



888 17TH STREET, NW, 11TH FLOOR
WASHINGTON D.C. 20006
PHONE 202 857-1000
FAX 202 857-0200
WWW.PILIEROMAZZA.COM

PilieroMazza Client Alert

May 9, 2013

SBA Issues Amendment to Women-Owned Small Business Federal Contract Program Regulations, Lifting the Limitation on the Dollar Amount of Women-Owned Small Business Set-Aside Contracts

On May 7, 2013, the U.S. Small Business Administration (“SBA”) issued an amendment to its women-owned small business (“WOSB”) federal contract program regulations which lifted the limitation on the dollar amount of a contract that can be set aside for WOSBs. See 78 Fed. Reg. 26504 (May 7, 2013). This amendment takes immediate effect.

By way of background, Section 8(m) of the Small Business Act set forth certain criteria for the WOSB program, including (formerly) a requirement that contracting officers could only set aside a requirement under the WOSB program if the anticipated award price of the contract did not exceed \$5 million for manufacturing contracts and \$3 million for all other contracts. The SBA amended its regulations last year adjusting these limits for inflation such that the anticipated award price of a contract set aside under the WOSB program could not exceed \$6.5 million for manufacturing contracts or \$4 million for all other contracts.

Earlier this year, however, Congress enacted the National Defense Authorization Act for Fiscal Year 2013 (“NDAA”). Section 1697 of the NDAA removed these dollar value limitations. This amendment to the WOSB regulations implements the NDAA’s removal of these dollar value limitations. Therefore, as of May 7, 2013, a contracting officer may set aside any contract for Economically Disadvantaged Women-Owned Small Businesses (“EDWOSB”) or WOSBs under the WOSB program if: (1) there is a reasonable expectation that two or more EDWOSBs will submit offers for the contract in industries where WOSBs are underrepresented, or there is a reasonable expectation that two or more WOSBs will submit offers for the contract in industries where WOSBs are substantially underrepresented and (2) the contract can be awarded at a fair and reasonable price.

It is anticipated that this change in the WOSB regulations will make the WOSB a more robust federal contracting program and will result in a higher volume of federal contracting being set aside for WOSBs and EDWOSBs than in the past.

If you would like our assistance in understanding these new changes to SBA regulations and how it will impact your firm, please do not hesitate to contact us at 202-857-1000.