

After delays, women's small business contracting program debuts

By Robert Brodsky rbrodsky@govexec.com February 4, 2011

A long-awaited women's small business contracting program finally took effect on Friday, after more than a decade of delays, rewrites and contentious litigation.

Qualifying companies now can begin registering to participate in the program, which allows contracting officers for the first time to set aside awards for women-owned small businesses, through a new [Small Business Administration Web page](#).

The program focuses on [83 industries](#) in which the Obama administration determined women are underrepresented in the federal contracting marketplace. Program participants will be eligible for set-aside contracts of less than \$3 million and \$5 million for manufacturing as long as they submit a "fair and reasonable price" and at least two or more women-owned small businesses submit offers, [SBA](#) said.

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The program also is expected to help agencies meet for the first time the statutory goal of awarding 5 percent of all contracting dollars to women-owned small businesses.

"Women-owned businesses are one of the fastest-growing sectors of the economy," said SBA Administrator Karen Mills. "As we continue to look to small businesses to grow, create jobs and lead America into the future, women-owned businesses will play a key role. That's why providing them with all the tools necessary to compete for and win federal contracts is so important. Federal contracts can provide women-owned small businesses with the oxygen they need to take their business to the next level."

SBA also provided [guidance](#) for companies interested in becoming an agency-approved third-party certifier for the program. Women-owned small businesses will be allowed to self-certify for the program, or be certified by a third party, such as an industry association. No third-party certifiers have been approved yet. Companies will be required to submit proof of eligibility to an online document repository that SBA will maintain.

The agency expects the contracting program to be fully executed during the next several months as it finalizes a change to the Federal Acquisition Regulation. During the ramp up period, SBA is encouraging small business owners to review the program requirements and to upload the required documentation to the repository.

Women-owned small businesses also must update their status in the Central Contractor Registration and the Online Representation and Certification Application to indicate to contracting officials that they are eligible to participate in the program. The [General Services Administration](#) is updating these online systems and is expected to complete the process in April.

In the coming months, SBA, in collaboration with the [Office of Federal Procurement Policy](#), the Defense Acquisition University and the Federal Acquisition Institute, will be conducting a number of training and outreach events to ensure that contracting officers and industry officials are familiar with the program, Mills said.

The first set of contracts through the program is expected to be awarded by the fourth quarter of fiscal 2011 -- typically the busiest period for contract awards.

To be eligible for the program, a firm must be 51 percent owned, controlled and primarily managed by one or more women who are U.S. citizens. The firm also must qualify as "small," according to SBA size standards, in its primary industry.

SBA officials identified the 83 eligible industries based on a combination of the share of contracting dollars awarded to women-owned firms and the share of contracts awarded. This final determination was a departure from the previous rule by President George W. Bush's administration, which identified only four industries in which women-owned small businesses were underrepresented, based solely on the share of contracting dollars.

In 2000, President Clinton signed the Equity in Contracting for Women Act, allowing the government to reserve contracts for women-owned small businesses in industries where females historically were underrepresented.

The program sputtered, however, during the Bush administration. A 2004 Women's Chamber of Commerce lawsuit forced Bush officials to draft a proposal for beginning the program. But the 2008 plan set off a firestorm of complaints from lawmakers and women's advocates, who accused SBA of choosing the narrowest methodology for determining underrepresentation. The Obama administration scrapped the Bush administration's proposals in 2009 and drafted a new, comprehensive rule.