

**TABLE OF CONTENTS**

|  | <b>Page</b> |
|--|-------------|
| <b>LEGISLATION.....</b>  | <b>1</b>    |
| PRESIDENT SIGNS ACT PROVIDING APPROPRIATIONS FOR CONTINUING PROJECTS AND ACTIVITIES OF THE FEDERAL GOVERNMENT THROUGH MARCH 27, 2013 ..... | 1           |
| PRESIDENT SIGNS ACT EXTENDING THE E-VERIFY PROGRAM FOR THREE YEARS.....  | 1           |
| SENATE PASSES BILL TO AUTHORIZE APPROPRIATIONS FOR THE COAST GUARD FOR FISCAL YEARS 2013 AND 2014.....                                     | 1           |
| SENATE PASSES BILL TO PREVENT ABUSE OF GOVERNMENT CHARGE CARDS.....  | 1           |
| SENATE INTRODUCES BILL TO IMPROVE THE ENFORCEMENT OF CRIMINAL AND CIVIL LAWS WITH RESPECT TO CLOUD COMPUTING.....                          | 1           |
| SENATE INTRODUCES BILL TO EXPAND THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006.....                                      | 2           |
| SENATE INTRODUCES BILL TO PROHIBIT THE PURCHASE OF UNFAIRLY TRADED PRODUCTS .....  | 2           |
| SENATE INTRODUCES BILL TO ENSURE THE SUFFICIENT SIZING OF DOD WORKFORCES.....  | 2           |
| HOUSE PASSES BILL TO STOP THE SEQUESTER PROCESS AND ELIMINATE CUTS TO DEFENSE SPENDING.....  | 3           |
| HOUSE PASSES BILL TO REAUTHORIZE APPROPRIATIONS FOR THE FEDERAL EMERGENCY MANAGEMENT AGENCY .....  | 3           |
| HOUSE PASSES BILL TO REDUCE NONESSENTIAL VEHICLE PURCHASES AND LEASES BY THE FEDERAL GOVERNMENT.....                                       | 3           |
| HOUSE PASSES BILL TO INCREASE FEDERAL EMPLOYEE WHISTLEBLOWER PROTECTION .....  | 3           |
| HOUSE INTRODUCES BILL TO ENCOURAGE CONTRACTOR EMPLOYEES TO REPORT MISCONDUCT RELATED TO THE USE OF FEDERAL FUNDS .....                     | 4           |

**TABLE OF CONTENTS**

(continued)

|   | <b>Page</b> |
|---|-------------|
| HOUSE INTRODUCES BILL TO PROTECT PRIVATE-SECTOR WHISTLEBLOWERS AGAINST RETALIATION.....   | 4           |
| HOUSE INTRODUCES BILL TO HALT SEQUESTRATION AND PREVENT CUTS TO DEFENSE SPENDING FOR TEN YEARS.....   | 4           |
| HOUSE INTRODUCES BILL TO REDUCE THE AMOUNT OF SPACE LEASED AND OWNED BY THE FEDERAL GOVERNMENT .....  | 5           |
| <b>REGULATIONS.....</b>   | <b>5</b>    |
| DOD, GSA, NASA ISSUE FINAL RULE IMPLEMENTING THE UNITED STATES- KOREA FREE TRADE AGREEMENT, DELETING OUTDATED FAR REFERENCES, AND AMENDING BID PROTEST APPEAL AUTHORITIES ..... | 5           |
| DOD, GSA, NASA ISSUE PROPOSED RULE REVISING THE FAR TO PROVIDE GOVERNMENT-WIDE STANDARDIZED PAST PERFORMANCE EVALUATION FACTORS AND RATING CATEGORIES.....                      | 5           |
| DOD, GSA, NASA ISSUE PROPOSED RULE AMENDING THE FAR TO CLARIFY THE REGULATIONS IN FAR PART 8 REGARDING THE USE OF EXISTING MANDATORY AND NON-MANDATORY SOURCES .....            | 6           |
| DOD, GSA, NASA ISSUE PROPOSED RULE AMENDING THE FAR TO CONFORM TO THE NEW CODIFIED VERSION OF UNITED STATES CODE TITLE 41.....  | 6           |
| SBA ISSUES FINAL RULE REVISING SMALL BUSINESS SIZE STANDARDS FOR NAICS SECTOR 61 EDUCATIONAL SERVICES INDUSTRIES .....  | 6           |
| SBA ISSUES FINAL RULE REVISING SMALL BUSINESS SIZE STANDARDS FOR NAICS SECTOR 53 REAL ESTATE AND RENTAL AND LEASING INDUSTRIES .....  | 6           |
| SBA ISSUES FINAL RULE REVISING SMALL BUSINESS SIZE STANDARDS FOR NAICS SECTOR 62 HEALTHCARE AND SOCIAL ASSISTANCE INDUSTRIES .....  | 7           |
| SBA ISSUES PROPOSED RULE TO INCREASE SMALL BUSINESS SIZE STANDARDS FOR INDUSTRIES IN NAICS SECTORS 52 AND 55.....   | 7           |
| SBA ISSUES PROPOSED RULE TO INCREASE SMALL BUSINESS SIZE STANDARDS FOR INDUSTRIES IN NAICS SECTOR 11 AGRICULTURE, FORESTRY, FISHING, AND HUNTING .....                          | 7           |

**TABLE OF CONTENTS**  
(continued)

**Page**

DOT ISSUES NOTICE OF PROPOSED RULEMAKING UPDATING THE  
REGULATIONS GOVERNING PROCUREMENT, MANAGEMENT, AND  
ADMINISTRATION OF ENGINEERING AND DESIGN RELATED  
SERVICES RELATED TO HIGHWAY CONSTRUCTION PROJECTS..... 7

**FINAL EDITION  
OCTOBER 2012**

**LEGISLATION & REGULATIONS**

**Contributed by Functional Director for Legislation & Regulations, Michael R. Rizzo, with assistance from Kevin J. Slattum and Associates at McKenna Long & Aldridge LLP**

**Legislation**

**PRESIDENT SIGNS ACT PROVIDING APPROPRIATIONS FOR CONTINUING PROJECTS AND ACTIVITIES OF THE FEDERAL GOVERNMENT THROUGH MARCH 27, 2013**

On September 28, 2012, President Obama signed the “Continuing Appropriations Resolution, 2013.” The law provides continuing appropriation authority for the Federal government for fiscal year 2013 through March 27, 2013. The law also includes a 0.612 percent increase for most Federal departments and agencies. (H.J. Res. 117) (Pub. L. 112-175)

**PRESIDENT SIGNS ACT EXTENDING THE E-VERIFY PROGRAM FOR THREE YEARS**

On September 28, 2012, President Obama signed into law an Act that reauthorizes the E-Verify immigration program for three years. Specifically, the Act reauthorizes Section 401(b) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a) until September 30, 2015. Federal contractors must use the internet-based E-Verify program to verify their employees’ eligibility to work in the United States. (S. 3245)

**SENATE PASSES BILL TO AUTHORIZE APPROPRIATIONS FOR THE COAST GUARD FOR FISCAL YEARS 2013 AND 2014**

On September 22, 2012, the Senate passed the “Coast Guard Authorization Act of 2012.” The bill amends a bill passed in the House of Representatives and authorizes appropriations for necessary expenses of the Coast Guard for fiscal years 2013 and 2014. The bill also authorizes expedited hiring for positions in which there is a shortage of candidates or a critical hiring need. (H.R. 2838)

**SENATE PASSES BILL TO PREVENT ABUSE OF GOVERNMENT CHARGE CARDS**

On September 22, 2012, the Senate passed the “Government Charge Card Abuse Prevention Act of 2012.” The bill implements government-wide safeguards and internal controls for the management of government purchase cards and convenience checks. The bill also requires the Inspector General of each executive agency to conduct periodic assessments of the agency purchase card or convenience check programs to identify and analyze risks of illegal, improper, or erroneous purchases and payments. In addition, the bill provides penalties for illegal, improper, or erroneous purchases, including dismissal. (S. 300)

## **SENATE INTRODUCES BILL TO IMPROVE THE ENFORCEMENT OF CRIMINAL AND CIVIL LAWS WITH RESPECT TO CLOUD COMPUTING**

On September 19, 2012, Sen. Amy Klobuchar (D-MN), along with co-sponsor John Hoeven (R-ND), introduced the “Cloud Computing Act of 2012.” If passed, the bill would amend the Computer Fraud and Abuse Act (18 U.S.C. § 1030) to provide a separate offense for the unauthorized access of a cloud computing account. The bill also would require the Secretary of State to work with other international fora, such as the Organization for Economic Cooperation and Development, to advance the aims of ensuring interoperability between the provisions of the Act, the amendments made by the Act, and other laws and policies of the United States and foreign countries. In addition, the bill would require the Secretary of State to conduct a yearly study on international cooperation regarding data privacy, retention, and security. The bill was referred to the Committee on Commerce, Science, and Transportation. (S. 3569)

## **SENATE INTRODUCES BILL TO EXPAND THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006**

On September 20, 2012, Sen. Mark Warner (D-VA), along with co-sponsor Rob Portman (R-OH), introduced the “Digital Accountability and Transparency Act of 2012.” If passed, the bill would expand the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. § 6101) by disclosing direct Federal agency expenditures and linking Federal contract, loan, and grant spending information to programs of Federal agencies. The bill would require Federal spending data to be posted on the USASpending.gov website. This is a companion bill to H.R. 2146, the “Digital Accountability and Transparency Act of 2012,” introduced in the House of Representatives on April 26, 2012. The Senate bill was referred to the Committee on Homeland Security and Government Affairs. (S. 3600)

## **SENATE INTRODUCES BILL TO PROHIBIT THE PURCHASE OF UNFAIRLY TRADED PRODUCTS**

On September 21, 2012, Sen. Ron Wyden (D-OR), along with co-sponsor Jeff Merkley (R-OR), introduced the “Buy Fairly Traded Goods Act of 2012.” If passed, the bill would amend the Federal Acquisition Regulation (FAR) to prohibit executive agencies from procuring merchandise subject to antidumping or countervailing duty orders under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 *et seq.*). The bill also would prohibit the Government from contracting to buy power from an energy provider subject to those tariffs. In addition, the bill would provide a waiver for national security reasons. The bill was referred to the Committee on Homeland Security and Governmental Affairs. (S. 3611).

## **SENATE INTRODUCES BILL TO ENSURE THE SUFFICIENT SIZING OF DOD WORKFORCES**

On September 21, 2012, Sen. Benjamin Cardin (D-MD), along with six other co-sponsors, introduced an Act to ensure the sufficient sizing of the civilian and contract services workforces of the Department of Defense (DoD). If passed, the bill would require the Secretary of Defense to take into account military strategy requirements and military end-strength to

ensure that the civilian and contract services workforces of the DoD are sufficiently sized. The bill also would require the Comptroller General of the United States to submit a report within 180 days after the date of the enactment of this Act, and annually thereafter, assessing the sufficiency of sizing of the civilian and contract services workforces of the DoD. The bill was referred to the Committee on Armed Services. (S. 3617)

### **HOUSE PASSES BILL TO STOP THE SEQUESTER PROCESS AND ELIMINATE CUTS TO DEFENSE SPENDING**

On September 10, 2012, the House of Representatives passed the “National Security and Job Protection Act.” The bill eliminates the across-the-board spending cuts, known as a “sequester,” that are set to take affect under current law on January 2, 2013. The bill revises the discretionary spending limit for fiscal year 2013 downward to \$1,047,000,000,000 in new budget authority. The bill also amends the Balanced Budget and Emergency Deficit Control Act of 1985 by decreasing the discretionary spending budget authority by \$19,104,000,000. In addition, the bill eliminates any sequestration order issued by the President under the Balanced Budget and Emergency Deficit Control Act of 1985 to carry out reductions to defense spending for fiscal year 2013. The bill further requires the President to send a legislative proposal to Congress to eliminate cuts to defense spending in fiscal year 2013. (H.R. 6365)

### **HOUSE PASSES BILL TO REAUTHORIZE APPROPRIATIONS FOR THE FEDERAL EMERGENCY MANAGEMENT AGENCY**

On September 19, 2012, the House of Representatives passed the “FEMA Reauthorization Act of 2012.” The bill reauthorizes appropriations for the Federal Emergency Management Agency (FEMA) for fiscal years 2012, 2013, and 2014. The bill also requires the President to modernize the United States’ integrated public alert and warning system. Moreover, the bill requires FEMA to implement cost saving provisions, such as cost estimating and allowing States to administer hazard mitigation grants. Furthermore, the bill reauthorizes the National Urban Search and Rescue Response System. (H.R. 2903)

### **HOUSE PASSES BILL TO REDUCE NONESSENTIAL VEHICLE PURCHASES AND LEASES BY THE FEDERAL GOVERNMENT**

On September 19, 2012, the House of Representatives passed the “Cutting Federal Unnecessary and Expensive Leasing Act of 2012.” If enacted, the bill would require civilian Federal agencies to spend 20 percent less than their fiscal year 2010 level on vehicle purchases and leases for the next five years. The bill would, however, exempt vehicle purchases and leases by the DoD, Postal Service, and other vehicles which have a national security purpose. Moreover, the bill would encourage agencies to share excess vehicles with other agencies that may need temporary or long-term use of additional vehicles. (H.R. 6324)

### **HOUSE PASSES BILL TO INCREASE FEDERAL EMPLOYEE WHISTLEBLOWER PROTECTION**

On September 28, 2012, the House of Representatives passed the “Whistleblower Protection Enhancement Act of 2012.” If enacted, the bill would grant Federal employee whistleblowers protection for “any” disclosure of “gross waste;” “mismanagement;” “fraud;”

“abuse;” or “illegal activity.” In addition, the bill would require the Inspector General to designate a Whistleblower Protection Ombudsman to educate agency employees about prohibitions on retaliation for protected disclosures. The House of Representatives bill amends a bill passed in the Senate. (S. 743)

### **HOUSE INTRODUCES BILL TO ENCOURAGE CONTRACTOR EMPLOYEES TO REPORT MISCONDUCT RELATED TO THE USE OF FEDERAL FUNDS**

On September 13, 2012, Rep. Jackie Speier (D-CA), along with co-sponsor Todd Platts (R-PA), introduced the “Non-Federal Employees Whistleblower Protection Act.” If passed, the bill would encourage contractor employees to report misconduct in the performance of contracts, grants, or other programs paid for with federal funds. The proposed bill would provide employees who report such allegations with significant protections from retaliation. If an employee who has made such an allegation believes he or she has been retaliated against on account of their action, the bill would allow that employee to file a complaint with the contracting agency’s Inspector General who must investigate the allegation and prepare a report which is subject to review by the head of the agency. In addition, the bill would amend the FAR to limit the allowability of costs related to a whistleblower claim to those situations in which the contractor is found not to be liable. This is a companion bill to S. 241, the “Non-Federal Employee Whistleblower Protection Act of 2011,” introduced in the Senate on January 31, 2011. The House of Representatives bill was referred to the Committee on Oversight and Government Reform, the Committee on Armed Services, and the Committee on Education and the Workforce. (H.R. 6406)

### **HOUSE INTRODUCES BILL TO PROTECT PRIVATE-SECTOR WHISTLEBLOWERS AGAINST RETALIATION**

On September 13, 2012, Rep. Lynn Woolsey (D-CA), along with co-sponsors Dale Kildee (D-MI) and George Miller (D-CA), introduced the “Private Sector Whistleblower Protection Streamlining Act of 2012.” If passed, the bill would enhance the protections against retaliation afforded to private sector whistleblowers who disclose information they reasonably believe evidences: (1) a violation or the intent to commit a violation by the employer of an applicable law; (2) a hazard or potential danger to the health or safety of any employee or to the public, including any injury or illness; or (3) fraud on the part of the employer in connection with the implementation of or compliance with an applicable law or a standard of practice established by a professional standards setting body. In addition, the bill would establish a new Whistleblower Protection Office in the Department of Labor which would hear cases alleging retaliation by whistleblowers who disclosed information about their employer. The bill would further establish an administrative review board within the Department of Labor that would have authority to decide appeals from administrative decisions regarding claims of retaliation and issue final agency decisions on behalf of the Secretary of Labor. The bill was referred to the Committee on Education and the Workforce, the Committee on the Judiciary, and the Committee on Energy and Commerce. (H.R. 6409)

## **HOUSE INTRODUCES BILL TO HALT SEQUESTRATION AND PREVENT CUTS TO DEFENSE SPENDING FOR TEN YEARS**

On September 13, 2012, Rep. Doug Lamborn (R-CO) introduced the “Sequestration Prevention Act of 2012.” If passed, the bill would fully repeal the sequestration provision of the Balanced Budget and Emergency Deficit Control Act of 1985 and prevent all impending cuts to defense spending over the next ten years. The bill also would repeal the Patient Protection and Affordable Care Act (Pub. L. No. 111-148) and reduce the Federal workforce by 10 percent. In addition, the bill would establish a Medicaid block grant program that gives each participating State the authority to administer the program. The bill was referred to the Committee on the Judiciary. (H.R. 6389)

## **HOUSE INTRODUCES BILL TO REDUCE THE AMOUNT OF SPACE LEASED AND OWNED BY THE FEDERAL GOVERNMENT**

On September 19, 2012, Rep. John Mica (R-FL), along with co-sponsor Jeff Denham (R-CA), introduced the “Public Buildings Reform Act of 2012.” If passed, the bill would require any prospectus that proposes new Federal space for fiscal years 2014, 2015, and 2016 to contain information outlining the details of the elimination of at least a corresponding amount of Federal space. The bill also would require that, each calendar year through 2016, the Administrator of General Services reduce by a minimum of 1,000,000 square feet the leased and owned property in the inventory of the General Services Administration (GSA). The bill was referred to the Committee on Transportation and Infrastructure. (H.R. 6430)

### **Regulations**

## **DOD, GSA, NASA ISSUE FINAL RULE IMPLEMENTING THE UNITED STATES-KOREA FREE TRADE AGREEMENT, DELETING OUTDATED FAR REFERENCES, AND AMENDING BID PROTEST APPEAL AUTHORITIES**

On September 13, 2012, DoD, GSA, and National Aeronautics and Space Administration (NASA) issued a final rule summarizing the FAR rules agreed to by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council in the Federal Acquisition Circular 2005-61. First, the final rule implements the United States-Korea Free Trade Agreement which covers the acquisition of supplies and services between \$100,000 and \$202,000. Second, the final rule amends the FAR to delete all references to the “DoD Industrial Preparedness Program.” Third, the final rule amends the FAR to clarify that new North American Industry Classification System (NAICS) codes may not be used in federal contracting until the Small Business Administration (SBA) publishes corresponding industry size standards. Finally, the final rule amends FAR Part 33 to clarify that there are other Federal-court related protest authorities and dispute-appeal authorities that are not covered by Part 33. (77 Fed. Reg. 56738, 9/13/2012)



## **DOD, GSA, NASA ISSUE PROPOSED RULE REVISING THE FAR TO PROVIDE GOVERNMENT-WIDE STANDARDIZED PAST PERFORMANCE EVALUATION FACTORS AND RATING CATEGORIES**

On September 6, 2012, DoD, GSA, and NASA issued a proposed rule that would amend the FAR to provide Government-wide standardized past performance evaluation factors and performance rating categories. In particular, the proposed rule would require past performance evaluations to include a clear, non-technical description of the contract. Moreover, the proposed rule would also implement provisions of the National Defense Authorization Act for fiscal year 2012 (Pub. L. 112-81), which require: (1) establishment of standards for the timeliness and completeness of past performance submissions for purposes of databases; (2) assignment of responsibility and management accountability for the completeness of past performance submissions for such purposes; and (3) assurance that past performance submissions are consistent with award fee evaluations in cases where such evaluations have been conducted. Furthermore, the proposed rule would remove the appeal language at FAR 42.1503(d). Written comments on the proposed rule should be submitted on or by November 5, 2012. (77 Fed. Reg. 54864, 9/6/2012)

## **DOD, GSA, NASA ISSUE PROPOSED RULE AMENDING THE FAR TO CLARIFY THE REGULATIONS IN FAR PART 8 REGARDING THE USE OF EXISTING MANDATORY AND NON-MANDATORY SOURCES**

On September 6, 2012, issued a correction to a proposed rule published in the Federal Register on June 14, 2012. The correction adds an Initial Regulatory Flexibility Analysis which indicates that the proposed rule may have a significant impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act. The proposed rule would amend FAR Part 8 to eliminate confusion about the use of mandatory versus non-mandatory sources. Specifically, the proposed rule would amend two sections of the FAR to list only mandatory Government supply sources and create a new FAR section to encourage agencies to give consideration to using certain existing non-mandatory sources. Written comments on the proposed rule should be submitted on or before October 9, 2012. (77 Fed. Reg. 54872, 9/6/2012)

## **DOD, GSA, NASA ISSUE PROPOSED RULE AMENDING THE FAR TO CONFORM TO THE NEW CODIFIED VERSION OF UNITED STATES CODE TITLE 41**

On September 18, 2012, DoD, GSA, and NASA issued a proposed rule that would amend the FAR to conform to the new codified version of United States Code Title 41, "Public Contracts," which was enacted on January 4, 2011 (Pub. L. 111-350). The proposed rule would change the popular names of fifteen Acts and change certain terminology which did not involve substantial changes to the meaning of the statutes. Moreover, the proposed rule also would revise standard citations. For example, under the proposed rule, citation to 41 U.S.C. 10a-10d would read 41 U.S.C. chapter 83. Written comments on the proposed rule should be submitted on or before November 19, 2012. (77 Fed. Reg. 57950, 9/18/2012)

## **SBA ISSUES FINAL RULE REVISING SMALL BUSINESS SIZE STANDARDS FOR NAICS SECTOR 61 EDUCATIONAL SERVICES INDUSTRIES**

On September 24, 2012, SBA issued a final rule increasing the small business size standards for nine industries in NAICS Sector 61, Educational Services, and retaining the current size standards for the remaining eight industries and one sub-industry in that Sector. The final rule increases the size standards for the nine affected industries from \$7 million to levels ranging from \$10 million to \$22.5 million. The final rule becomes effective on October 24, 2012. (77 Fed. Reg. 58739, 9/24/2012)

## **SBA ISSUES FINAL RULE REVISING SMALL BUSINESS SIZE STANDARDS FOR NAICS SECTOR 53 REAL ESTATE AND RENTAL AND LEASING INDUSTRIES**

On September 24, 2012, SBA issued a final rule increasing the small business size standards for twenty-one industries and one sub-industry in NAICS Sector 53, Real Estate and Rental and Leasing, and retaining the current size standards for the remaining four industries and one sub-industry in that Sector. The final rule increases the size standards for the twenty-one affected industries and one sub-industry to levels ranging from \$7 million to \$35.5 million. The final rule becomes effective on October 24, 2012. (77 Fed. Reg. 58747, 9/24/2012)

## **SBA ISSUES FINAL RULE REVISING SMALL BUSINESS SIZE STANDARDS FOR NAICS SECTOR 62 HEALTHCARE AND SOCIAL ASSISTANCE INDUSTRIES**

On September 24, 2012, SBA issued a final rule increasing the small business size standards for twenty-eight industries in NAICS Sector 62, Healthcare and Social Assistance, and retaining the current size standards for the remaining eleven industries in that Sector. The final rule increases the size standards for the twenty-eight affected industries to levels ranging from \$10 million to \$35.5 million. The final rule becomes effective on October 24, 2012. (77 Fed. Reg. 58755, 9/24/2012)

## **SBA ISSUES PROPOSED RULE TO INCREASE SMALL BUSINESS SIZE STANDARDS FOR INDUSTRIES IN NAICS SECTORS 52 AND 55**

On September 11, 2012, SBA issued a proposed rule that would increase small business size standards for thirty-seven industries in NAICS Sector 52, Finance and Insurance. The proposed rule also would increase small business size standards for two industries in NAICS Sector 55, Management of Companies and Enterprises. The proposed size standards are based on SBA's evaluation of five primary factors: average firm size, startup costs and entry barriers, industry competition, distribution of firms by size, and the impact that revised size standards might have on Federal contracting assistance to small businesses. In addition, the proposed rule would change the measure of size from average assets to average receipts for NAICS 522293, International Trade Financing. Written comments on the proposed rule should be submitted on or before November 13, 2012. (77 Fed. Reg. 55737, 9/11/2012)

**SBA ISSUES PROPOSED RULE TO INCREASE SMALL BUSINESS SIZE STANDARDS FOR INDUSTRIES IN NAICS SECTOR 11 AGRICULTURE, FORESTRY, FISHING, AND HUNTING**

On September 11, 2012, SBA issued a proposed rule that would increase small business size standards for eleven industries in NAICS Sector 11, Agriculture, Forestry, Fishing, and Hunting. The proposed size standards are based on SBA's evaluation of five primary factors: average firm size, startup costs and entry barriers, industry competition, distribution of firms by size, and the impact that revised size standards might have on Federal contracting assistance to small businesses. The proposed rule would increase the size standards for the eleven affected industries to levels ranging from \$5 million to \$25.5 million. Written comments on the proposed rule should be submitted on or before November 13, 2012. (77 Fed. Reg. 55755, 9/11/2012)

**DOT ISSUES NOTICE OF PROPOSED RULEMAKING UPDATING THE REGULATIONS GOVERNING PROCUREMENT, MANAGEMENT, AND ADMINISTRATION OF ENGINEERING AND DESIGN RELATED SERVICES RELATED TO HIGHWAY CONSTRUCTION PROJECTS**

On September 4, 2012, the Department of Transportation issued a notice of proposed rulemaking to update the regulations governing the procurement, management, and administration of engineering and design related services directly related to a highway construction project and reimbursed with Federal-aid highway program funding. The proposed rule would amend 23 C.F.R. Part 172 to ensure that agencies no longer use "alternative" or "equivalent" qualifications-based selection procedures to procure engineering and design related services. In addition, the proposed rule would revise the small purchase procedures to reflect the increase in the Federal simplified acquisition threshold to \$150,000. Written comments on the proposed rule should be submitted on or before November 5, 2012. (77 Fed. Reg. 53802, 9/4/2012)