



News Release

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SBA Submits Proposed Rule Regarding Women-Owned Small Business Contracting Procedures

WASHINGTON, DC — The U.S. Small Business Administration submitted a proposed rule for publication in the Federal Register regarding the creation of a women-owned small business (WOSB) contracting procedure on December 20, 2007. The rule is the direct result of a statutory study commissioned from the RAND Corporation.

The RAND study considered two methodologies, one based on the number of contracts to WOSBs and one based on the dollar amount of contracts to WOSBs. SBA selected the dollar amount to align with the federal government's goal of increasing the dollar amount of contracts to WOSBs. The RAND analysis found, using this methodology, that WOSBs participating in federal contracting were under-represented in certain industries. These industries are National Security and International Affairs; Coating, Engraving, Heat Treating, and Allied Activities; Household and Institutional Furniture and Kitchen Cabinet Manufacturing and; Other Motor Vehicle Dealer.

Under this proposed rule, a contracting officer in any federal agency could set aside contracts or work, but only within an industry in which WOSBs have been identified as under-represented or substantially under-represented. Only small businesses owned or controlled by economically disadvantaged women would then be eligible for these contracts.

Contracts or work under this rule may not to exceed \$3 million (\$5 million for manufacturing). Furthermore, prior to reserving a procurement exclusively for WOSBs, each agency is required to conduct an appropriate analysis of its own procurement history to determine whether there is sufficient evidence of relevant discrimination in that industry by the procuring agency.

The proposed rule is open to public comment for 60 days after its publication in the Federal Register.

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