



Weekly Report for November 14, 2017

GOVERNMENT CONTRACTS

SBA

Backlash to SBA Regulatory Research Contract Is Growing

Critics are raising significant concerns about the award of a federal contract to study regulatory costs to two researchers whose previous work has been widely criticized. The Small Business Administration's Office of Advocacy on September 21st awarded researchers W. Mark Crain and Nicole V. Crain a contract worth \$136,250 to conduct a study on the disproportionate cost impact of regulations on small businesses, due in December 2018.

"We designed a new study, and offerors were evaluated on their ability to perform this study," Patrick Delehanty, acting Director of Economic Research at SBA's Office of Advocacy, told Bloomberg Government in an email. "The process for evaluating proposals is established by SBA contracting guidelines and the Federal Acquisition Regulation," Delehanty said. "We evaluated the proposals according to that process." For more information see the [Federal Contracts Report Vol. 108, NO. 17, page 428](#).

GSA

Oversight Democrats Sue Agency Overseeing Trump Hotel Lease

Democrats on House Oversight Committee are suing the head of the government agency that oversees the lease for Trump International Hotel in Washington for allegedly refusing to hand over documents sought by lawmakers, according to a copy of the complaint.

Seventeen lawmakers filed suit in federal court against the General Services Administration's acting administrator, Timothy Horne. Democrats seek monthly financial reports the hotel is required to file with the GSA, records of payments from hotel's foreign clients, and details on how the agency came to allow Trump Organization to retain its deal after Donald Trump became president. For more information see the [Federal Contracts Report Vol. 108, NO. 17, page 426](#).

RECENT BID PROTEST (GAO) DECISIONS

Global SuperTanker Services, LLC, B-414987, B-414987.2. In this pre-award protest, the protester challenged the terms of the solicitation, arguing that the solicitation was unduly restrictive of competition. The solicitation sought services for wildland firefighting and required offerors to provide airtankers with a minimum tank capacity of 3,000 gallons and maximum

capacity of 5,000 gallons. The protester argued that the 5,000 gallon limit was unduly restrictive because the requirement was not necessary to meet the agency's needs. GAO examined the record and determined that the requirement was unduly restrictive for several reasons, including because it was inconsistent with prior solicitations for similar work, the studies the agency cited did not support its position, and there was no evidence to support the agency's assertions that the larger airtanker would need more personnel or could not operate out of the agency's bases. GAO recommended that the agency reexamine its needs and revise the solicitation to include specifications necessary to meet those needs.

<http://www.gao.gov/assets/690/688291.pdf>.

CAPITOL HILL

“Hiring More Heroes: A Review of SBA’s Office of Veterans Business Development.”

House Small Business Committee Press Release, November 8, 2017. Retrieved from smallbusiness.house.gov

Ahead of Veterans Day, Members of the House Committee on Small Business heard testimony from Ms. Barbara Carson, the Associate Administrator of the Office of Veterans Business Development at the United States Small Business Administration, on the tools and resources veterans can access to start or expand their small business.

“Our nation’s veterans make extraordinary sacrifices, put their lives on the line, and keep our country safe. They are our fathers, mothers, siblings, and friends. They are our heroes,” said Chairman Steve Chabot (R-OH).

“However, veteran employment levels have historically fallen behind those of their nonveteran counterparts. This is often due to the difficulties veterans face when transitioning from the military to the workforce. Research shows that veterans face many barriers to employment that their peers do not, such as potential employers’ difficulty in understanding a military resume or the result of a service-connected disability. We can, and must, do better for them,” Chairman Chabot continued.

“Monopoly critics decry ‘Amazon amendment’.” *The Hill*, November 9, 2017. Retrieved from thehill.com

Lawmakers put the finishing touches this week on military funding legislation that contains a provision that stands to significantly benefit Amazon. The amendment, Section 801 of the National Defense Authorization Act (NDAA), would help Amazon establish a tight grip on the lucrative, \$53 billion government acquisitions market, experts say.

The provision, dubbed the “Amazon amendment” by experts, according to an article in *The Intercept*, would allow for the creation of an online portal that government employees could use to purchase everyday items such as office supplies or furniture.

“Democrats Promote Investment in Small Businesses, Women, Minority-Owned Firms.”

House Small Business Committee - Democrats Press Release, November 7, 2017. Retrieved from democrats-smallbusiness.house.gov

In a November 7th hearing in front of the House Small Business Subcommittee on Agriculture, Energy, and Trade, Democrats took aim at one of the most pressing issues facing small firms—access to capital. Through a unique public-private partnership, the Small Business

Investment Company (SBIC) program has helped thousands of high-growth businesses by providing over \$100 billion of investment capital. Today, Democrats pressed panelists on how SBICs can be improved, especially to help women and minority-owned firms secure funding.

“House Small Business Committee Introduces Bipartisan Small Business Saturday Resolution.” House Small Business Committee Press Release, November 3, 2017. Retrieved from smallbusiness.house.gov

On November 2nd, House Small Business Committee Chairman Steve Chabot and Ranking Member Nydia Velázquez introduced a bipartisan House resolution to recognize November 25, 2017, the Saturday after Thanksgiving, as “Small Business Saturday.”

The text of H. Res. 603 highlights the important role small businesses play in our nation’s economy, stating that the over 29 million small businesses in the United States:

- Represent 99.9 percent of all businesses with employees
- Employ nearly 48 percent of private sector employees
- Pay 41 percent of total private sector payroll
- Constitute 98 percent of firms exporting goods
- Created 1.4 million net new jobs