

Union Calendar No. 530

112TH CONGRESS
2^D SESSION

H. R. 4121

[Report No. 112-727]

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

DECEMBER 21, 2012

Additional sponsor: Ms. CLARKE of New York

DECEMBER 21, 2012

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italics]

[For text of introduced bill, see copy of bill as introduced on March 1, 2012]

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 Busi-*
5 *ness 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:*

9 **“SEC. 46. PROGRAM TO PROVIDE FEDERAL CONTRACTS TO**
10 **EARLY STAGE SMALL BUSINESSES.**

11 *“(a) ESTABLISHMENT.—The Administrator shall es-*
12 *tablish and carry out a program in accordance with the*
13 *requirements of this section to provide improved access to*
14 *Federal contract opportunities for early stage small busi-*
15 *ness concerns.*

16 *“(b) PROCUREMENT CONTRACTS.—*

17 *“(1) IN GENERAL.—In carrying out subsection*
18 *(a), the Administrator, in consultation with other*
19 *Federal agencies, shall identify procurement contracts*
20 *of Federal agencies for award under the program.*

21 *“(2) CONTRACT AWARDS.—Under the program*
22 *established pursuant to this section, the award of a*
23 *procurement contract of a Federal agency identified*
24 *by the Administrator pursuant to paragraph (1) shall*
25 *be made by the agency to an eligible program partici-*

1 *pant selected, and determined to be responsible, by the*
2 *agency.*

3 “(3) *COMPETITION.*—

4 “(A) *SOLE SOURCE.*—*A contracting officer*
5 *may award a sole source contract under this*
6 *program if such concern is determined to be a*
7 *responsible contractor with respect to perform-*
8 *ance of such contract opportunity and the con-*
9 *tracting officer does not have a reasonable expect-*
10 *tation that 2 or more early stage small business*
11 *concerns will submit offers for the contracting*
12 *opportunity and in the estimation of the con-*
13 *tracting officer, the contract award can be made*
14 *at a fair and reasonable price.*

15 “(B) *RESTRICTED COMPETITION.*—*A con-*
16 *tracting officer may award contracts on the basis*
17 *of competition restricted to early stage small*
18 *business concerns if the contracting officer has a*
19 *reasonable expectation that not less than 2 early*
20 *stage small business concerns will submit offers*
21 *and that the award can be made at a fair mar-*
22 *ket price.*

23 “(4) *CONTRACT VALUE.*—*Contracts shall be*
24 *awarded under this program if its value is greater*

1 *than \$3,000 and less than half the upper threshold of*
2 *section 15(j)(1) of the Small Business Act.*

3 “(c) *ELIGIBILITY.—Only an early stage small business*
4 *concern shall be eligible to compete for a contract to be*
5 *awarded under the program. The Administrator shall cer-*
6 *tify that a small business concern is an early stage small*
7 *business concern, or the Administrator shall approve a Fed-*
8 *eral agency, a State government, or a national certifying*
9 *entity to certify that the business meets the eligibility cri-*
10 *teria of an early stage small business concern.*

11 “(d) *TECHNICAL ASSISTANCE.—The Administrator*
12 *shall provide early stage small business concerns with tech-*
13 *nical assistance and counseling with regard to—*

14 “(1) *applying for and competing for Federal*
15 *contracts; and*

16 “(2) *fulfilling the administrative responsibilities*
17 *associated with the performance of a Federal contract.*

18 “(e) *ATTAINMENT OF CONTRACT GOALS.—All contract*
19 *awards made under the program shall be counted toward*
20 *the attainment of the goals specified in section 15(g) of the*
21 *Small Business Act.*

22 “(f) *REGULATIONS.—The Administrator shall—*

23 “(1) *issue proposed regulations to carry out this*
24 *section not later than 180 days after the date of en-*
25 *actment of this Act; and*

1 “(2) *issue final regulations to carry out this sec-*
2 *tion not later than 270 days after the date of enact-*
3 *ment of this Act.*

4 “(g) *REPORT TO CONGRESS.—Not later than April 30,*
5 *2015, the Administrator shall transmit to the Congress a*
6 *report on the performance of the program.*

7 “(h) *DEFINITIONS.—For purposes of this section, the*
8 *following definitions shall apply:*

9 “(1) *PROGRAM.—The term ‘program’ means a*
10 *program established pursuant to subsection (a).*

11 “(2) *EARLY STAGE SMALL BUSINESS CONCERN.—*
12 *The term ‘early stage small business concern’ means*
13 *a small business concern that—*

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

15 “(B) *has average annual receipts that total*
16 *not more than \$1,000,000, except if the concern*
17 *is in an industry with an average annual rev-*
18 *enue standard that is less than \$1,000,000, as*
19 *defined by the North American Industry Classi-*
20 *fication System.”.*

21 **SEC. 3. REPEAL OF SIMILAR PROGRAM.**

22 *Section 304 of the Small Business Administration Re-*
23 *authorization and Amendments Act of 1994 (15 U.S.C. 644*
24 *note) is repealed.*

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