



Strategy and Legislative Update March 2022



Welcome to the March 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 together 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 ■ Senate only in session ■ House only in session □ House committee work

March

		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		

March Outlook

- March 15 2022, FY2022 Omnibus signed into law and providing \$1.5T in U.S. Government funding
- White House Budget Chief Shalanda Young told Senators to expect Biden's FY 2023 budget in late March.

April

					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

April Outlook

- Senate Judiciary Committee Chair Dick Durbin (D-IL) said he wants to confirm Supreme Court Justice nominee Ketanji Brown Jackson by April 9.
- Congress will be in recess for two weeks in the middle of April.

2022 Congressional Priorities

FY22 Omnibus Appropriations

- On Tuesday, March 15, 2022, the President signed the 2,741-page FY22 Omnibus Appropriations bill to fund the entire government at \$1.5T through Sept 30, 2022.
- The FY22 Omnibus includes \$782 billion in defense funding – an increase of \$42 billion, 5.6 percent, over fiscal year 2021.
- The bill also provides \$730 billion in non-defense funding, a \$46 billion increase over fiscal year 2021. This 6.7 percent increase in non-defense funding is the largest in four years.

Next Steps/Impact

- Summaries and highlights of each spending bill can be found [here](#) on the House Appropriations Committee website.
- Program offices should start to receive their money in April 2022 and will need to move quickly to execute on FY22 funding with only half of the fiscal year remaining.
- Congress is now turning their attention to the start of the FY23 appropriations process. The FY23 President's budget request is anticipated to be released on or around March 21, 2022.





Competition with China

- As previously reported, Congress continues to work on a bill aimed at boosting domestic supply chains and scientific research to compete internationally, particularly with China.
- The bipartisan US Innovation and Competition Act (USICA) passed the Senate in June 2021 and authorizes more than \$120 billion over 5-years at the National Science Foundation (NSF), the Department of Commerce, and the Department of Energy. This is a large increase in NSF over 5-years. It takes the agency from \$8.5 billion in FY20 to \$21.3 billion in FY26. The Senate bill also includes \$52 billion for domestic semiconductor production and sets aside \$17.5 billion over 5-years for Defense Advanced Research Projects Agency (DARPA) (doubling the agency).
- The House response to the USICA, the America COMPETES Act, passed along party lines on Feb. 4 and includes \$52 billion in grants and subsidies for semiconductor makers and \$45 billion in grants and loans to support supply chain resilience. The House bill also includes a measure to reauthorize the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs.

Next Steps/Impact

- The House and the Senate are going to bring differences between the two bills to conference. The much larger and more partisan America COMPETES Act is likely going to lose a large number of provisions in this process before it is palatable for Senate passage.
- With the completion of the FY22 Omnibus, we anticipate a formal conference between the House and Senate will kick-off in March or April, however it will not be a quick process to reconcile the two bills and we do not anticipate this will move quickly.
- Neither of these bills provides funding, only authorizations. Once the final version of the bill is passed, in order for the agencies to actually receive funding, Congress will need to appropriate funds in a separate process.

Look Ahead: Crisis in the Ukraine

- The US and its allies have penalized Russia following the invasion of Ukraine, including through the exclusion of some Russian banks from SWIFT, constraints on tech exports, and sanctions on President Putin, close allies, and the sovereign wealth fund.
- The push to ban Russian oil imports began with a bipartisan bill introduced by Sens. Joe Manchin (D-WV) and Lisa Murkowski (R-AK), which was fast-tracked.
- While the White House had initially shown some resistance to the idea due to concerns around global energy supplies and rising gas prices, the Biden administration ultimately decided to move ahead with the ban on Russian oil without the participation of European allies.
- On the House side, the chamber passed legislation in a 414-17 vote to further isolate Russia; the measure puts lawmakers on the record and includes energy import bans and steps to exclude the country from the World Trade Organization.
- An energy import ban is largely symbolic as Russian oil represents less than 4% of U.S. consumption; the U.S. would lose 700,000 barrels of oil a day that could be replaced with oil from strategic reserves, Canada, Brazil, and Colombia.
- Congress also passed \$13.6 billion in humanitarian and defense aid to Ukraine as part of the FY2022 Omnibus.
- On March 16, 2022, Ukrainian President Volodymyr Zelensky made a rare wartime address by a foreign leader to both chambers of Congress, pleading with U.S lawmakers by video conference for more aid.

NVSBBC Outreach & Planning Sessions Led by VSA

- During March, VSA conducted several meetings and calls with NVSBBC and the Small Business Administration (SBA) regarding the Center for Verification and Evaluation (CVE) transfer and critical FY22 and FY23 funding shortfalls. VSA met with the Chairs and Ranking Member Offices of House and Senate Appropriation Committees and their professional staff to discuss the importance of proper funding for the CVE transfer. VSA is currently in the process of submitting FY23 appropriations requests to Congressional Members on the House and Senate Appropriations Committees to support \$20 million for the proper transfer of verification responsibilities to the SBA in FY23.



- VSA prepared materials for an NVSBC FY23 legislative submission to include an increase in SDVOSB set asides. VSA is in the process of submitting these FY23 legislative requests to Congressional leaders in the House and Senate Small Business Committees to request an increase in SDVOSB set asides (from 3% to 5%).
- VSA drafted and shared a letter from NVSBC to Senate and House leaders, and Chairs and Ranking Members of the Senate and House Appropriations Committees expressing strong support to reauthorize/extend the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs, which was included in America COMPETES Act. This measure was not part of the USICA bill passed by the Senate, and VSA requested the measure be included in final conference negotiations to support future SBIR/STTR awards.

SAVE THE DATE! PLAN TO ATTEND VETS22 and LAUNCH YOUR FUTURE!



MAY 17-20
ORLANDO, FL
★ ★ ★ ★
REGISTRATION
OPENS SOON
CLICK HERE
FOR MORE INFO

VETS22 is the Nation's Leading VSO-Sponsored Training, Networking, and Advocacy Conference for Small Businesses Serving as Government Contractors.

- Registration opens in January
- For **Sponsorship & Exhibitor Opportunities** contact scott.semples@nvsbc.org TODAY!

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!