**SUPPORTING STATEMENT**

**FOR PAPERWORK REDUCTION ACT SUBMISSION**

**9000-0163, Small Business Size Representation**

1. **Justification.**

**1.** **Circumstances that make the collection of information necessary.**  This information collection is required because Federal Acquisition Regulation (FAR) 19.301 and FAR 52.219–28, Post-Award Small Business Program Representation implement the Small Business Administration (SBA) Final Rule, “Small Business Size Regulations; Size for Purposes of Government-Wide Acquisition Contracts, Multiple Award Schedule Contracts and Other Long-Term Contracts; 8(a) Business Development/Small Disadvantaged Business; Business Status Determinations.” FAR 19.301 and FAR 52.219–28 requires that contractors re-represent size status by updating their representations and certifications at the prime contract level in the Online Representations and Certifications Application (ORCA), and notify the contracting office that it has made the required representation.

2. **Uses of information.** The purpose of implementing small business rerepresentation in the FAR is to ensure that small business size status is accurately represented and reported over the life of long-term contracts. The FAR also provides for provisions designed to ensure more accurate reporting of size status for contracts that are novated, merged or acquired by another business. This information is used by SBA, Congress, Federal agencies and the general public for various reasons such as determining if agencies are meeting statutory goals, set-aside determinations, and market research.

3. **Consideration of information technology**. We use improved information technology to the maximum extent practicable. Where both Government agencies and contractors are capable of electronic interchange, contractors may submit this information collection requirement electronically. In addition, contractors are able to use the Central Contractor Registration (CCR), Online Representations and Certifications Application (ORCA) and online solicitations and modifications.

4. **Efforts to identify duplication**. This rule is necessary to implement the SBA final rule into the FAR. The FAR standardizes Federal procurement practices and eliminates unnecessary duplication.

5. **If the collection of information impacts small businesses or other entities, describe methods used to minimize burden.** Small businesses and other entities are required to rerepresent size status. The burden on Federal contractors is minimal because contractors can use ORCA which requires small businesses placing offers on Federal contracts to electronically certify their status for the specific NAICS code contained in the solicitation. In addition, small businesses must review and update the data, at the minimum, on an annual basis.

6**. Describe consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently.** Without the information collection covered by this clearance, the Federal Government will be unable to ensure accurate reporting of small business data used to report small business and other socioeconomic programs to Congress.

1. **Special circumstance for collection.** Collection is consistent with the guidelines in 5 CFR 1320.6.

8. **Efforts to consult with persons outside the agency.** A notice was and request for comments was published in the *Federal Register* at 77 FR 13329, on March 6, 2012. No comments were received.

1. **Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or guarantees.** There will be no payment or gift to respondents, other than remuneration of contractors.
2. **Describe assurance of confidentiality provided to respondents.** Information concerning a firm's size status will be in accordance with procedures being developed by the Small Business Administration. As applicable, information collected will be subject to review and release in accordance with the Freedom of Information Act.
3. **Additional justification for questions of a sensitive nature.** No questions of a sensitive nature are asked.

12. **Estimated total annual public hour burden and cost burden.** Estimated total annual burden to the public applies to long-term contracts (a contract of more than five years in duration, including options) and to contracts that are novated, merged, or acquired. The Contractor is required to represent to the Contracting Officer by validating or updating its representations in the Online Representations and Certifications Application and its data in Central Contractor Registration. The Contractor is required to notify the contracting officer by e-mail, or otherwise in writing, that the rerepresentations have been made, and provide the date on which they were made. It is estimated that approximately 10,000 will recertify in a year.

# **Rerepresentation on long-term contracts, acquisitions, mergers and novations:**

 a. Number of respondents: 10,000

 b. Responses per respondent: x 1

 c. Total annual responses: 10,000

 d. Hours per response: x .5

 e. Total hours: 5,000

 f. Hourly rate($22.57 + 33% OH)\*: × $ 30

 g. Total Cost 150,000

Task is expected to be accomplished by midlevel personnel equivalent to a GS-9, Step 5, of $22.57, plus overhead of 33%, rounded to the nearest dollar.

**13.** **Capital start-up or operational land maintenance costs.** We do not estimate any annual cost burdens other than the burdens we describe in items 12 and 14.

**14.** **Estimated cost to the Government.** Government hours per response are based on the time required to review the rerepresentation and if necessary, modify the contract.

**Estimate of annualized costs to the Federal Government.**

 a. Total annual responses**: 10,000**

 b. Hours per response: x 2

 c. Total hours: 20,000

 d. Average cost per hour: x 30

1. Total annual cost to

 Government: **$600,000**

Task is expected to be accomplished by midlevel personnel equivalent to a GS-9, Step 5, of $22.57, plus overhead of 33%, rounded to the nearest dollar.

**15.** **Explain reasons for program changes or adjustment reported in Item 13 or 14.** This submission requests an extension of OMB approval of an information collection requirement in the FAR. The information collection requirement in the FAR remains unchanged.

**16.** **Outline plans for published results of information collection.** There are no plans to publish the results of this collection of information.

**17.** **Approval not to display expiration date.** DoD, GSA and NASA are not seeking such approval.

**18.** **Explanation of exception to certification statement.** There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.

**B. Collections of Information Employing Statistical Methods.**

Statistical methods are not used in this information collection.