



Weekly Report for November 4, 2016

DEPARTMENT OF DEFENSE

Withholding of Unclassified Technical Data and Technology from Public Disclosure

The Department of Defense (“DOD”) Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics has proposed a rule that establishes policy, assigns responsibilities, and prescribes procedures for the dissemination and withholding of certain unclassified technical data and technology subject to the International Traffic in Arms Regulations and Export Administration Regulations. It applies to DOD components, their contractors and grantees, and is meant to control the transfer of technical data and technology contributing to the military potential of any country or countries, groups, or individuals that could prove detrimental to U.S. national security or critical interests, [81 Fed. Reg. 75352](#). Comments to the proposed rule are due by December 30, 2016.

OTHER GOVERNMENT CONTRACTING NEWS

“‘Substantial progress’ in SBA goaling report accuracy: OIG.” *Set-Aside Alert*, Nov. 4, 2016: 1.

The SBA has collaborated with other agencies on data quality issues and improved digital tools and support to procurement personnel, helping improve the accuracy of its annual small business goaling report. A previous OIG report for fiscal 2014 found the SBA may have awarded more than \$400 million in small business contracts to ineligible firms and \$1.5 billion that may have incorrectly been credited to 8(a) small businesses. The OIG also encouraged the SBA to pursue litigation against small business federal contractors in cases involving small-dollar frauds.

“Judge dismisses ASBL lawsuit.” *Set-Aside Alert*, Nov. 4, 2016: 1.

Federal District Judge Vince Chhabria dismissed a lawsuit alleging that the SBA, by overstating its goal achievement, was defrauding small businesses out of federal contracts. While Lloyd Chapman, president of ASBL, argued the SBA is mandated by the Small Business Act of 1997 to award of minimum of 23% of all federal contracts to small businesses, Judge Chhabria stated the 23% threshold was a goal, not a requirement. Mr. Chapman said the ASBL will be appealing its case to the 9th Circuit Court of Appeals.

“Small Business Administration urges IRS to rethink estate tax rules.” *The Hill*, Nov. 1, 2016. Retrieved from <http://thehill.com>

The SBA’s Office of Advocacy submitted a letter to the Internal Revenue Service concerning a proposed rule to eliminate valuation discounts for generational transfers of businesses. Some congress members, including Senator Marco Rubio (R-Fla.) and Rep. Warren Davidson (R-Ohio), with the support of the U.S. Chamber of Commerce, have sponsored bills to stop the implementation of the rule, [81 Fed. Reg. 51413](#).

“OFCCP Names New Acting Director, to Begin Nov. 7.” *Federal Contracts Report*, Nov. 2016: 433-456.

The Office of Federal Contract Compliance Programs has named Thomas M. Dowd as the agency’s acting director. Mr. Dowd will serve until the new president appoints a labor secretary, who will then name a permanent director.