19.1406 Sole source awards.

(a) A *contracting officer shall* consider a contract award to a SDVOSB *concern* on a sole source basis (see 6.302-5(b)(6)), before considering small business set-asides (see 19.203 and subpart 19.5) provided none of the exclusions of 19.1404 apply and—

(1) The *contracting officer* does not have a reasonable expectation that *offers* would be received from two or more service-disabled veteran-owned small business *concerns*;

(2) The anticipated award price of the contract, including *options*, will not exceed-

(i) $8.5 million for a requirement within the NAICS codes for manufacturing; or

(ii) $5 million for a requirement within any other NAICS code;

(3) The requirement is not currently being performed by an 8(a) participant under the provisions of subpart 19.8 or has been accepted as a requirement by SBA under subpart 19.8;

(4) The service-disabled veteran-owned small business *concern* has been determined to be a responsible contractor with respect to performance; and

(5) Award can be made at a fair and reasonable price.

(b) Effective January 1, 2024, a *contracting officer shall* only award a sole-source contract to a *concern* that—

(1) Is designated in SAM as an SDVOSB *concern* certified by SBA; or

(2) Has represented that it is an SDVOSB *concern* in SAM and submitted an application for certification to SBA on or before December 31, 2023. Pending applications for certification are in the SBA Veteran Small Business Certification Program database at https://veterans.certify.sba.gov.

(c) The SBA has the right to appeal the *contracting officer*'s decision not to make an SDVOSB sole-source award.

Parent topic: Subpart 19.14 - Service-Disabled Veteran-Owned Small Business Program