

Client Alert

SBA Modifies Time At Which Size Status Is Determined

December 12, 2006

On November 15, 2006, the Small Business Administration ("SBA") amended its regulations (effective June 30, 2007) to require that (1) within 30 days of a merger, acquisition, or approved novation, a contractor must recertify its size status or inform the contracting agency that it is other than small; and (2) for contracts with durations of more than 5 years (including multiple award schedule contracts, MACs, and GWACs), the contractor must recertify its size status no more than 120 days prior to the end of the fifth year of the contract and no more than 120 days prior to the exercise of any option thereafter. A contractor's inability to recertify small business size status will not render the contractor ineligible to continue performance or require termination of the affected contract(s), but the contracting agency will no longer be able to count options or orders under such contracts towards its small business goals.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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