



## Strategy and Legislative Update December 2022



Welcome to the December 2022 edition of the **NVSBC Strategy and Legislative Update**, the award-winning source of **Federal Insights for Veteran Small Business GovCons**. This publication is distributed to all NVSBC Members mid-month to provide updates on NVSBC legislative initiatives. In each monthly edition, we provide a detailed review of the current legislative actions, our insights on the potential impacts of this legislation on Veteran small businesses, and our federal advocacy activities.

### Overview of NVSBC Legislative Priorities - 2022

NVSBC serves as the leading advocate for the 50,000+ Veteran owned small businesses serving as federal contractors. Working with the highly regarded advisory firm Van Scoyoc Associates, we are developing and implementing a focused engagement plan with both congress and federal agencies on behalf of our members and Veteran owned small businesses throughout the nation. Here is a summary of our priorities:

**Priority #1: CVE Verification Across All Federal Agencies.** Monitor the transition of the CVE verification program from VA to SBA as directed by the FY 2020 National Defense Authorization Act (NDAA) to ensure compliance and service levels.

**Priority #2: Parity of Veteran Small Business Set-Asides.** Advocate for an increase of the government-wide set-aside contracting award goal for Service-Disabled Veteran Owned Small Businesses (SDVOSB) from the current 3% level to 5%. Additionally, ensure that Veteran owned small businesses benefit from any future set aside program increases.

**Priority #3: Addressing the Challenges of Category Management.** Engage Congress and the lead agencies that are advancing Category Management as a federal acquisition policy (GSA, OMB, DoD) to mitigate and reverse its devastating impact on small businesses.

**Priority #4: Addressing the Challenges of Unfunded Mandates.** Relieve the burden of unfunded mandates (i.e., CMMC, vaccinations, etc.) through requirement guideline exemptions and/or SBA support programs.

**Priority #5: Veterans First.** Monitor VA adherence to Vets First acquisition policies for SD/VOSB acquisition awards. Leverage VA best practices to advocate for a DoD Vets First Program.

**Priority #6: Access to New Contracting Opportunities.** Promote, advance, and advocate for new and expanded Veteran small business opportunities at all federal agencies.

## Upcoming Congressional Schedule and Key Dates

■ Both chambers in session 
 ■ House only in session 
 ■ Senate only in session 
  House committee work

### December

				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

#### December Outlook

- Continuing Resolution expired 16 December – CR extension through 23 December
- Lawmakers are expected to work until 23 December to finalize appropriations
- The House select committee investigating the Jan. 6 attack on the Capitol will release its report on 21 December.

### January

1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

#### January Outlook

- The 118th Congress, including its new GOP-controlled House, will be sworn in on 3 January.
- The House will hold speaker elections on 3 January. While current House Minority Leader Kevin McCarthy is expected to prevail, he does not yet have the votes needed to win the seat and the election may not resolve on its first day.
- Committee assignments will be made in January

## 2022 Congressional Priorities

#### FY23 Appropriations

- On 15 Dec 2022, Congress passing another Continuing Resolution (CR) to fund the government through 23 Dec.
- Top appropriators reached an agreement on top-line spending levels for the roughly \$1.7 trillion package that will fund the government through next September.
- The bill is expected to be considered by the Senate by Thursday. The House will take it up before Friday and send it to the President to be signing into law.
- Please find the full details of the current FY23 Omnibus [here](#).



#### Impact to Veteran Owned Small Businesses

- Under a CR, the U.S. Government can only spend at the previous Fiscal Year levels, and no new programs are allowed to start.
- The CR included \$20 million for CVE so that the SBA can continue with the transfer and will not experience any delays in getting money due to the later appropriations deadline. This was something NVSBC and VSA pushed hard to support.
- If Congress approves the FY23 Omnibus this week, the entire Federal Government will be funded through 30 September 2023.



**FY23 National Defense Authorization Act (NDAA)**

- This month, both the House and Senate passed the FY2023 NDAA, which authorizes \$858 billion for national defense discretionary programs, an increase of \$45 billion over the President’s request.
- The FY23 NDAA has been sent to the President for signature into law. Signing expected between 20-23 December.

**Impact to Veteran Owned Small Businesses**

While the SDVOSB set aside language was not included in the final FY23 NDAA, the following provisions were included,

- **Sec. 871 - Codification of Small Business Administration Scorecard.** Codifies the Small Business Procurement Scorecard in the Small Business Act and requires additional information to provide more transparency regarding the contracting programs. (Bill Language [here](#))
- **Sec. 872 – Modification to the SBIR and STTR programs.** The agreement includes a technical amendment to carry out the due diligence assessment program included in the SBIR and STTR Extension Act of 2022 (Public Law 117-183), which passed in September. (Bill Language [here](#))
- **Sec. 873 - Access to data on bundled or consolidated contracts.** Strengthens SBA's report on contract consolidation under Section 15(p)(4) of the Small Business Act by requiring federal agencies to share bundling data with the SBA. There is currently no statutory requirement for federal agencies to share this data with the SBA. (Bill Language [here](#))
- **Sec. 874 - Small Business Integration Working Group.** Requires the Secretary of Defense to create a small business integration working group, to be led by the Director of the Department of Defense Office of Small Business Programs, to improve coordination of the Department of Defense's small business efforts. (Bill Language [here](#))
- **Sec. 875 - Demonstration of commercial due diligence for small business programs.** Require the Secretary of Defense to conduct a demonstration of commercial due diligence tools, techniques, and processes in order to support small businesses in identifying attempts by malicious foreign actors to gain undue access or foreign oversight, control, and influence over technology under development on behalf of the Department of Defense. (Bill Language [here](#))
- **Sec. 876 - Development and assessment of mission effectiveness metrics.** Requires additional data on Phase I, Phase II, and Phase III awards under the SBIR and STTR programs within each military department. The agreement includes the House provision with an amendment that would require the Department to develop and assess a mission effectiveness metric for the SBIR and STTR programs. (Bill Language [here](#))
- **Government Accountability Office report on Department of Defense contract financing and commercial best practices.** Requires a report assessing the DoD’s independent study to evaluate financing mechanisms available in the Department’s contracting toolbox to improve the effectiveness and efficiency of cash flow in the defense sector. We anticipate this study to provide useful findings and recommendations on the impact on small businesses (especially based on the amount and sufficiency of cash flowing down to small business subcontractors from their primes).



**NVSBC/VSA Congressional Outreach**

During the month of December, VSA has worked with NVSBC to track FY23 NDAA and Appropriations items of interest and continue to refine the list of FY24 legislative priorities.

**NVSBC is the Lifeline for the Veteran Small Business Community**

Facing the challenges of the COVID crisis and new funding initiatives, and the opportunities to support one another as Veterans always do, **NOW** is the time to **ACT**.

NVSBC needs **YOUR HELP** and **YOUR INVOLVEMENT!** Please **REACH OUT** to your fellow veteran business owners. Let them know that **HELP IS OUT THERE**. Let them know what we are doing to help them.

**ASK THEM TO JOIN NVSBC** today to be part of this great expansion!