SAM GRAVES, MISSOURI
CHAIRMAN

NYDIA M. VELAZQUEZ, NEW YORK
RANKING MEMBER

Congress of the United States

U.S. House of Representatives

Committee on Small Business

2361 Rayburn House Office Building
Washington, DC 20515-6315

Memorandum

To:	Members, Committee on Small Business, Subcommittee on Contracting and Workforce
From:	Small Business Committee Staff
Date:	November 1, 2011
Re:	Hearing: "Examining the Barriers for Small Business Contractors at the DOD"

The Subcommittee on Contracting and Workforce of the House Committee on Small Business will meet for a field hearing titled "Examining the Barriers for Small Business Contractors at the DOD." The hearing is scheduled to begin at **10:00 am on November 8, 2011 at the Sumter County Council's Chambers located at 13 East Canal Street, Sumter, South Carolina.**

Introduction

During the recent base realignment and closure (BRAC) process, the United States 3rd Army moved their headquarters from Fort McPherson, GA to Shaw Air Force Base in Sumter, SC. As part of the BRAC process, several large construction projects were necessary for facilities, housing, and infrastructure to accommodate the approximately 1,000 soldiers, civilian employees, and their families moving onto the base. In 2009, the Navy awarded the construction of the 3rd Army Headquarters Building on Shaw Air Force Base to a firm based in Montgomery, AL.

The goal of the hearing is to examine this particular contract to determine what qualifications were needed by the Army that led them to make the decisions they did, discuss potential improvements for bids from local companies to increase their capabilities in the federal contracting arena, and discuss the specific barriers small businesses face when contracting with the Department of Defense (DoD).

Federal Procurement

The federal government purchases nearly $500 billion dollars in goods annually. The goal of the federal procurement system is: "to deliver on a timely basis the best value product or service to the customer, while maintaining the public's trust and fulfilling public policy objectives." 48 C.F.R. § 1.102(a). To achieve this objective, the basic premise is that open competition among the largest number of potential government contractors will be the best method for achieving the goal of the federal procurement system. Additionally, one of the primary goals of the Small Business Act is to ensure that small business concerns receive a fair proportion of the total purchases of goods and services by the federal government.

The starting point for federal procurement, then, is full and open competition. However, Congress determined that it could accomplish other relevant public policy objectives through federal government procurement. To achieve this objective, Congress created a number of programs designed to increase opportunities for small businesses. The Small Business Reserve Program requires that contracts of value between $3,000 and $100,000 be set aside only for competition among small businesses if at least two small businesses can perform the contract at a fair market price. The other programs are targeted at specific classes of small businesses: 8(a) businesses; service-disabled veteran-owned small businesses; HUBZone businesses; and businesses owned and controlled by women. The programs enable contracting officers to limit competition to businesses within a specific category and in most cases, award contracts on a sole source basis; i.e., without competition at all.

The 8(a) Program

The program assists socially and economically disadvantaged small businesses and is colloquially referred to as the "8(a)" program after section 8(a) of the Small Business Act. The program is designed not solely as a contracting program, but also as a business development program. The primary mechanism for providing business development is to obtain federal government contracts for program participants.

Section 8(a) authorizes the SBA to enter into contracts with other federal agencies to provide goods and services to the government. The SBA then enters into a contract with a firm that has been certified pursuant to the 8(a) program to provide the goods and services. In essence, the SBA becomes the prime contractor to the federal agency and the 8(a) firm becomes the subcontractor to the SBA. Contracts under the 8(a) program may be awarded as a sole source contract or in a competition solely reserved for firms certified to participate in the program.

It also is important to note that the SBA delegated its authority to enter into contracts with firms in the program to other federal agencies. Thus, the agencies now enter into contracts directly with 8(a) participants rather than negotiating with the SBA as the prime contractor. This change was made during the Clinton Administration and contravenes the specific language of the Small Business Act requiring that the SBA and the federal agency enter into a prime contractor relationship.

SBA regulations define who is socially and economically disadvantaged. Participation is limited to nine years from the date of entry of the program. Participants may "graduate" if the firms have spent nine years in the program or have achieved the objectives set forth in the business plan that they file with the SBA when they enter the program.

The HUBZone Program

Starting in the late 1950s and continuing into the 1960s, the SBA issued sole-source (i.e., non-competition) contracts to small businesses in areas of high unemployment that were willing to hire individuals living in these high unemployment areas. In 1997, Congress acted on this labor-surplus concept to create the HUBZone program. The program awards contracts to qualified small businesses located in geographic areas where unemployment has been above the national average. The purpose of the program was to increase employment opportunities, economic development in poor areas, and spur investment in areas that have been neglected by economic growth.

The Service-Disabled Veteran-Owned Small Business Program

In 1999, Congress amended the Small Business Act to require the President to establish a government-wide procurement goal of not less than 3 percent for small businesses owned and controlled by service-disabled veterans.[1] Little movement was made to increase participation by service-disabled veterans in the federal procurement process.

Four years later, Congress further amended the Small Business Act[2] by including a provision that authorized contracting officers to set aside specific contracts for competition solely among small businesses owned by service-disabled veterans. In addition, contracting officers have the authority to issue sole-source awards to small businesses qualifying under the program. Even after the enactment of this provision, federal agencies still are not meeting the three percent goal.

The Women's Procurement Program

In 2000, Congress added a new subsection (m) to § 8 of the Small Business Act creating a women's procurement program. The Small Business Reauthorization Act of 2000, §811, Pub. L. No. 106-554 (codified at 15 U.S. C. §637(m)). The program authorizes, but does not mandate, that the contracting officer may set aside contracts for awards to certain women-owned businesses if the contracting officer believes that two or more such businesses will submit offers at a fair and reasonable price and the contract is for the procurement of goods less than $5,000,000 for contracts with a manufacturing industrial classification or $3,000,000 for all other contracts. Unlike the 8(a), HUBZone, and service-disabled veterans program, there is no authority to sole-source contracts.

Implementation of the program depends on the Administrator of the SBA identifying industries in which small business owned and controlled by women are underrepresented in federal government procurement. The Administrator was supposed to identify these after performing a study. After five years in which the SBA did not implement the program, the SBA was sued for action unreasonably withheld, 7 U.S.C. § 706(1). The United States District Court for the District of Columbia found that the SBA unreasonably withheld implementation of the program in a 2005 decision and ordered that the SBA perform a study of historically underrepresented industries as mandated by statue, and kept jurisdiction of the case. Some five years subsequent to that court order, in late 2010, the SBA finally promulgated regulations to implement the program including the identification of women-owned businesses historically underrepresented in federal government contracting.

Barriers to Increasing Utilization of Small Businesses in Federal Procurements

For all of these programs, the Small Business Act provides goals for federal agencies to meet. In addition, Congress imposed a goal that at least 23 percent of all federal prime contracting dollars should be awarded to small businesses. Other than criticism from Congress, no penalty exists for the failure of the federal government to meet the goals established in the Act. In addition to the lack of penalties, there are a number of other barriers that prevent the federal government from maximizing the use of small businesses in federal procurement.

Contract Bundling

[1] Veterans Entrepreneurship and Small Business Development Act, Pub. L. No. 106-50, 113 Stat. 233, 247 (1999).

[2] By inclusion of § 308 of the Veterans Benefits Act of 2003 in Pub. L. No. 108-183, 117 Stat. 2651, 2662 (codified at 15 U.S.C. § 657f).

Contract bundling was first identified as highly problematic for small businesses in hearings held by the House and Senate Small Business Committees in 1997. Contract bundling is the consolidation of smaller contracts into very large contracts. This process results in contracts that small businesses may have been able to perform but due to the size or geographic dispersion are no longer able to perform. In fact, with bundling, contracting officers are likely to eliminate bids of small businesses from further consideration because the bids would be deemed non-responsive.[3] Contract bundling, in essence, provides administrative convenience to the federal government by privatizing the contract management responsibilities of federal procurement officials. It can be difficult to question the logic that, from an administrative standpoint, it is easier for a contracting officer to manage one contract with one prime contractor than 2 or 10 or 20 contracts with the equivalent number of prime contractors. The problem with contract bundling as a solution is that the efficiency and reduced transaction costs fail to recognize other important policy goals that Congress may seek to achieve through the use of federal government procurement.

Database Errors

The federal government maintains a database called the Central Contractor Registry or CCR. That database is used by contracting officers to identify, among other things, the businesses which are considered small. Obviously, if the database is flawed, the ability of contracting officers to identify small businesses is severely and adversely affected. The Committee on Small Business has held a number of hearings and conducted its own investigations which uncovered significant flaws in the CCR database. Among the shocking revelations is that large businesses and not-for-profit organizations were listed as small businesses.[4] Some of these problems arise from the fact that the federal government determines the size of the small business at time of contract award and the business outgrows its appropriate size standard but the government never modifies the CCR database. In other cases, a large firm purchases a small firm that has a government contract, but the contracting officer fails to require a contract novation[5] showing the new owner of the business that has the contract, the government concurred in that assignment, and that it is no longer small. Either circumstance could lead a contracting officer to conclude that a business it awards a contract to is small even though it is not.

Self-Certification Errors in the HUBZone Program[6]

---

[3] Contracting officers must evaluate bids that are submitted to determine whether they address the terms and conditions for the goods and services sought by the government. *E.g.*, *Ryan Co. v. United States*, 43 Fed. Cl. 646, 650 (1999); *C3, Inc.*, 90-3 BCA (CCH) ¶ 23,180, at 116,358 (1990). If the bids are found non-responsive, the contracting officer is required to eliminate them from further consideration. *Toyo Menka Kaisha, Ltd. v. United States*, 597 F.2d 1371, 1377 (Ct. Cl. 1979); *see also* 48 C.F.R. § 14.301 ("bid must comply in all material respects with the invitation for bids....").

[4] Except with respect to agricultural cooperatives and their eligibility for disaster loans, non-profit entities are not considered small businesses for purposes of the Small Business Act.

[5] The Anti-Assignment Act, 41 U.S.C. § 15 and 31 U.S.C. § 203, prohibits the transfer of government contracts without the consent of the government. A novation is entered into to show that the federal government consented to the transfer of the government contract. *See Bonneville Power Admin. v. Mirant Corp.*, 440 F.3d 238, 252 (5th Cir. 2006); *Aerospace Components, Inc.*, 84-3 BCA (CCH) ¶ 17,536.

[6] Problems similar to the one limned for HUBZones also are a problem with the Service-Disabled Veteran-Owned Small Business Program. For the sake of brevity, those issues will not be repastinated separately for that program. A detailed examination can be found in GOVERNMENT ACCOUNTABILITY OFFICE, SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS PROGRAM: CASE STUDIES SHOW FRAUD AND ABUSE ALLOWED INELIGIBLE FIRMS TO OBTAIN MILLIONS OF DOLLARS IN CONTRACTS (GAO-10-255T) (Nov. 19, 2009).

A small business must know whether its location is in a HUBZone, and the SBA operates a website to assist in this process. The business also must know where its employees live and whether they live in HUBZones. Once the business ascertains these facts, a small business is able to self-certify to the SBA that it is qualified as a HUBZone and then get on the SBA's list of qualified HUBZone firms.[7] Contracting officers rely on the certifications and, until recently, the SBA did not check to determine whether the firm's assertion on qualification for eligibility was correct.

A qualified HUBZone firm does not maintain that status indefinitely. If the area in which its principal place of business economically revives so that the area no longer is considered a HUBZone, the firm loses its eligibility. It also may lose its status if it does not meet the employment requirement or moves its principal place of business.

As one might expect, the self-certification process may lead to abuses. The GAO found that firms inaccurately certify that they are eligible for participation when they are not.[8] The 2001 GAO investigation was corroborated in two more recent investigations by the Forensic Audit Division of GAO. Those investigations revealed that HUBZone firms received contracts even though they were not eligible because their principal place of business was not in a HUBZone or they did not have a sufficient number of employees residing in HUBZones or a combination of both.[9] More importantly, awards to firms that are not legitimate HUBZone businesses undermine the basic premise of the program – to generate economic development in low-income, high unemployment areas by awarding contracts to small firms located in these areas.

Improper Subcontracting or Pass-Throughs

Section 15(o) of the Small Business Act, 15 U.S.C. § 644(o), prohibits the award of a contract if the small business subcontracts more than 50 percent of the work (with exceptions that are not relevant for this memorandum) to large businesses. This policy is reflected in the Federal Acquisition Regulations (FAR) which requires a clause be inserted in all contracts alerting small businesses to the prohibition in section 15(o).[10] In essence, the Small Business Act and the FAR prevent a small business from acting as a front for a large business during the bid phase,[11] and breaches can result in contract termination if the violation is discovered after the contract award.[12] Despite these potential penalties, violations of the subcontracting limitations continue unabated. If the purpose of small business contracting programs is to ensure that small businesses are the ultimate recipients of the economic benefits from the award of contracts, then this practice of improper subcontracting, also colloquially referred to as pass-throughs, undermines the congressional rationale for the creation of the programs in the first instance.

---

[7] Self-certification still is available in the Service-Disabled Veteran-Owned Small Business program.

[8] GENERAL ACCOUNTING OFFICE, HUBZONE PROGRAM SUFFERS FROM REPORTING AND IMPLEMENTATION DIFFICULTIES (Oct. 2001).

[9] GOVERNMENT ACCOUNTABILITY OFFICE, HUBZONE PROGRAM: FRAUD AND ABUSE IDENTIFIED IN FOUR METROPOLITAN AREAS (GAO-09-440) (March 2009); GOVERNMENT ACCOUNTABILITY OFFICE, HUBZONE PROGRAM: SBA'S CONTROL WEAKNESSES EXPOSED THE GOVERNMENT TO FRAUD AND ABUSE (GAO-08-964T) (July 17, 2008).

[10] The clause provides that a small business will perform at least 50 percent of the cost of the contract except in construction, including the manufacturing of supplies. For general construction, small businesses must perform 15 percent of the cost (exclusive of materials) and specialty trade construction, 25 percent. 48 C.F.R. § 52.219-14. The clause only applies if the contract is awarded to a small business through a procedure other than full and open competition, i.e., one of the set-aside programs established in the Small Business Act.

[11] The failure of a small business to agree to perform the required amount of work constitutes a non-responsive bid. *See Centech Group, Inc. v. United States*, 554 F.3d 1029, 1038 (Fed. Cir. 2009).

[12] *In re: Barton Chemical Corp.*, 87-1 BCA (CCH) ¶ 19,623 (violation of subcontracting limitation material breach of contract).

Shaw Air Force Base Contract

On November 17, 2008, the Naval Facilities Engineering Command (NAVFAC) in Jacksonville, FL, issued a solicitation for construction of the 3rd Army Headquarters Building on Shaw Air Force base in Sumter, SC. After reviewing 18 bids to build the headquarters, NAVFAC awarded this contract on May 29, 2009, to Caddell Construction Co., Inc. which is based in Montgomery AL under a full and open competition process.[13] The contract is valued at $91,600,000. Although Caddell is not a small business, Congress requires large firms that are awarded contracts to submit a subcontracting plan.

Subcontracting Plans

Most small government contractors would recognize their inability to produce certain items needed by the federal government. Congress recognized that small businesses can still make valuable contributions to the overall development and mandated that small businesses have maximum opportunity to participate in contracts for major systems and construction projects.

To implement this objective, Congress requires large firms that are awarded contracts to submit a subcontracting plan. The plans must contain, among other things, the efforts that the contractor will make in ensuring proper small business utilization as well as numeric goals for use of small business as subcontractors. Prime contractors are required to make a good faith effort to comply with the subcontracting plans. Failure to comply with this requirement can subject the prime contractor to significant monetary damages. *Id.* at § 637(d)(3)(F).

The SBA is required to assist agencies in ensuring that small businesses have maximum opportunities to offer goods and services as subcontractors. To carry out this mission, SBA personnel are directed to review compliance with subcontracting plans. However, neither the FAR nor the SBA regulations specify what decisional calculus should be used by the contracting officer or SBA personnel in assessing good faith compliance with the subcontracting plan. Given this lack of criteria, it is not surprising that the federal government has never sought, much less obtained, either damages or termination for default related to the failure to make a good faith effort to comply with federal subcontracting plans.

Project Labor Agreements

The National Labor Relations Act (NLRA)[14] gives most private sector workers the right to join or form a labor union and to bargain collectively over wages, hours, and working conditions. 29 U.S.C. § 151. A corollary of this right implies that a union cannot represent employees until a majority have voted in favor of such representation. *See NLRB v. International Association of Bridge Workers, Local 103*, 434 U.S. 335, 344 (1978). Thus, any agreement between an employer and union prior to workers being hired (logically denominated as pre-hire agreements, *see International Association of Bridge Workers, Local No. 3 v. NLRB*, 843 F.2d 770, 773 (3d Cir. 1988)), is prohibited under the NLRA. *E.g.*, *Nova Plumbing v.*

---

[13] For this contract, no specific small business or demographic set asides were used. Examples of such set asides and programs would be the 8(a) program for socially and economically disadvantaged businesses, the Historically Underutilized Business Zone (HUBZone), or Service Disabled Veteran Owned firms described earlier in this memorandum.

[14] Act of July 5, 1935, ch. 372, 49 Stat. 450. The NLRA was significantly amended in 1947 by the Labor Management Relations Act (colloquially referred to as the Taft-Hartley Act), Act of June 23, 1947, ch. 120, 61 Stat. 137. However, the provisions, in their entirety, generally are referred to as the NLRA. This memorandum will adapt that terminology.

NLRB, 330 F.3d 531, 533 (D.C. Cir. 2003); *American Automatic Sprinkler Sys. v. NLRB*, 163 F.3d 209, 214 (4th Cir. 1998), *cert. denied*, 528 U.S. 821 (1999);

There is one exception to the general prohibition. Section 8(f) of the NLRA, 29 U.S.C. § 158(f), authorizes pre-hire agreements in the construction industry. *International Association of Bridge Workers, Local No. 3*, 843 F.2d at 773. One type of pre-hire agreement in the construction industry is the project labor agreement (PLA). PLAs are "multi-employer, multi-union pre-hire agreements designed to systemize labor relations at a construction site." *Building and Construction Trades Dep't v. Allbaugh*, 295 F.3d 28, 30 (D.C. Cir. 2002), *cert. denied*, 537 U.S. 1171 (2003). These agreements typically require all contractors and sub-contractors working on a construction project to comply with the requirements of a collective bargaining agreement without regard to whether the employees of such contractors are or are not members of a labor union. *Id.* Finally, wages, hours, and other terms of employment are standardized across all unions and contractors. *Id.* In addition, PLAs, depending on their terms, may: 1) supersede all other collective bargaining agreements; (2) prohibit strikes and lockouts; and (3) require hiring through union referral systems. [15] In the context of federally funded construction projects, a PLA only will apply if such agreement is made part of the bid specification. *Id.*

Political Wrangling Relating to PLAs

In October 1992, President George H.W. Bush issued E.O. 12,818[16] forbidding the use of PLAs by any parties to federal or federally funded construction projects. President Clinton revoked that E.O. in February 1993.[17] Later, President George W. Bush issued E.O. 13,202[18] that again prohibited the use of PLAs on government-funded projects. President Bush later amended the order to allow certain projects to be exempted from this order, if a contract had already been awarded under an existing PLA at the time of the order.[19]

On February 6, 2009, President Obama signed E.O. 13,502,[20] which revoked the Executive Orders issued by President George W. Bush prohibiting the use of PLAs on federal construction projects.[21] Rather than mandating the use of PLAs, President Obama encouraged, but does not mandate, federal agencies "to consider requiring" the use of PLAs on large-scale construction projects. The Order defines large-scale projects as those where the total cost to the federal government is $25 million or more.[22] For projects covered by the Order, PLAs should contain the following provisions: 1) requirements to bind all contractors and subcontractors on the project; 2) authorization for all contractors and subcontractors to compete for work on the project without regard to whether the employers are parties to a collective bargaining agreement; 3) prohibitions against strikes, lockout or other job disruptions; 4) procedures for

---

[15] .GAO, PROJECT LABOR AGREEMENTS; THE EXTENT OF THEIR USE AND RELATION INFORMATION 4 (1998) (GGD-98-82). (hereinafter "Project Labor Agreements")

[16] Open Bidding on Federal and Federally-Funded Construction Project, 57 Fed. Reg. 48,713 (Oct. 28, 1992).

[17] Revocation of Certain Executive Orders Concerning Federal Contracting, 58 Fed. Reg. 7045 (Feb. 3, 1993).

[18] Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects, 66 Fed. Reg. 11,225 (Feb. 22, 2001). The validity of the E.O. was upheld in *Building Construction and Trades Dep't.*, 295 F.3d at 29.

[19] Executive Order 13,208, Amendment to Executive Order 13,202, Preservation of Open Competition and Government Neutrality Towards Government Contractors' Labor Relations on Federal and Federally Funded Construction Projects, 66 Fed. Reg. 18,717, 18,718 (Apr. 11, 2001).

[20] Use of Project Labor Agreements for Federal Construction Projects, 74 Fed. Reg. 6985 (Feb. 11, 2009).

[21] *Id.* at § 8, 74 Fed, Reg, at 6986.

[22] *Id.* at § 2(c), 74 Fed. Reg. at 6985.

resolving disputes for the duration of the project; and 5) mechanisms for cooperation between labor and management.[23] Finally, the Order does not prohibit the use of PLAs on smaller construction projects.[24]

The Administration has estimated that, annually, there are approximately 300 large-scale construction contracts valued at $25 million or more that could be subject to an agency determination for use of PLAs. Based on the advice of labor advisors, the Administration estimates that approximately 10 percent (30 projects) may be deemed appropriate for a PLA. The estimate is based on federal construction data for FY2008 and FY 2009.[25]

The Economic Effects of PLAs

Opponents and proponents of PLAs disagree on the economic effects of PLAs. To some extent, projects that use PLAs may be different from projects that do not use them. GAO observed that:

> Proponents and opponents of the use of PLAs said it would be difficult to compare contractor performance on federal projects with and without PLAs because it is highly unlikely that two such projects could be found that were sufficiently similar in cost, size, scope, and timing.[26]

If projects that use PLAs are different from projects that do not use them, it may be difficult to isolate the economic effects of PLAs. It may also be difficult to identify the economic effects of PLAs if contractors use PLAs because of the advantages PLAs may provide. If, for example, contractors are more likely to use PLAs on large and expensive projects, it may be the size and cost of a project that determine the use of a PLA. Thus, it is difficult to measure the economic effects of PLAs if the characteristics of a project determine whether a PLA is used or not.

Several studies have been conducted trying to isolate the economic effects of PLAs which have been summarized by GAO. The GAO did not verify the analyses, nor did they take a position on the validity of the conclusions drawn.[27] For those interested in reviewing the details of the studies, they can be found in the GAO cited in footnote 15. The strikingly different conclusions of each study demonstrates how hard it is to identify the impact of PLAs on construction costs.

PLA Impact on Small Business Concerns in the Federal Contracting Arena

Much like in the case of researching the impact of PLAs in general, it can be equally difficult in determining the positives and negatives for small businesses in the PLA process. Opponents claim that PLAs stifle competition by summarily excluding the vast majority of merit shop companies – those construction firms that hire workers without regard to union affiliation.[28] According to the Bureau of Labor and Statistics, unionized construction workers comprised 13.1 percent of all of entire construction

---

[23] *Id.* at § 4, 74 Fed. Re.g at 6986.
[24] *Id.* at § 5, 74 Fed. Reg. at 6986.
[25] Federal Acquisition Regulation; FAR Case 2009-005, Use of Project labor Agreements for Federal Construction Projects, Proposed Rule, 74 Fed. Reg. 33,953, 33,955 (July 14, 2009).
[26] GAO, Project Labor Agreements at 12.
[27] *Id.* at 13.
[28] *Ultrasystems Western Constructors, Inc. v. NLRB*, 18 F.3d 251, 253 (4th Cir. 1994).

industry,[29] leaving the other 86.9 percent of nonunion companies unable (or unwilling) to bid on those projects. For example, a PLA may require a contractor to hire workers through a union hiring hall, making the contractor unable to use his or her own employees. Similarly, a nonunion contractor's workers may have to join a union and pay union dues or the nonunion contractor may have to pay into a union pension plan in order to participate in a PLA. This could serve as a disincentive for merit shops to even consider bidding on a PLA construction project. Their argument is that by eliminating the vast majority of businesses that can bid on a project, a PLA reduces the number of bids and increases the price to the federal government.

Proponents argue that by using the union referral system, the contractor gets a reliable and uninterrupted supply of workers at predictable costs for wages and benefits. Continuing, they state that PLAs reduce the uncertainties inherent in large-scale construction projects by establishing all terms and expectations up front and creating a framework for cooperation among all groups working on the project leading to projects being done on time and on budget.

Conclusion

This hearing represents an opportunity for both an educational and policy formulation outcome. By examining the specific process by which the Navy determined this particular contract, Members of the Committee will be afforded the opportunity to inquire about potential improvements for their local small businesses' bids when attempting to do business with the DoD. Additionally, several ideas on the improvement contracting process will be solicited, providing Members the opportunity to hear firsthand the various barriers small businesses encounter in the federal contracting arena.

[29] http://www.bls.gov/news.release/union2.nr0.htm