

116TH CONGRESS
1ST SESSION

H. R. 2345

IN THE SENATE OF THE UNITED STATES

JULY 16, 2019

Received; read twice and referred to the Committee on Small Business and
Entrepreneurship

AN ACT

To amend the Small Business Act to clarify the intention of Congress that the Administrator of the Small Business Administration is subject to certain requirements with respect to establishing size standards for small business concerns, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Clarifying the Small
3 Business Runway Extension Act”.

4 **SEC. 2. SENSE OF CONGRESS.**

5 It is the sense of Congress that—

6 (1) the Small Business Runway Extension Act
7 of 2018 (Public Law 115–324) applies to calcula-
8 tions of the size of a business concern made by the
9 Administrator of the Small Business Administration;

10 (2) Federal agencies rely upon such calculations
11 to award contracts, including governmentwide acqui-
12 sition contracts, to small business concerns; and

13 (3) the Small Business Runway Extension Act
14 of 2018 has been effective since the date it was
15 signed into law, on December 17, 2018.

16 **SEC. 3. CLARIFYING AMENDMENT TO THE SMALL BUSINESS**
17 **RUNWAY EXTENSION ACT OF 2018.**

18 Section 3(a)(2)(C) of the Small Business Act (15
19 U.S.C. 632(a)(2)(C)) is amended by inserting “(including
20 the Administration when acting pursuant to subparagraph
21 (A))” after “no Federal department or agency”.

22 **SEC. 4. FINALIZATION OF SMALL BUSINESS RUNWAY EX-**
23 **TENSION ACT OF 2018 RULES.**

24 The Administrator of the Small Business Administra-
25 tion shall issue a final rule implementing the Small Busi-

1 ness Runway Extension Act of 2018 (Public Law 115–
2 324) not later than December 17, 2019.

3 **SEC. 5. AMENDMENT TO SIZE STANDARDS FOR CERTAIN**
4 **SMALL BUSINESS CONCERNS.**

5 (a) SIZE STANDARDS FOR SMALL BUSINESS CON-
6 CERNS PROVIDING SERVICES.—Section 3(a)(2)(C)(ii)(II)
7 of the Small Business Act (15 U.S.C. 632(a)(2)(C)(ii)(II))
8 is amended by striking “not less than”.

9 (b) SIZE STANDARDS FOR OTHER BUSINESS CON-
10 CERNS.—Section 3(a)(2)(C)(ii)(III) of the Small Business
11 Act (15 U.S.C. 632(a)(2)(C)(ii)(III)) is amended by strik-
12 ing “not less than 3 years” and inserting “5 years”.

13 **SEC. 6. TRANSITION PLAN FOR THE SMALL BUSINESS RUN-**
14 **WAY EXTENSION ACT OF 2018.**

15 (a) PLAN REQUIRED.—Not later than 90 days after
16 the date of the enactment of this Act, the Administrator
17 of the Small Business Administration shall implement a
18 transition plan to assist business concerns and Federal
19 agencies with compliance with the requirements of the
20 Small Business Runway Extension Act of 2018 (Public
21 Law 115–324).

22 (b) 3-YEAR CALCULATION FOR SIZE STANDARDS.—
23 (1) IN GENERAL.—The transition plan de-
24 scribed under subsection (a) shall include a require-
25 ment that, during the period beginning on December

1 17, 2018, and ending on the date that is 6 months
2 after the date on which the Administrator issues
3 final rules implementing the Small Business Runway
4 Extension Act of 2018 (Public Law 115–324), al-
5 lows the use of a 3-year calculation for a size stand-
6 ard to be applied to a business concern if the use
7 of such 3-year calculation allows such concern to be
8 considered a small business concern under section
9 3(a)(1) of the Small Business Act (15 U.S.C.
10 632(a)(1)).

11 (2) 3-YEAR CALCULATION DEFINED.—In this
12 subsection, the term “3-year calculation” means—

13 (A) with respect to a business concern pro-
14 viding services described under clause (ii)(II) of
15 such section, a determination of the size of such
16 concern on the basis of the annual average
17 gross receipts of such concern over a period of
18 3 years; and

19 (B) with respect to a business concern de-
20 scribed under clause (ii)(III) of such section, a
21 determination of the size of such concern on the
22 basis of data over a period of 3 years.

23 **SEC. 7. REQUIREMENT TO UPDATE SAM.**

24 Not later than 90 days after the date of the enact-
25 ment of this Act, the System for Award Management (or

1 any successor system) shall be updated to comply with the
2 requirements of this Act.

Passed the House of Representatives July 15, 2019.

Attest: CHERYL L. JOHNSON,
Clerk.