



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

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Department of the Interior Acquisition Policy Release (DIAPR) 2009-03, Amendment 1

Subject: Small Business Competitiveness Demonstration Program (SBCDP)

Reference: Federal Acquisition Regulation Part 19

1. **Purpose:** This DIAPR provides updated guidance regarding the Small Business Competitiveness Demonstration Program (SBCDP). This policy release also supersedes DIAPR 2008-02.

2. **Effective Date:** Effective upon issuance. The instructions contained in this release are applicable to solicitations issued after receipt of this document.

3. **Expiration Date:** No expiration unless superseded or canceled.

4. **Background and Explanation:** Title VII of the Business Opportunity Development Reform Act of 1988, as amended (Public Law 100-656), established the SBCDP to allow testing of specified innovative procurement methods and procedures from January 1, 1989 through December 31, 1997. The Small Business Reauthorization Act of 1997, Public Law 105-135, established the program on a permanent basis. Section 821 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005, Public Law 108-375, amended Section 717 of the SBCDP Act of 1988 (15 U.S.C. 644 note). The program is implemented in FAR Subpart 19.10.

Participating agencies are required to monitor attainment of their small business participation goals and make adjustments in set-aside policy on an annual basis. The current goals for Designated Industry Groups (DIGs) are as follows:

Designated Industry Groups/Codes	Small Business Goal	Emerging Small Business Goal
Construction under NAICS Codes starting with 23****	40%	15%
Architect-Engineering (A-E) services (including surveying and mapping) under NAICS codes 541310, 541330, 541360, and 541370.	40%	15%
Refuse Systems and Related Services under NAICS Codes 562111, 562119, and 562219.	40%	15%
Non-nuclear Ship Repair under NAICS Code 33611	40%	15%
Landscaping and Pest Control Services under NAICS codes 561710 and 561730.	40%	15%

Accordingly, the Department has analyzed procurement activity for Fiscal Year 2008. Changes in set-aside policy are implemented based on attainment of 40% for each group and 35% for individual NAICS. The FY 2008 report for the Department (see Attachment 1), shows that the dollar value of awards to small businesses in the designated industry groups were as follows:

- a. DOI met the 40% goal for Construction, and the 35% goal for individual NAICS.
- b. DOI **did not** achieve the 40% goal for A&E.
- c. DOI met the 40% goal for Non Nuclear Ship Repair and the 35% goal for the individual NAICS.
- d. DOI met the 40% goal for Refuse Systems and Related Services and the 35% goal for the individual NAIC.
- e. DOI exceeded the 40% goal for Landscaping and Pest Control Services and the 35% goal for the individual NAICS.

5. **Action Required:** All bureaus and offices shall adjust their small business set-aside policy as follows:

Category/Code	Set-aside Adjustment
Construction	Use full and open competition and other methods except for small business set-asides.
A&E Services	<i>Use small business set-asides where possible and prudent.</i>
Non-Nuclear Ship Repair	Use full and open competition and other methods except for small business set-asides.
Refuse Systems	Use full and open competition and other methods except for small business set-asides.
Landscaping and Pest Control Services	Use full and open competition and other methods except for small business set-asides.

When set-asides are not permitted, the use of full and open competition applies to all DIGs procurements estimated to exceed the Reserve Amount for **Emerging Small Businesses**. Reserve Amounts are \$50,000 for A&E services and \$30,000 for the other DIGs. However, bureaus are authorized and encouraged to use the 8(a), HUBZone, and service-disabled veteran-owned business programs as an exception and alternative to full and open competition in this mode. (See FAR 19.1007(b)(2)).

6. **Additional Information:** Please contact Gary Wade, Office of Small and Disadvantaged Business Utilization on (202) 208-3493 or e-mail at gary_wade@ios.doi.gov if you should have any questions regarding the SBCDP.



Debra E. Sonderman, Director
Office of Acquisition and Property Management