

**Supporting Statement for Information Collection,
OMB Control No. 9000-0163
Small Business Size Representation**

A. Justification.

1. Circumstances that make the collection of information necessary. The Small Business Administration (SBA) regulation at 13 CFR 121.404(g) require that a concern that initially represented itself as small at the time of its initial offer, must recertify its status as a small business under the following circumstances:

- Within thirty days of an approved contract novation;
- Within thirty days in the case of a merger or acquisition, where contract novation is not required; or
- Within 120 days prior to the end of the fifth year of a contract, and no more than 120 days prior to exercising any option thereafter.

The implementation of SBA's regulation in section 19.301 of the Federal Acquisition Regulation (FAR) and FAR 52.219-28, Post-Award Small Business Program Representation requires that contractors rerepresent size status by updating their representations at the prime contract level in the Representations and Certifications section of the System for Award Management (SAM), and notifying the contracting officer that it has made the required rerepresentation.

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 Representations and Certifications section in the System for Award Management (SAM) and online solicitations and modifications.

4. Efforts to identify duplication. This requirement is issued under the FAR which has been developed to standardize Federal procurement practices and eliminate 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 SAM, the use of which is required for small businesses placing offers on Federal contracts to electronically certify their status for the specific North American Industry Classification System (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.

7. Special circumstance for collection. No special circumstances for collections exist.

8. Efforts to consult with persons outside the agency. A notice and request for comments was published in the Federal Register at 80 FR 8651, on February 18, 2015, and again at 80 FR 25293, on May 4, 2015. No comments were received.

9. 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.

10. Describe assurance of confidentiality provided to respondents. Information concerning a firm's size status is disclosed only to the extent consistent with prudent business practices and current regulations.

11. Additional justification for questions of a sensitive nature. No questions of a sensitive nature are asked.

12 & 13. 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 rerepresent to the Contracting Officer by validating or updating its representations in the Representations and section of SAM. 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 1,700 will recertify in a year.

Rerepresentation on long-term contracts, and other contracts as a result of acquisitions, mergers, and novations:

Number of respondents:	1,700
Responses per respondent:	<u>x 1</u>
Total annual responses:.....	1,700
Hours per response:.....	<u>x .5</u>
Total hours:.....	850
Hourly rate(\$22.57 + 33% OH)*:	<u>x \$ 31</u>
Total Annual Cost.....	\$26,350

Task is expected to be accomplished by midlevel personnel equivalent to a GS-9, Step 5, of \$23.02, plus overhead of 33%, rounded to the nearest dollar.

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

Total annual responses:.....	1,700
Hours per response:.....	<u>x 2</u>
Total hours:.....	3,400
Average cost per hour:.....	<u>x \$31</u>
Total annual cost to Government:	\$105,400

Task is expected to be accomplished by midlevel personnel equivalent to a GS-9, Step 5, of \$23.02, plus overhead of 33%, rounded to the nearest dollar.

15. Explain reasons for program changes or adjustment reported in Item 13 or 14. The Federal Procurement Data System (FPDS) provides a comprehensive web-based tool for agencies to report contract actions. Among these contract actions are modifications executed to reflect the size status rerepresentations required by FAR clause 52.219-28. With FPDS, the Government is able to obtain a more accurate number of rerepresentations that are done in a given year. In Fiscal Year (FY) 2014, FPDS shows 1,673 rerepresentation modifications were executed. The FY 2014 FPDS data is used to estimate the approximate number of responses for this collection: 1,700. This is a reduction from the 10,000 responses that was estimated for the current collection. The number of hours per response remains unchanged. Based on the updated number of responses, this information collection will result in a total of 850 hours, a reduction of 4,150 hours from the annual reporting burden published in the Federal Register at 77 FR 30265, on May 22, 2012 (5,000 hours).

16. Outline plans for published results of information collection. Results of this information collection will be published. The Public will be able to access the information through a Government hosted website.

17. Approval not to display expiration date. Not applicable.

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.