



# Legislative Update

MSFC SBELT 23 April 2024



# Topics for Conversation

- Corporate Transparency Act**
- Pay Transparency Requirements**
- FAR Part 40, Information Security and Supply Chain Security**
- Status Updates & Reminders**
  - Section 174 Mandatory Amortization of R&E and SW Development Cost
  - SBA Proposed Rule on Program Changes for Justice Impacted Individuals
  - Credit for Lower-Tier Small Business Subcontracting
  - State of Alabama Overtime Tax Exemption
  - GSA OASIS+
  - GSA MAS

# Corporate Transparency Act (CTA)

- ❑ Effective 1 Jan 2024.
- ❑ Many small businesses will be non-exempt entities and must report Beneficial Ownership Information (BOI) with the U.S. Department of Treasury's Financial Crimes Enforcement Network (FinCEN).
- ❑ 23 categories of exempted entities. One is a large operating company if it:
  - (1) employs more than 20 full-time employees in the United States,
  - (2) has an operating presence at a physical office within the US, and
  - (3) has filed a federal income tax or information return in the US for the previous year demonstrating more than \$5M in gross receipts/sales.
- ❑ Reporting Timeline - A domestic reporting company created before 1 Jan 2024 must file its initial report by 1 Jan 2025.

# Pay Transparency Proposed Rule

## Proposed Rule RIN 9000-A069

DoD, GSA, and NASA are proposing to amend the FAR to implement a Governmentwide policy:

- Would prohibit contractors and subcontractors from seeking and considering information about job applicants' compensation history when making employment decisions for certain positions.
- Under the proposed policy and the proposed regulatory amendments, contractors and subcontractors would also be required to disclose the compensation to be offered to the hired applicant in job announcements for certain positions.
- Would establish a new FAR subpart 22.XX entitled "Prohibition On Compensation History Inquiries and Requirement For Compensation Disclosures By Contractors".

# FAR Part 40, Information Security and Supply Chain Security

## Final Rule RIN 9000-A047

- ❑ DoD, GSA, and NASA are amending the FAR to add the framework for a new FAR part 40, which will contain the policies and procedures for managing information security and supply chain security when acquiring products and services.
- ❑ The creation of this new FAR part does not implement any of the policies or procedures related to managing information security and supply chain security. **The rule simply establishes the new FAR part.**
- ❑ Relocation of the related existing policies or procedures will be done through separate rulemaking.

# Section 174 Mandatory Amortization of R&E and SW Development Cost

## Legislative Fixes still in process:

H.R. 2673 - *American Innovation and R&D Competitiveness Act of 2023*  
(**Repeal**)

- 218 Current Co-sponsors (116 Republican , 102 Democratic)

S.866 - American Innovation and Jobs Act (**Repeal**)

- 43 Current Co-sponsors (22 Republican, 19 Democratic, 2 Independent)

The Tax Relief for American Families and Workers Act of 2024

- Passed House
- Senate - 03/21/2024. Placed on Senate Legislative Calendar under General Orders. Calendar No. 349

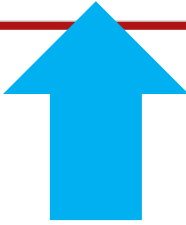
# Criminal Justice Reviews for the SBA Business Loan Programs and Surety Bond Guaranty Program

## Proposed Rule RIN 3245-AI03

- SBA “Ban the Box” initiative, part of the Biden-Harris Administration’s latest efforts to expand access to the more than \$700 billion in federal SB contracts to individuals from underrepresented communities:
  
- If finalized, the new rule will:
  1. Remove most restrictions on loan programs that are based on an applicant’s criminal record.
  2. Remove criminal history questions on SBA loan applications (i.e. “Ban the Box”).

# Credit for Lower-Tier Small Business Subcontracting

2023-009	19, 52	(S) Credit for Lower-Tier Subcontracting	Implements section 1614 of the NDAA for FY 2014 (Pub. L. 113-66), as implemented in SBA's final rule published on December 23, 2016 (81 FR 94246), and section 870 of the NDAA for FY 2020 (Pub. L. 116-92) as implemented in SBA's final rule published on October 11, 2023 (88 FR 70339), which allows prime contractors to receive credit toward goals in their small business subcontracting plans for subcontracts awarded by their subcontractors.	03/08/2023 DARC Director tasked Acquisition Small Business (FAR) Team to draft proposed FAR rule. Report due 05/03/2023. Report due date extended to 05/01/2024.
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**Report due date extended to 5/01/2024.**



# State of Alabama Overtime Tax Exemption

Alabama Department of Revenue

- Effective 1 January 2024.
- Must segregate overtime pay from regular pay.

## Overtime Pay Exemption\* Reporting Guidance and FAQs

For the tax year beginning on or after January 1, 2024, overtime pay received by a full-time hourly wage paid employee for hours worked above 40 in any given week are excluded from gross income and therefore exempt from Alabama state income tax. Tied with this exemption are employer reporting requirements to ALDOR. Employers are required to report the total aggregate amount of overtime paid and the total number employees who received overtime pay.

# GSA OASIS+ Update

[Interact \(gsa.gov\)](https://www.gsa.gov)

- Post closing solicitation Amendment 0006 (15 May 2024) incorporating the requirements of FAR Case 2020-11 (Federal Acquisition Supply Chain Security) and updating additional information in all six OASIS+ solicitations.
- Response to Amendment 0006 is mandatory.**
- Offerors that do not respond to the amendment will be removed from award consideration.**

# GSA MAS Update

**The FAS Catalog Platform (FCP) will be replacing the Schedule Input Program (SIP) for maintaining pricelists on GSA Advantage and eLibrary.**

- ❑ FCP combines, consolidates, and replaces the Price Proposal Template (PPT) and SIP templates.
- ❑ Timeline for transition to FCP:
  - Products were piloted in 2023 and a broader rollout began in Q1 2024.
  - **Services will be piloted in 2024 and a broader rollout will begin in 2025.**
- ❑ Transition Information:
  - FCP will integrate with eMod.
  - Contractors will be required to submit a modification in eMod and upload the new Services Plus File and/or the Products File to replace their current Price Proposal Templates (PPT) and transition to FCP.
  - When modifications are approved, FCP will automatically publish the approved updates to GSA Advantage and eLibrary.

# AVISTA Points of Contact

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- Mary Griffith  
[mary.griffith@avistastrategies.com](mailto:mary.griffith@avistastrategies.com)
- Ashton Stafford  
[ashton.stafford@avistastrategies.com](mailto:ashton.stafford@avistastrategies.com)

**[www.avistastrategies.com](http://www.avistastrategies.com)**

