

Union Calendar No. 85

116TH CONGRESS
1ST SESSION

H. R. 2345

[Report No. 116–116]

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.

IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 2019

Mr. STAUBER (for himself and Mr. GOLDEN) introduced the following bill;
which was referred to the Committee on Small Business

JUNE 13, 2019

Additional sponsor: Mrs. CRAIG

JUNE 13, 2019

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on April 18, 2019]

A BILL

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,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Clarifying the Small*
5 *Business Runway Extension Act”.*

6 **SEC. 2. SENSE OF CONGRESS.**

7 *It is the sense of Congress that—*

8 *(1) the Small Business Runway Extension Act of*
9 *2018 (Public Law 115–324) applies to calculations of*
10 *the size of a business concern made by the Adminis-*
11 *trator of the Small Business Administration;*

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

15 *(3) the Small Business Runway Extension Act of*
16 *2018 has been effective since the date it was signed*
17 *into law, on December 17, 2018.*

18 **SEC. 3. CLARIFYING AMENDMENT TO THE SMALL BUSINESS**

19 **RUNWAY EXTENSION ACT OF 2018.**

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

1 **SEC. 4. FINALIZATION OF SMALL BUSINESS RUNWAY EX-**
 2 **TENSION ACT OF 2018 RULES.**

3 *The Administrator of the Small Business Administra-*
 4 *tion shall issue a final rule implementing the Small Busi-*
 5 *ness Runway Extension Act of 2018 (Public Law 115–324)*
 6 *not later than December 17, 2019.*

7 **SEC. 5. AMENDMENT TO SIZE STANDARDS FOR CERTAIN**
 8 **SMALL BUSINESS CONCERNS.**

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

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

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

19 (a) *PLAN REQUIRED.*—Not later than 90 days after
 20 *the date of the enactment of this Act, the Administrator of*
 21 *the Small Business Administration shall implement a tran-*
 22 *sition plan to assist business concerns and Federal agencies*
 23 *with compliance with the requirements of the Small Busi-*
 24 *ness Runway Extension Act of 2018 (Public Law 115–324).*

25 (b) *3-YEAR CALCULATION FOR SIZE STANDARDS.*—

1 (1) *IN GENERAL.*—*The transition plan described*
2 *under subsection (a) shall include a requirement that,*
3 *during the period beginning on December 17, 2018,*
4 *and ending on the date that is 6 months after the date*
5 *on which the Administrator issues final rules imple-*
6 *menting the Small Business Runway Extension Act*
7 *of 2018 (Public Law 115–324), allows the use of a 3-*
8 *year calculation for a size standard to be applied to*
9 *a business concern if the use of such 3-year calcula-*
10 *tion allows such concern to be considered a small*
11 *business concern under section 3(a)(1) of the Small*
12 *Business Act (15 U.S.C. 632(a)(1)).*

13 (2) *3-YEAR CALCULATION DEFINED.*—*In this sub-*
14 *section, the term “3-year calculation” means—*

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

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

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

2 *Not later than 90 days after the date of the enactment*
3 *of this Act, the System for Award Management (or any suc-*
4 *cessor system) shall be updated to comply with the require-*
5 *ments of this Act.*

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