## **Department of Defense**

- (ii) Include the clause at 252.219-7009, which allows for direct award to the 8(a) contractor, and identify the cognizant SBA district office for the 8(a) contractor:
- (iii) No SBA contract number is required; and
- (iv) Do not require an SBA signature on the award document.
- [63 FR 33588, June 19, 1998, as amended at 67 FR 11437, Mar. 14, 2002; 67 FR 49256, July 30, 2002]

#### 219.811-2 Competitive.

Awards made under the PA cited in 219.800 shall be prepared in accordance with 219.811-1.

[63 FR 33588, June 19, 1998, as amended at 67 FR 11437, Mar. 14, 2002; 67 FR 49256, July 30, 2002]

#### 219.811-3 Contract clauses.

- (1) Use the clause at 252.219–7009, Section 8(a) Direct Award, instead of the clauses at FAR 52.219–11, Special 8(a) Contract Conditions, FAR 52.219–12, Special 8(a) Subcontract Conditions, and FAR 52.219–17, Section 8(a) Award, in solicitations and contracts processed in accordance with the PA cited in 219.800.
- (2) Use the clause at FAR 52.219–18, Notification of Competition Limited to Eligible 8(a) Concerns, with 252.219–7010, Alternate A, in solicitations and contracts processed in accordance with the PA cited in 219.800.
- (3) Use the clause at 252.219–7011, Notification to Delay Performance, in solicitations and purchase orders issued in accordance with 219.804–2(2).

[63 FR 33588, June 19, 1998, as amended at 67 FR 11437, Mar. 14, 2002]

# 219.812 Contract administration.

(d) Awards under the PA cited in 219.800 are subject to Section 407 of Pub. L. 100–656. These contracts include the clause at 252.219–7009, Section 8(a) Direct Award, which requires the 8(a) contractor to notify the SBA and the contracting officer when ownership of the firm is being transferred.

 $[63\ FR\ 33588,\ June\ 19,\ 1998,\ as\ amended\ at\ 67\ FR\ 11437,\ Mar.\ 14,\ 2002]$ 

# Subpart 219.10—Small Business Competitiveness Demonstration Program

#### 219.1005 Applicability.

- (a)(i) Architect-engineering services in support of military construction projects or military family housing projects are exempt from the Small Business Competitiveness Demonstration Program, except for the emerging small business (ESB) set-aside requirements. Accordingly, these shall—
- (A) Be reviewed for possible award under the  $\vartheta(a)$  Program regardless of dollar value.
- (B) Not be set aside for small business if the estimated value is \$85,000 or more (including indefinite delivery-indefinite quantity contracts if the value of all anticipated orders exceeds \$85,000).
- (C) Be considered for ESB set-aside if the estimated value is both less than the emerging small business reserve amount and less than \$85,000.
- (D) Be considered for small business set-aside if the estimated value is less than \$85,000, regardless of whether small business set-asides for other architect-engineer services are prohibited under the Small Business Competitiveness Demonstration Program, when an ESB set-aside is not appropriate.
- (ii) All requirements of the Small Business Competitiveness Demonstration Program apply to architect-engineer services in support of other than military construction projects or military housing objects, which otherwise meet criteria in FAR subpart 19.10.
- (b) The targeted industry categories for DoD are:

North American Industry Classi- fication System (NAICS) Descrip- tion	NAICS Code
(1) Pharmaceutical Preparation Manufacturing	325412
<ul><li>(2) Ammunition (except Small Arms) Manufacturing</li></ul>	332993
Manufacturing(4) Turbine and Turbine Generator	332995
Set Unit Manufacturing	333611
Parts Manufacturing	336412

#### 219.1007

North American Industry Classi- fication System (NAICS) Descrip- tion	NAICS Code
(ii) Research and Development in the Physical, Engineering,	
and Life Sciences (Aircraft	
Engines and Engine Parts	
only)	54171
(6)(i) Guided Missile and Space Ve-	
hicle Manufacturing	336414
(ii) Research and Development in the Physical, Engineering,	
and Life Sciences (Guided	
Missiles and Space Vehicles	
only)	54171
(7)(i) Other Guided Missile and	
Space Vehicle Parts and Auxil-	
iary Equipment Manufacturing	336419
(ii) Research and Development in the Physical, Engineering,	
and Life Sciences (Guided	
Missile and Space Vehicle	
Parts and Auxiliary Equip-	
ment only)	54171
(8) Military Armored Vehicle, Tank	
and Tank Component Manufac-	336992
turing	330992
and Instrument Manufacturing	334511
(10)(i) Cellular and Other Wireless	001011
Telecommunications	513322
(ii) Satellite Telecommuni-	
cations	51334
(iii) Other Telecommunications	51339

[56 FR 36353, July 31, 1991, as amended at 59 FR 27670, May 27, 1994; 62 FR 34122, June 24, 1997; 63 FR 41974, Aug. 6, 1998; 65 FR 50149, Aug. 17, 2000; 66 FR 49861, Oct. 1, 2001]

#### 219.1007 Procedures.

(b)(1) The Director, Small and Disadvantaged Business Utilization, Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) (OUSD(AT&L)), will determine whether reinstatement of small business setasides is necessary to meet the agency goal and will recommend reinstatement to the Director of Defense Procurement (OUSD(AT&L)). Military departments and defense agencies shall not reinstate small business set-asides unless directed by the Director of Defense Procurement.

(d) Reporting requirements are at 204.670-2.

[65 FR 39705, June 27, 2000]

# Subpart 219.11—Price Evaluation Adjustment for Small Disadvantaged Business Concerns

#### 219.1102 Applicability.

(b) The price evaluation adjustment also shall not be used in acquisitions that are for commissary or exchange resale

[63 FR 41974, Aug. 6, 1998]

# Subpart 219.12—Small Disadvantaged Business Participation Program

SOURCE: 63 FR 64429, Nov. 20, 1998, unless otherwise noted.

# 219.1203 Incentive subcontracting with small disadvantaged business concerns.

The contracting officer shall encourage increased subcontracting opportunities for SDB concerns in negotiated acquisitions by providing monetary incentives in the North American Industry Classification System Industry Subsectors for which use of an evaluation factor or subfactor for participation of SDB concerns is currently authorized (see FAR 19.201(b)). Incentives for exceeding SDB subcontracting targets shall be paid only if an SDB subcontracting target was exceeded as a result of actual subcontract awards to SDBs, and not a result of developmental assistance credit under the Pilot Mentor-Protégé Program (see Subpart 219.71).

[63 FR 64429, Nov. 20, 1998, as amended at 65 FR 50149, Aug. 17, 2000]

# 219.1204 Solicitation provisions and contract clauses.

(c) The contracting officer shall, when contracting by negotiation, insert in solicitations and contracts containing the clause at FAR 52.219-25, Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting, a clause substantially the same as the clause at FAR 52.219-26, Small Disadvantaged Business Participation Program-Incentive Subcontracting, when authorized (see FAR