



PilieroMazza Weekly Update for Government Contractors and Commercial Businesses

July 21, 2020

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COVID-19 CLIENT RESOURCE CENTER: To access resources for businesses navigating the COVID-19 crisis, we invite you to visit PilieroMazza's "[COVID-19 Client Resource Center](#)." Please contact covid19@pilieromazza.com for immediate assistance.

LABOR & EMPLOYMENT

New DOL Rule Frees TRICARE Providers from OFCCP Audits and Enforcement, July 10, 2020, [Sara Nasser](#)

On July 2, 2020, the Department of Labor (DOL) published a final rule, which clarifies that its Office of Federal Contract Compliance Programs (OFCCP) lacks authority over certain medical providers who contract with TRICARE. While there has been a moratorium on OFCCP enforcement for TRICARE providers since 2014, the potential for future OFCCP audits and related litigation loomed large. ***This rule relieves healthcare providers who solely contract with the federal government through TRICARE from future OFCCP audits and enforcement.*** [[Read More](#)]

COVID-19 Is Spiking More Than Just Fevers: 5 Things to Remember with Union Organizing on the Rise, July 7, 2020, [Nichole Atallah](#) and [Sarah Nash](#)

As unemployment rises and companies face new COVID-19 health and safety challenges, many unions are exploring new ways to encourage employees to organize. In this climate of union organizing, it can be important to keep open communications with your workforce. Often, the best way to avoid a union organizing campaign is to listen to employee concerns as they arise and keep a watchful eye on signs that employees might be considering organizing, providing you an opportunity to get out in front of the issues at hand. Proactively addressing COVID-19 safety concerns—for example, by circulating a COVID-19 health and safety plan—can emphasize to employees that the company prioritizes safety. ***Employees who feel heard and valued are less likely to think that they need a union as an advocate, regardless of whether they get everything they ask for. That said, should employees organize, it's important for employers to keep certain rules of the road in mind.*** [[Read More](#)]

IRS Updates Virus Paid Sick Leave Reporting Rules for Employers

Bloomberg Law reported that the Internal Revenue Service (IRS) issued guidance that updated employers on how to fulfill their requirements to report the amount of sick leave and family leave wages paid to individuals under the Families First Coronavirus Response Act on W-2 forms or separate statements. Read more [here](#).

Religious Accommodation Reviews on Contractor Watchdog's Radar

Bloomberg Law reported that businesses that have contracts with the federal government can expect DOL to specifically audit the businesses' efforts to provide religious and disability accommodations to workers. Read more [here](#).

Upcoming Labor & Employment Presentations

WEBINAR: Sex Discrimination: New Court Rulings and Legislative Updates on Gender Identity and the Practical Impact on LGBTQ Employees, July 30, 2020, [Sarah Nash](#) and [Sara Nasser](#). [[Read More](#)]

SMALL BUSINESS PROGRAMS & ADVISORY SERVICES

SBA and Treasury Announce Release of Paycheck Protection Program Loan Data

The Small Business Administration (SBA), in consultation with the Department of the Treasury (Treasury), announced the release of detailed loan-level data regarding the loans made under the Paycheck Protection Program. Read more [here](#). View the data [here](#).

GOVERNMENT CONTRACTS LAW

DOD Guidance for Assessment of Other COVID-19 Related Impacts and Costs

The Department of Defense (DOD), Office of the Undersecretary of Defense for Acquisition and Sustainment released a memorandum providing guidance to contracting officers for modifying contracts to address COVID-related costs. Read the full memorandum [here](#).

COVID-19 Non-Medical PPE for Small Business Available from FedMall

DOD's Office of the Undersecretary of Defense for Acquisition and Sustainment announced in a memorandum that DOD small-business contractors can purchase non-medical personal protective equipment from FedMall. Read the full memorandum [here](#).

GSA Announces Plans to Revamp Small Business GWAC Programs

The General Services Administration (GSA) announced that it is planning a new approach to its small business Governmentwide Acquisition Contracts (GWAC) to help federal agencies partner with small businesses in various socioeconomic categories to meet the government's information technology (IT) requirements. GSA also announced the cancellation of the Alliant 2 Small Business solicitation. Read more [here](#).

CMMC Requirements Show Up in GSA's STARS III Contract

FedScoop reported that the Cybersecurity Maturity Model Certification (CMMC) was included in GSA's \$50 billion Streamlined Technology Acquisition Resource for Services III (STARS III) contract.

FedScoop reported that GSA commented that it reserves the right to require CMMC certifications for small businesses awarded spots on the governmentwide IT contracting vehicle. Read more [here](#).

Class Deviation: United States-Mexico-Canada Agreement

Kim Herrington, Acting Principal Director of Defense Pricing and Contracting, issued a class deviation to implement the United States-Mexico-Canada Agreement (USMCA), which supersedes the North American Free Trade Agreement (NAFTA). The class deviation requires contracting officers to comply with various deviations from the Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS) that implement the USMCA. Read the full document [here](#).

New Rules from Civilian Agency Acquisition Council and Defense Acquisition Regulations Council

DOD, GSA, and the National Aeronautics and Space Administration (NASA) published several final rules. A summary presentation of the rules is available [here](#). A companion small entity compliance guide can be found [here](#). Details on the relevant rules are available below.

- **Requirements for DD Form 254, Contract Security Classification Specification:** This final rule amends the FAR to provide procedures for use of the DD Form 254, Contract Security Classification Specification, and the use of the Procurement Integrated Enterprise Environment (PIEE) for electronic submission to streamline the submission process. It requires use of the DD Form 254 by DOD components and by nondefense agencies that have industrial security services agreements with DOD, and requires the use of the National Industrial Security Program Contracts Classification System module of the PIEE, unless the nondefense agency has an existing DD Form 254 information system. Read the published version [here](#).
- **Increased Micro-Purchase and Simplified Acquisition Thresholds:** This final rule increases the micro-purchase threshold (MPT) from \$3,500 to \$10,000, increases the simplified acquisition threshold (SAT) from \$150,000 to \$250,000, and increases the special emergency procurement authority from \$300,000 to \$500,000. The final rule also clarifies certain procurement terms, as well as aligns some non-statutory thresholds with the MPT and SAT. Read the published version [here](#).
- **Evaluation Factors for Multiple-Award Contracts:** This final rule modifies the requirement to consider price or cost as an evaluation factor for the award of certain multiple-award task order contracts issued by DOD, NASA, and the United States Coast Guard. Read the published version [here](#).
- **Modifications to Cost or Pricing Data Requirements:** This final rule increases the threshold for requesting certified cost or pricing data from \$750,000 to \$2 million for contracts entered into after June 30, 2018. For earlier contracts, contractors may request a modification to use the new clause alternates. Read the published version [here](#).
- **Orders Issued via Fax or Electronic Commerce:** This final rule amends a FAR clause to permit the issuance of task or delivery orders via facsimile or electronic commerce and clarify when an order is considered “issued” when using these methods. Read the published version [here](#).

U.S. Finalizing Federal Contract Ban for Companies That Use Huawei, Others

Reuters reported that the Trump Administration plans to finalize regulations that will bar the U.S. government from buying goods or services from any company that uses products from five Chinese companies including Huawei, Hikvision, and Dahua. Read more [here](#).

SOCOM Rolls Out New Software Program Office

National Defense Magazine reported that Special Operations Command (SOCOM) is setting up a new office solely geared toward software acquisition. National Defense Magazine further reported that Colonel Paul Weizer, Special Operations Forces Digital Applications Program Executive Officer, commented that the new office will address and handle the unique difficulties of acquiring software, since obtaining software does not fall under traditional weapons acquisition rules. Read more [here](#).

DIA Opens Bidding on \$12B SITE III Contract

FedScoop reported that the Defense Intelligence Agency (DIA) has issued its final request for proposals for the \$12.6 billion SITE III multiple-award IT services contract. Read more [here](#).

Upcoming Government Contracts Presentations

WEBINAR: How to Accelerate Your CMMC Compliance Efforts, July 22, 2020, [Jon Williams](#). [[Read More](#)]

WEBINAR: COVID-19 Guidance for Government Contractors, July 22, 2020, [Peter Ford](#) and [Lauren Brier](#). [[Read More](#)]

WEBINAR: False Claims Act Implications for PPP and Disaster Relief Loans: What Small Businesses Should Be Ready For, July 29, 2020, [Matt Feinberg](#). [[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

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