

U.S. Small Business Administration



Mentor-Protégé Program Changes

New Developments: Autumn 2020

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Why This Happened

January 2017: Trump signs <u>EO 13771</u>, streamlining redundant government functions and repetitive paperwork.

The SBA reviewed programs and legislation for verbiage and undue administrative burden.

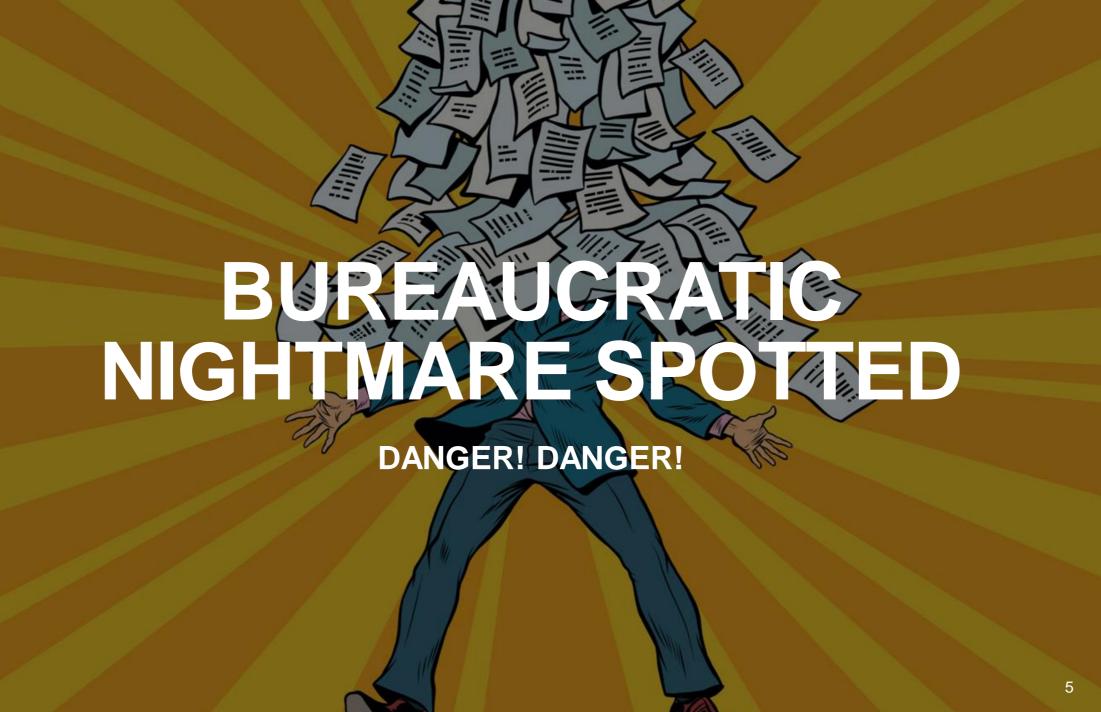
"All Small" Versus "8(A)"

Findings:

Both All Small and the 8(A) Business Development program

HAD THEIR OWN MENTOR-PROTÉGÉ PROGRAMS

administered differently by different staff in different places!



The Big Fix



• To "clean up" this duplication of effort, SBA released FINAL RULE in *Federal Register* October 16, 2020.

The following changes become official NOVEMBER 16, 2020.

Mentor-Protégé Program Benefits



Business Development for the small firm



Exclusion from normal affiliation rules



8(A) MPs can seek 8(A) contracts

Change One: 8(A) and **ASMPP** Merge

- All Small and 8(A) Mentor Protégé programs MERGE into ONE
- ABOLISHES the 20-year-old 8(A) program.
- All current 8(A) MPs now serve as All Small MPs [same expiration].
- Firms can participate in TWO MPs.

Change Two: Affiliation

Protégés cannot be considered affiliated with mentor solely based on the assistance received through the program.

Affiliation presumed if 70% of a firm's revenue is derived from another for the prior three years.

This may be rebutted.



Change Three: Joint Ventures

New Rule:

- 8(A) firms DO NOT present a Joint Venture to SBA for review and approval before award.
- Joint Ventures between MP participants and others no different.

Change Four: Recertifications and Credit

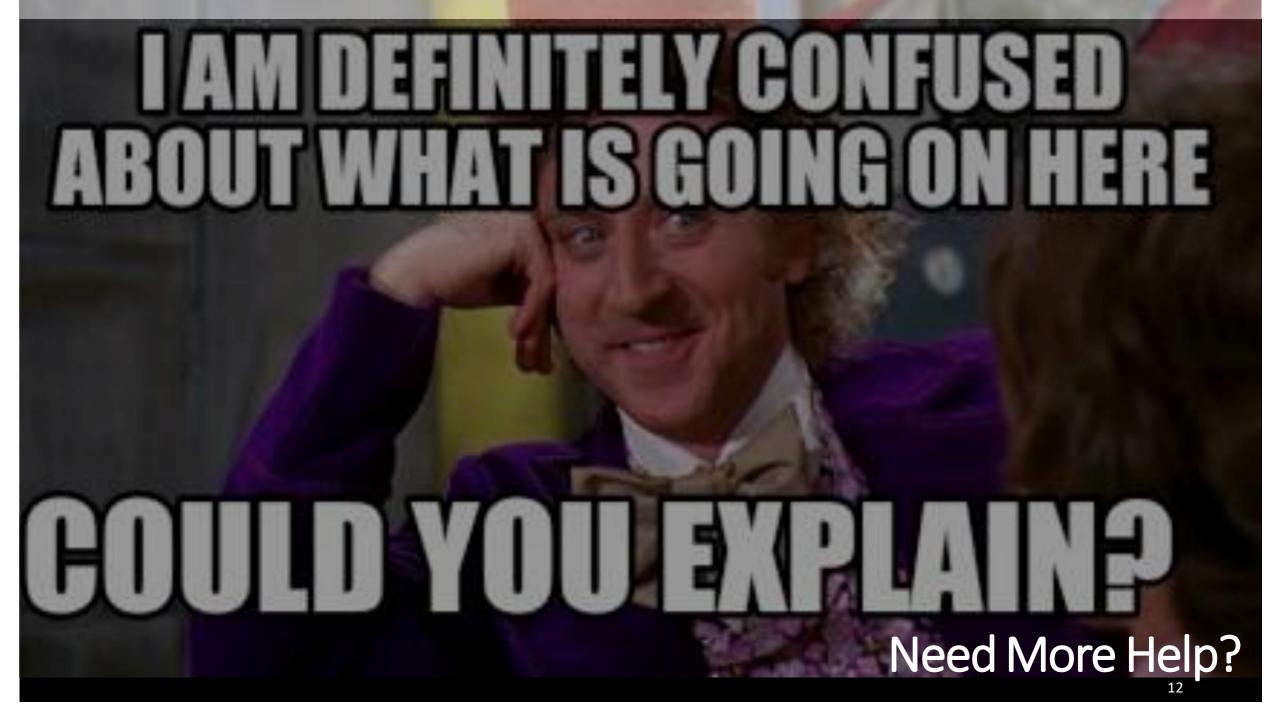
Businesses must recertify size and/or type for all orders under unrestricted MATOCs

Concern about Agencies continuing to receive credit after firms phase out of SB status.

Example:

NASA SEWP versus GSA STARS III





Thanks for Listening!

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