

### **3.6.1-3 Use of Small Business Concerns** (February 2003)

(a) It is the policy of the Transportation Security Administration (TSA) that small business concerns, small disadvantaged business concerns, HUBZone small business concerns, veteran-owned small business concerns, service-disabled veteran owned small business concerns, and women-owned small business concerns shall be provided the opportunities to participate in performing TSA contracts, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the TSA that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with these small business concerns.

(b) The Contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. The Contractor further agrees to cooperate in any studies or surveys conducted by the TSA as may be necessary to determine the extent of the Contractor's compliance with this clause.

(c) *Definitions.* As used in this contract:

"HUBZone small business concern" means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

"Service-disabled veteran-owned small business concern" –

(1) Means a small business concern –

(i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veteran; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans, or in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a small business as defined pursuant to Section 3 of the Small Business Act, and relevant regulations promulgated pursuant thereto.

"Small disadvantaged business concern" means a small business concern that represents, as part of its offer that –

(1) It has received certification as a small disadvantaged business concern consistent with 13 CFR part 124, Subpart B:

(2) No material change in disadvantaged ownership and control has occurred since its certification;

(3) Where the concern is owned by one or more individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(4) It is identified, on the date of its representation, as a certified small disadvantaged in the database maintained by the Small Business Administration (PRO-Net).

“Veteran-owned small business concern” means a small business concern –

(1) Not less than 51 percent of which is owned by one or more veterans (as defined in 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

(2) The management and daily business operations of which are controlled by one or more veterans.

“Women-owned small business concern” means a small business concern –

(1) That is at least 51 percent owned by one or more women, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

(d) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as a small business concern, a small disadvantaged business concern, a veteran-owned small business concern, a service-disabled veteran owned small business concern, a HUBZone small business concern or a women-owned small business concern.

**(End of clause)**

### **PRESCRIPTION**

Should be used in RFP/RFI's and contracts when the contract amount is expected to exceed \$500K, and there are subcontracting opportunities.