

FEDERAL ALLIES INSTITUTE

General Services Administration
Regulatory Secretariat Division (MVCB)
ATTN: Lois Mandell
1800 F Street NW, 2nd Floor
Washington, DC 20405

February 4, 2019

RE: FAR Case 2016-011

Dear Ms. Mandell:

On behalf of the Federal Allies Institute (FAI), we are submitting comments in response to the above-referenced FAR case. FAI is a small business trade association formed in 2008 at the request of Joint Base Myer-Henderson Hall Directorate of Procurement to assist them and many other federal agencies, military, and small business entrepreneurs with federal contracting and acquisition best practices and Ethics. Its membership is comprised primarily of small business government contractors, including many Historically Underutilized Business Zone (HUBZone) small business concerns.

With regard to the proposed changes to FAR 52.219-4, the language set forth in FAR 52.219-4(e) does not appear to address performance of work requirements for HUBZone Joint Ventures in circumstances where one member to the Joint Venture is a non-HUBZone small business or a SBA-approved mentor. Specifically, the proposed rule appears to require that HUBZone member(s) of a joint venture must perform all work necessary to meet the limitation of subcontracting requirements set forth in 13 C.F.R. 125.6. If this is the FAR council's intent, the proposed change is inconsistent with the requirements applicable to joint ventures qualifying under other socioeconomic programs and does not align to the SBA regulations.

In light of this apparent inconsistency, will the FAR Council consider revising the language of FAR 52.219-4(e) in order to align the FAR clause to the applicable SBA requirements set forth in 13 C.F.R. 125.6 and 13 C.F.R. 126.616(d)(2) to state the requirement as follows:

For any HUBZone contract to be performed by a joint venture between a qualified HUBZone protégé and a small business concern or its SBA-approved mentor authorized by § 125.9 or § 124.520 of this chapter, the joint venture must perform the applicable percentage of work required by § 125.6 of this chapter, and the HUBZone SBC partner to the joint venture must perform at least 40% of the work performed by the joint venture.

Such a revision will create consistency in the requirements of the FAR and SBA regulations and will further provide clear guidance for compliance with limitations on subcontracting and performance of work requirements for HUBZone Joint Ventures.

Thank you for the opportunity to submit comments on this matter.

Sincerely,



Gabriel Fulton
FAI Chairman of the Board



Sean Milani-nia
FAI Government Relations Committee