overall corporate income tax should also generally benefit Defense companies
  - Executive Order on Jan 30 Reducing Regulations and Controlling Regulatory Costs
- **More nominations to appointments will be announced in the coming weeks.**
- **Focus initially likely on stated top three priorities:**
  - Immigration
  - Health care
  - Jobs

**Trump presidency looks positive for defense industry but many variables yet unknown**

# NDAA - Acquisition Reform



FY16

- 809 Panel
- Tech Data Rights
- SAEs decision authority
- CID assumptions
- DCAA oversight

FY17

- Nontraditional and commercial companies;
- FFP contracts for FMS
- No cap on IR&D
- Open systems architecture;
- UCA timelines/profit;
- Bid protest reform;
- Small business opportunities;
- Back to PBP preference

FY18

- Contracting for Commercial Items and Services
- DCAA Auditing
- Acquisition Program Requirements Process
- Sustainment Planning
- Foreign Military Sales
- Acquisition Workforce
- Developmental and Operational Testing
- Data Transparency

- **Sec. 826. Extension of program for comprehensive small business contracting plans.**
  - Extends the authority for CSP to December 31, 2027.
- **Sec. 1811. Scope of review by procurement center representatives.**
  - Clarifies that SBA procurement center representatives may not review contracts awarded pursuant to status of forces agreements or contracts of the Department of Defense awarded and performed overseas.
  - Stipulates that contracts excluded from procurement center representative review shall not be included in any calculation of the DoD's attainment of its small business goals.
- **Sec. 1821. Good faith in subcontracting.**
  - Requires SBA within 270 days of enactment of the bill to provide examples of activities that would be considered a failure to make a good faith effort to comply with a small business subcontract plan requirement for purposes of assessing liquidated damages.
- **Sec. 1822. Pilot program to provide opportunities for qualified subcontractors to obtain past performance ratings.**
  - Requires SBA to establish a three-year pilot program to allow a small business concern without a past performance rating as a prime contractor performing as a first tier sub to request and receive a past performance rating for purposes of competing as a prime contractor.

# Possible Defense Industry Impact of Trump's Presidency

- Reagan-esque plans to rebuild military, increase defense spending, but unclear how Sequestration issue gets resolved, particularly if there are plan for infrastructure spending
- Likely will be more Defense industry friendly than the last 8 years and will seek to remove Executive Orders that have been burdensome for all sizes of companies, but as a popularist will not want to be seen as favoring big business and will be interested in ensuring that taxpayer is getting a good deal (i.e. recent comments on certain contracts – follow-on Air Force One and JSF)
  - Reducing overall corporate income tax should also generally benefit Defense companies
  - Executive Order on Jan 30 Reducing Regulations and Controlling Regulatory Costs
- More nominations to appointments will be announced in the coming weeks and will have to see who files positions below James Mattis., Sec Army nominee Vincent Viola, Sec AF Heather Wilson, and Sec Navy Philip Bilden, but trend appears to include successful businessmen.
- Focus initially likely on stated top three priorities:
  - Immigration
  - Health care
  - Jobs



**Trump presidency looks positive for defense industry but many variables yet unknown**