

PilieroMazza Weekly Update for Government Contractors and Commercial Businesses June 21, 2019

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SMALL BUSINESS PROGRAMS & ADVISORY SERVICES

Small Business Administration – The SBA issued a proposed rule amending and updating its regulations for the 7(a) Loan <u>Program</u>. The proposed rule will implement the Small Business 7(a) Lending Oversight Reform <u>Act</u> of 2018 and update the SBA's regulations pertaining to supervision of all lenders participating in SBA's business loan programs. Comments to the proposed rule are due August 20, 2019. <u>84 Fed. Reg. 120, 29092</u>.

The SBA also published a <u>notice</u> detailing the availability of a survey pertaining to the SBA Microloan Program. The John S. McCain National Defense Authorization Act for Fiscal Year 2019 requires the SBA to conduct a study of microenterprise participation, so, to meet the requirement, the SBA created the survey, which is to be completed by SBA Microloan Intermediaries and entities that are eligible to become Intermediaries.

WEBINAR: Everything You Need to Know about SBA's Manufacturer and Non-Manufacturer Rules, July 17, 2019, Speakers, Jonathan Williams and Timothy Valley. [More Info].

FALSE CLAIMS ACT

Department of Justice – The DOJ <u>announced</u> that International Business Machines Corporation (IBM) and Cúram Software agreed to pay \$14.8 million to settle alleged violations of the False Claims Act arising from material misrepresentations to the State of Maryland during the Maryland Health Benefit Exchange contract award process for the development of Maryland's Health Insurance Exchange website and IT platform.

Learn from Others' Mistakes and Avoid an FCA Claim, June 20, 2019, <u>Michelle Litteken</u> The recent settlement reached by International Business Machines Corporation (IBM), Cúram Software Ltd. (Cúram), and the Department of Justice provides a useful lesson for government contractors especially contractors in the healthcare industry. [<u>Read More</u>].

GOVERNMENT CONTRACTS LAW

Department of Defense – According to Law360, DoD contractors can claim the costs of bringing their cybersecurity programs in line with the DoD's requirements. Law360 reported that Katie Arrington, the



DoD Special Assistant for Cybersecurity who aids the Assistant Secretary of Defense for Acquisition, commented at the Professional Services Council's Federal Acquisition Conference that costs associated with improving cybersecurity are reimbursable for defense contractors; she further stated that "[s]ecurity is an allowable cost."

The DoD also published a <u>notice</u> in the Federal Register that the Military Surface Deployment and Distribution Command (SDDC) is conducting an Open Season, effective June 3, 2019 through February 29, 2020, which affects domestic motor Transportation Service Providers (TSPs) only. The SDDC's Open Season is a chance for transportation professionals who would like to move military freight to start a working-relationship with the SDDC.

EVENT: WOSB Program Training, 2019 Women Impacting Public Policy (WIPP) Business Leadership Conference, June 24, 2019, Speaker, <u>Megan Connor</u>. [More Info].

LABOR & EMPLOYMENT LAW

National Labor Relations Board – According to Bloomberg Government, the NLRB ruled that employers can expel nonemployees who engage in union promotion in public areas of their facility, as long as the employer has a rule against soliciting, and the rule applies to everyone. In the specific case, the NLRB ruled that UPMC Presbyterian Shadyside Hospital in Pittsburgh was within its rights when it ejected SEIU Healthcare Pennsylvania organizers from its hospital cafeteria.