



Weekly Report for June 22, 2018

GOVERNMENT CONTRACTING

White House Proposes a Massive Reorganization of Federal Agencies

According to an article in govexec.com, the Trump administration on Thursday released a blueprint for a massive overhaul of the federal bureaucracy, one that if implemented would touch virtually every agency and the way all Americans receive government services.

“This effort, along with the recent executive orders on federal unions, are the biggest pieces so far of our plan to drain the swamp,” said Office of Management and Budget Director Mick Mulvaney in a statement. “The federal government is bloated, opaque, bureaucratic and inefficient.”

Called “Delivering Government Solutions in the 21st Century,” the proposal contains many far-reaching recommendations, including:

- Privatizing the Postal Service.
- Merging the Education and Labor departments.
- Reorganizing safety-net programs into a Department of Health and Public Welfare.
- Creating a governmentwide public-private partnership office to improve services to citizens, and stewardship of public resources.
- Relocating more staff and offices outside the National Capital Region.
- Dramatically shrinking the Office of Personnel Management.
- Revamping the Army Corps of Engineers.

The plan, led by Mulvaney and based on the agency reorganization proposals he assigned governmentwide in April 2017, is also believed to be influenced by long-standing thinking among conservatives that welfare programs should be funded and managed together.

CAPITOL HILL

SBC Requests GAO Provide a Report on SBA’s Hurricane Disaster Relief Programs

On June 19, 2018, House Small Business Committee Chairman Steve Chabot and Ranking Member Nydia M. Velázquez announced that they sent a letter to the Honorable Gene L. Dodaro, Comptroller General of the United States at the United States Government Accountability Office, requesting a report on the Small Business Administration’s performance during the past hurricane season. “SBA is a resource for millions of people who have been victims of natural disasters across our nation,” said Chairman Steve Chabot. “As we examine disaster relief efforts at the SBA, it is critical that we have every piece of information from the past hurricane season at our disposal. We want to ensure that every opportunity to help is not overlooked or wasted as these communities that have been destroyed start to rebuild. I thank the Ranking Member for her persistence and passion as we tackle these pressing issues together.” You can find more information [here](#).

SBC Learns How Communities that Think Small–Win Big

On June 20, 2018, a House Small Business Committee panel heard testimony from community officials from across the United States on how their communities developed environments where small businesses can thrive. “Every small business ecosystem relies on a delicate balance of support and resources to survive,” said Chairman Steve Chabot. “The creation of a healthy ecosystem requires significant investment by all participants: small business owners, support organizations, and policymakers. Policymakers and support organizations, like the ones we have on this panel, have developed innovative strategies, resources, and measurements to ensure local small businesses are thriving.” “Building an ecosystem around your community’s unique advantages will prove more sustainable and impactful than placing a trend in the middle of your city,” said Ms. Vanessa Wagner, Small Business and Entrepreneurship Manager at the Loudoun County Department of Economic Development in Ashburn, VA. “One of the most important assets you have in building an entrepreneurial ecosystem is the businesses already there. The companies in your city provide the experience and talent to build the next generation of businesses.” You can find more information [here](#).

Cardin to Government Watchdog: How Will Army Restructuring Impact Small Businesses?

On June 14, 2018, the Government Accountability Office announced that it will investigate the impact a proposed U.S. Army restructuring will have on the Department of Defense’s critical small business research, development, and innovation programs, following a request from Senator Ben Cardin. In May, Senator Cardin, Ranking Member of the Senate Small Business Committee, asked GAO to examine the Army’s proposed new Futures Command, a modernization initiative reportedly funded by shifting funds out of science and technology programs that work with innovative small businesses. “It is estimated that 80 percent of funding for research and development programs will be reprogrammed” to pay for this restructuring, which may have a significant impact on small businesses, Senator Cardin wrote GAO. You can find more information [here](#).

Pending Nomination – Secretary of Veterans Affairs

On June 27, 2018, the Senate Committee on Veterans’ Affairs will hold a hearing to examine President Trump’s nomination of Robert Wilkie to be Secretary of Veterans Affairs. Mr. Wilkie recently served as Acting Secretary of Veterans Affairs in the absence of former Secretary David Shulkin. The hearing will take place at 2:30 p.m. in room G50 of the Dirksen Senate Office Building. You can watch a live stream of the hearing [here](#).

PILIEROMAZZA BLOGS

Don't Get Disqualified Because of Organizational Conflicts of Interest

By Michelle E. Litteken and Timothy F. Valley

A recent decision from the Government Accountability Office ("GAO") reiterates two important principles concerning organizational conflicts of interest ("OCIs"). First, proactive measures may allow a contractor to effectively mitigate and avoid an OCI. Second, appearances, innuendo, and suspicion are insufficient to establish that a contractor has an OCI. Hard facts are required. [\[More\]](#)

Doing Business Internationally? Litigation Just Became More Difficult!

By Matthew E. Feinberg

Over the last twenty years, the expanding world market has made it easier for domestic companies to conduct business overseas and with foreign corporations. Large and small businesses alike are going global, receiving and providing products, services, and intellectual property internationally. But, along with new international opportunities comes an increase in the complexity of business-to-business transactions. And, when business deals between domestic and foreign businesses go south, the legal implications become more difficult to navigate. [\[More\]](#)