

PilieroMazza Weekly Update for Government Contractors and Commercial Businesses

August 19, 2019

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SMALL BUSINESS PROGRAMS & ADVISORY SERVICES

General Services Administration - According to Law360, GSA is seeking up to \$20 billion worth of information technology services from disadvantaged small businesses and has asked for feedback before issuing a final solicitation. The Streamlined Technology Acquisition Resource for Services (STARS III) deal would be an indefinite-delivery, indefinite quantity contract open to small businesses eligible for the Small Business Administration's 8(a) program. The draft solicitation can be found [here](#).

Department of Defense, General Services Administration, and National Aeronautics and Space Administration - DoD, GSA, and NASA issued a proposed rule to amend the Federal Acquisition Regulation (FAR) to support the Small Business Administration's (SBA) policy of including overseas contracts in agency small business contracting goals. The amendment is consistent with SBA's regulatory changes, which clarify that small business contracting provisions, e.g., set-asides, may apply to contracts performed overseas. The published version can be found [here](#).

DoD, GSA, and NASA also issued a Small Entity Compliance Guide, which was prepared in accordance with section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996. The Guide includes a summary of the rules appearing in Federal Acquisition Circular (FAC) 2019-05, which amends the FAR. The published version can be found [here](#).

Small Business Administration - SBA issued a notice that provides a one-year extension of the temporary decrease in the guarantee fees that SBA charges all surety companies and principals on each guaranteed bond (other than a bid bond) issued in SBA's Surety Bond Guarantee (SBG) Program. The temporary initiative to test lower fees in the SBG Program, which is currently in effect through September 30, 2019, will be extended for an additional year to apply to all SBA surety bond guarantees approved through September 30, 2020. Read more [here](#).

Related Small Business Programs & Advisory Services Presentations by PilieroMazza

WEBINAR: SBA Proposed Rule Changes and How They Will Impact Government Contractors, August 20, 2019, Speakers: [Megan Connor](#) and [Peter Ford](#). [\[Read More\]](#)

EVENT: Top 10 Corporate Mistakes that Small Businesses Make in Federal Contracting, September 19, 2019, Speakers: [Isaias "Cy" Alba](#) and [Kathryn Hickey](#). [\[Read More\]](#)

EVENT: Growth Through Joint Ventures and Mentor-Protégé Relationships, November 6, 2019, Speakers: [Peter Ford](#) and [Meghan Leemon](#). [[Read More](#)]

GOVERNMENT CONTRACTS LAW

Why Government Contractors Should Know About the Delaware LLC Division Statute, August 20, 2019, [Kathryn Hickey](#)

Relatively often in the government contracting industry a business finds itself in the position where, for one reason or another, it needs to split, fracture, or otherwise reorganize its operations by separating one line of business or division into a separate entity. When prime federal contracts are transferred from one entity to another, it often necessitates a novation agreement with the contracting government agency. Many government contractors discover the novation process to be relatively lengthy and burdensome, with the potential to delay or hinder the ultimate business objectives, and traditional corporate restructurings can be cumbersome and inefficient. *The Delaware Limited Liability Company Act (DLLCA) LLC Division Statute provides a potential streamlined path to entity reorganization.* [[Read More](#)]

Federal Business Opportunities - According to Nextgov, the FedBizOpps website will shut down before the end of 2019, and the comprehensive database of government contracting opportunities will move to a new location. By the end of next year, 10 acquisition-focused websites managed by the General Services Administration (GSA) will be merged together under [the new SAM.gov](#). Read more [here](#), and check out GSA's [fact sheet](#) on the FedBizOpps transition.

Department of Veterans Affairs and Department of Defense - The VA announced that it entered into a strategic partnership with the DoD's Defense Logistics Agency (DLA) to enhance the VA's supply chain management modernization efforts. The agreement provides the VA with access to DLA's worldwide procurement system to acquire medical and surgical items; cleaning supplies; construction materials; and other items needed to support veterans. The agreement also combines resources from VA and DoD to create a centralized ordering system for VA. Read more [here](#).

[Antonio Franco](#) Discusses JEDI Protest with Federal News Network, August 13, 2019

When Judge Eric Bruggink handed down his decision on Oracle's protest of the Defense Department's JEDI cloud contract on July 12, many legal practitioners were more than mildly surprised. And when the US Court of Federal Claims released the judge's mostly unredacted decision 14 days later, the rationale behind the [ruling in favor](#) of the Defense Department strategy and against Oracle's claims of conflicts of interest and arbitrary decisions didn't quite put the case to rest. With the JEDI drama far from over, Federal News Network asked Antonio Franco, a senior partner in PilieroMazza's Government Contracts Group, to weigh in on Judge Bruggink's decision. [[Read More](#)]

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EVENT: Forming CTAs on GSA Schedules, September 5, 2019, Speaker: [Katie Flood](#). [[Read More](#)]

EVENT: Legal and Practical Perspectives on Mergers & Acquisitions, September 5, 2019, Speakers: [Jon Williams](#) and [Kathryn Hickey](#). [\[Read More\]](#)

WEBINAR: Top 10 Corporate Mistakes that Small Businesses Make in Federal Contracting, September 19, 2019, Speakers: [Isaias “Cy” Alba](#) and [Kathryn Hickey](#). [\[Read More\]](#)

WEBINAR: Subcontract Pricing, September 24, 2019, Speaker: [Isaias “Cy” Alba](#). [\[Read More\]](#)

EVENT: Growth Through Joint Ventures and Mentor-Protégé Relationships, November 6, 2019, Speakers: [Peter Ford](#) and [Meghan Leemon](#). [\[Read More\]](#)

FALSE CLAIMS ACT / LITIGATION & DISPUTE RESOLUTION / LABOR & EMPLOYMENT LAW

Department of Justice - The DOJ announced that Ambu, Inc., a defense contractor, will pay \$3.3 million to resolve False Claims Act allegations that it manufactured products in China and Malaysia for sale to US government agencies in violation of the Trade Agreements Act (TAA). The TAA requires that products sold to government agencies must come from countries with which the US has a trade agreement. However, Ambu manufactured most of its products in China and Malaysia, which are not TAA compliant, and over 80% of its sales to the Defense Logistics Agency and Department of Veterans’ Affairs came from those two countries. Read more [here](#).

Related False Claims Act Presentations by PilieroMazza

PODCAST: PilieroMazza’s *GovCon Live!* presents “*Ex Rel. Radio*,” our multi-part series on the False Claims Act, which will include commentary on potential pitfalls for your company, enforcement issues, and emerging trends. Stay tuned for our next episode “**Building Compliance: Construction Industry Concerns Under FCA**” with [Sarah Nash](#) and [Jon Williams](#), which goes live the week of August 19th. [\[Read More\]](#)

LABOR & EMPLOYMENT LAW

Office of Personnel Management - OPM issued a proposed rule that would redefine the geographic boundaries of several appropriated fund Federal Wage System wage areas for pay-setting purposes. Based on recent reviews of Metropolitan Statistical Area boundaries in a number of wage areas, OPM proposes redefinitions affecting the following wage areas: Washington, DC; Hagerstown-Martinsburg-Chambersburg, MD; Detroit, MI; Jackson, MS; Meridian, MS; and Cleveland, OH. The published version can be found [here](#), and comments to the proposed rule are due September 13, 2019.

Department of Labor - DOL announced that Marcus Stergio was appointed as the DOL’s Office of Federal Contract Compliance Programs (OFCCP) Ombudsman. The OFCCP first announced its plans to implement an Ombudsman in September 2018 in [Directive 2018-09](#). The Ombudsman will work with a variety of OFCCP stakeholders nationwide, including federal contractors and subcontractors, contractor representatives, industry groups, law firms, complainants, worker rights organizations, and current and potential employees of federal contractors and subcontractors. Read more [here](#).

National Labor Relations Board - The NLRB, in its first decision addressing the lawfulness of employer conduct and mandatory arbitration agreements since the U.S. Supreme Court’s decision in *Epic Systems*,

held that (1) employers are not prohibited under the National Labor Relations Act (NLRA) from informing employees that failing or refusing to sign a mandatory arbitration agreement will result in their discharge; (2) employers are not prohibited under the NLRA from promulgating mandatory arbitration agreements in response to employees opting in to a collective action under the Fair Labor Standards Act or state wage-and-hour laws; and (3) employers are prohibited from taking adverse action against employees for engaging in concerted activity by filing a class or collective action, consistent with the Board's long-standing precedent. Read more [here](#).

National Labor Relations Board - The NLRB issued a notice of proposed rulemaking and request for comments regarding proposed amendments to the NLRB'S rules and regulations governing the filing and processing of petitions for a Board-conducted representation election (1) while unfair labor practice charges are pending or (2) following an employer's voluntary recognition of a union as the majority-supported collective-bargaining representative of the employer's employees. The Board also proposes redefining the evidence required to prove that an employer and labor organization in the construction industry have established a voluntary majority-supported collective bargaining relationship. The published version can be found [here](#). Comments to the proposed rule are due October 11, 2019.

Related Labor & Employment Law Presentations by PilieroMazza

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EVENT: Clearing a DOL Audit, September 25, 2019, Speakers: [Nichole Atallah](#) and [Sarah Nash](#). [\[Read More\]](#)

BUSINESS & CORPORATE LAW

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WEBINAR: Incentive Compensation Plans Designed to Retain Talent and Grow the Business, October 15, 2019, Speaker: [Kathryn Hickey](#). [[Read More](#)]

About PilieroMazza

PilieroMazza – a business law firm – serves as a strategic partner to government contractors and commercial businesses from across the United States in numerous industries, including:

- Aerospace and Defense
- Construction
- Cybersecurity & Data Privacy
- Emerging and Developing Industries
- Environmental Remediation
- Healthcare
- Information Technology
- Manufacturers and Suppliers
- Professional Services
- Solar Energy
- Telecommunications
- Transportation

We deliver results for our clients by implementing legal and business solutions that take the client’s best interests into consideration. Moreover, PilieroMazza’s efficient operational structure and lean approach to staffing matters translates into competitive pricing for our clients, while providing the highest standard of client service and legal acumen.

With lawyers in Washington, DC; Boulder, CO; Annapolis, MD; and Chicago, IL, PilieroMazza is privileged to represent clients in the following areas:

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- [Business & Corporate Law](#)
- [Cybersecurity & Data Privacy](#)
- [False Claims Act](#)
- [Government Contracts Law](#)
- [Intellectual Property & Technology Rights](#)
- [Labor & Employment Law](#)
- [Litigation & Dispute Resolution](#)
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