

112TH CONGRESS
2D SESSION

H. R. 4121

To provide for a program to provide Federal contracts to early stage small businesses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 2012

Mr. SCHRADER (for himself, Ms. HAHN, Mr. CICILLINE, Ms. CHU, Ms. VELÁZQUEZ, Mr. PETERS, and Mr. RICHMOND) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To provide for a program to provide Federal contracts to early stage small businesses, 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 “Early Stage Small
5 Business Contracting Act of 2012”.

6 **SEC. 2. IN GENERAL.**

7 The Small Business Act (15 U.S.C. 631 et seq.) is
8 amended by adding at the end the following:

1 **“SEC. 46. PROGRAM TO PROVIDE FEDERAL CONTRACTS TO**
2 **EARLY STAGE SMALL BUSINESSES.**

3 “(a) ESTABLISHMENT.—The Administrator shall es-
4 tablish and carry out a program in accordance with the
5 requirements of this section to provide improved access to
6 Federal contract opportunities for early stage small busi-
7 ness concerns.

8 “(b) PROCUREMENT CONTRACTS.—

9 “(1) IN GENERAL.—In carrying out subsection
10 (a), the Administrator, in consultation with other
11 Federal agencies, shall identify procurement con-
12 tracts of Federal agencies for award under the pro-
13 gram.

14 “(2) CONTRACT AWARDS.—Under the program
15 established pursuant to this section, the award of a
16 procurement contract of a Federal agency identified
17 by the Administrator pursuant to paragraph (1)
18 shall be made by the agency to an eligible program
19 participant selected, and determined to be respon-
20 sible, by the agency.

21 “(3) COMPETITION.—

22 “(A) SOLE SOURCE.—A contracting officer
23 may award a sole source contract under this
24 program if such concern is determined to be a
25 responsible contractor with respect to perform-
26 ance of such contract opportunity and the con-

1 contracting officer does not have a reasonable ex-
2 pectation that 2 or more early stage small busi-
3 ness concerns will submit offers for the con-
4 tracting opportunity and in the estimation of
5 the contracting officer, the contract award can
6 be made at a fair and reasonable price.

7 “(B) RESTRICTED COMPETITION.—A con-
8 tracting officer may award contracts on the
9 basis of competition restricted to early stage
10 small business concerns if the contracting offi-
11 cer has a reasonable expectation that not less
12 than 2 early stage small business concerns will
13 submit offers and that the award can be made
14 at a fair market price.

15 “(4) CONTRACT VALUE.—Contracts shall be
16 awarded under this program if its value is greater
17 than \$3,000 and less than half the upper threshold
18 of Section 15(j)(1) of the Small Business Act.

19 “(c) ELIGIBILITY.—Only an early stage small busi-
20 ness concern shall be eligible to compete for a contract
21 to be awarded under the program. The Administrator shall
22 certify that a small business concern is an early stage
23 small business concern, or the Administrator shall approve
24 a Federal agency, a State government, or a national certi-

1 fying entity to certify that the business meets the eligi-
2 bility criteria of an early stage small business concern.

3 “(d) TECHNICAL ASSISTANCE.—The Administrator
4 shall provide early stage small business concerns with
5 technical assistance and counseling with regard to—

6 “(1) applying for and competing for Federal
7 contracts; and

8 “(2) fulfilling the administrative responsibilities
9 associated with the performance of a Federal con-
10 tract.

11 “(e) ATTAINMENT OF CONTRACT GOALS.—All con-
12 tract awards made under the program shall be counted
13 toward the attainment of the goals specified in section
14 15(g) of the Small Business Act.

15 “(f) REGULATIONS.—The Administrator shall—

16 “(1) issue proposed regulations to carry out
17 this section not later than 180 days after the date
18 of enactment of this Act; and

19 “(2) issue final regulations to carry out this
20 section not later than 270 days after the date of en-
21 actment of this Act.

22 “(g) REPORT TO CONGRESS.—Not later than April
23 30, 2015, the Administrator shall transmit to the Con-
24 gress a report on the performance of the program.

1 “(h) DEFINITIONS.—For purposes of this section, the
2 following definitions shall apply:

3 “(1) PROGRAM.—The term ‘program’ means a
4 program established pursuant to subsection (a).

5 “(2) EARLY STAGE SMALL BUSINESS CON-
6 CERN.—The term ‘early stage small business con-
7 cern’ means a small business concern that—

8 “(A) has not more than 15 employees; and

9 “(B) has average annual receipts that total
10 not more than \$1,000,000, except if the con-
11 cern is in an industry with an average annual
12 revenue standard that is less than \$1,000,000,
13 as defined by the North American Industry
14 Classification System.”.

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