

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

A. Justification.

1. Circumstances that make the collection of information necessary. The Small Business Administration (SBA) regulation at 13 CFR 121.404(g) requires 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 Rerepresentation 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, or performed by small businesses that have merged with or been 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, making set-aside determinations, and conducting 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 exist for this collection.

8. Efforts to consult with persons outside the agency. A notice published in the *Federal Register* at 83 FR 11202, on March 14, 2018. No comments were received. A 30-day notice was published in the *Federal Register* at 83 FR 27004 on June 11, 2018. No comments were received.

9. Explanation of any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees. 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 (i.e., contracts of more than five years in duration, including options) and to contracts that are novated or performed by small businesses that have merged with, or been acquired by, another business. The contractor is required to rerepresent to the contracting officer by validating or updating its representations in the Representations and Certifications 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 2,200 will recertify in a year.

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

Number of respondents:2,200
Responses per respondent:x 1
Total annual responses:.....2,200

Hours per response:..... $\times .5$
 Total hours:..... 1,100
 Hourly rate (\$27.48 + 36.25% OH)*: $\times \$ 37$
 Total Annual Cost.....\$40,700

*Task is expected to be accomplished by midlevel personnel equivalent to a GS-9, Step 5, of \$27.48, plus overhead of 36.25%, 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:.....2,200
 Hours per response:..... $\times 2$
 Total hours:.....4,400
 Average cost per hour:..... $\times \$37$
 Total annual cost to Government:\$162,800

Task is expected to be accomplished by midlevel personnel equivalent to a GS-9, Step 5, of \$27.48, plus overhead of 36.25%, rounded to the nearest dollar. The cost per response is approximately \$18.50.

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) 2017, FPDS shows 2,156 rerepresentation modifications were executed. The FY 2017 FPDS data is used to estimate the approximate number of responses for this collection: 2,200. This is an increase from the 1,700 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 1,100 hours, an increase of 250 hours from the annual reporting burden published in the *Federal Register* at 80 FR 25293, on May 4, 2015 (850 hours).

The average cost per hour has increased from \$31 to \$37 due to an increase in the hourly rate for a GS-9, Step 5, and an increase in the overhead rate. A 36.25% rate is used in lieu of 33% based on the rate from the Office of Management and Budget Circular A-76, Attachment C.

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.