Summary
Due to the rapidly evolving nature of the response to the COVID-19 pandemic, the PTACs of Michigan are committed to keeping our clients fully informed. This summary will include Executive and Legislative action at the federal and state levels specific to contracting and small business assistance.

During this time of uncertainty, do not hesitate to contact your PTAC to help clarify or address questions about any of the items included herein. If you do not know who your PTAC is, go to: www.ptacsofmichigan.org.

PTAC remains impartial and does not recommend one resource over another. Please research to determine what best meets your business needs.

SAVE THE DATE:
Federal Contracting Updates - Resources added/changed since the last distribution of this document are highlighted in yellow.

CORONAVIRUS DISEASE 2019 (COVID-19): RESOURCES FOR CONNECTING INDUSTRY CAPABILITIES TO REQUIREMENTS IN SUPPORT OF COVID-19 RESPONSE

4/14/2020

1. The COVID-19 national emergency has led to an incredible outpouring of support from businesses across the country that want to provide products or services to help in the whole-of-government response to the pandemic. It is highly recommended that businesses identify their capabilities to both the Federal Emergency Management Agency (FEMA) and the Department of Defense’s (DoD’s) COVID-19 Joint Acquisition Task Force (JATF).

   - FEMA’s COVID-19 “How-to-Help” page has a link specifically for the private sector. This page links interested vendors directly to FEMA’s standing RFQ for PPE and Medical Supplies, and also has information for those wishing to offer other products or services: www.fema.gov/coronavirus/how-to-help

   - The DoD’s COVID-19 JATF has launched a “COVID-19 JATF Industry Portal” where interested vendors can fill out a short form to provide information on ways they can help support our nation’s current response and continued resiliency. The Industry Portal is best accessed through the link on the main COVID-19 JATF webpage: https://www.acq.osd.mil/jatf.html
DPC’s “Contracting with the Department of Defense” provides businesses that have not done business with the government in the past with a step-by-step approach to get started:

Services or Defense Agencies that see value in the capability offering from the vendor in question for internal purposes, can be sent directly to their JATF representative at their discretion and within service and agency direction. This guidance does not address or supplant any internal service or Defense Agency guidance regarding the collection of information from interested businesses.

DLA is now accepting Other Transaction Authority (OTA) whitepapers on the following problem statements.

These problem statements support COVID-19: 1. Personal Protection Equipment (PPE) Re-Use and Decontamination. 2. Prototype PPE: N95 Equivalent Masks. Interested offerors will find the critical documents in the link above. NOTE: DLA will be reviewing white papers and taking action as they are received due to the critical need for this equipment. The white paper submission period closes May 4, 2020 at 1:00 EDT. Click here for more information.

SAVE The Date: MDEX2020 Goes Virtual

The Michigan Defense Exposition and Detroit Arsenal Opportunities Conference (Program Briefings) is now going to a virtual platform. Registration for this event opens May 18th. Visit http://WWW.MDEX2020.COM for more information.

The Department of Defense and Small Business Administration provided the following links for businesses to assist them during this national pandemic; see the links below

Small Business Administration Assistance:
www.sba.gov/coronavirus
www.sba.gov/paycheckprotection
www.sba.gov/disaster
https://www.sba.gov/local-assistance/find/

Department of Defense Assistance:
https://www.dla.mil/HQ/InfomationOperations/Accelerate/
https://www.businessdefense.gov/coronavirus

Implementation Guidance for Section 3610 of the Coronavirus Aid, Relief, and Economic Security Act

Visit the DPC COVID-19 page, provided below, to view COVID-related material for the contracting community, including FAQs.

SBA’s Paycheck Protection Program Opens Again

PPP resumes as of Monday, April 27, 2020. The application period for small businesses originally opened on April 3 to help keep their workers on the payroll. The program continues to award loans on first come, first basis with funding caps in place. Michigan businesses are encouraged to apply early and to visit MiPaycheckProtection.com to visit for updates on the application process. For more information from SBA on PPP click here.

Self-Employed, Other Newly Eligible Workers Can Apply for Unemployment

Michigan’s self-employed workers, gig workers, 1099-independent contractors and low-wage workers affected by COVID-19 can apply for federal Pandemic Unemployment Assistance (PUA) beginning Monday, April 13 at 8AM online.
at [Michigan.gov/UIA](http://Michigan.gov/UIA). Under the federal CARES Act, workers on state unemployment have already begun receiving the set $600 federal weekly payment in addition to their state benefit amount.

**SMART START PLAYBOOK**

Magna’s Smart Start Playbook is your interactive guide for getting back to work in the “new normal,” as our business recovers from the COVID-19 pandemic. It provides a framework for restarting our facilities and office locations with a consistent response and strategy throughout the company, while protecting employees and making sure everyone stays safe, healthy and confident about returning to work. [Magna’s Smart Start Playbook](http://Magna.com/SmartStart).

**2nd Edition SAFE WORK PLAYBOOK**

Fellow Business Leaders:

We are deeply focused on keeping our employees, customers and suppliers safe while working at our facilities and supporting our business. As we continue to navigate this new normal, we have tapped into our global Human Resources, Employee Health and Safety, Information Technology, Operations and Communications teams, to develop a “Playbook” that lays out processes to raise awareness of new health and well-being protocols and potentially helpful practices for cross-functional teamwork, operating discipline and training for employees. [Lear Safe Work Playbook](http://Lear.com/SafeWork).

**Federal Contracting Updates** - Resources added/changed since the last distribution of this document are highlighted in yellow.

**COVID-19 Task Force Powered by the Department of Defense**

As part of the Coronavirus Farm Assistance Program Secretary Perdue announced on April 17 that the USDA is exercising authority under the Families First Coronavirus Response Act to purchase and distribute up to $3 billion of agricultural products to those in need. USDA will partner with regional and local distributors, whose workforce has been significantly impacted by the closure of many restaurants, hotels, and other food service entities, to purchase fresh produce, dairy, and meat. For more information [click here](http://www.farmassistance.gov).

**Urgent Message from GSA—COVID-19 Sources Sought**

The General Services Administration (GSA), Federal Acquisition Service (FAS), Office of General Supplies and Services (GSS) and Central Office Acquisition Division’s seeking information related to how interested contractors could provide the following item(s):

- Level 1 Surgical Masks
- Nitrile Examination Gloves
- Hand Sanitizers.
- Bottles (Cases) of Bleach
- Disinfecting Wipes
- Hospital Grade Disinfectant
- Cleaner All-Purpose Cleaner
- Bottles (Cases) of Bleach
- Antimicrobial Liquid soap
- Tampons
- Female Sanitary Napkins
- Toilet Paper
- Paper Towels
- Trash Bags

**Responses Due:** Continuously Open.

To submit a response to the Request for Information (RFI), please go to [GSA COVID-19 PPE Sources Sought](http://www.gsa.gov).

**Non Trade Agreement Act (TAA) Compliant Materials are currently allowed under the current pandemic response.**

**Questions:** ssacsmallsop@gsa.gov

**URGENT REQUEST from FEMA**

The Federal Emergency Management Agency (FEMA) has published the critical supply list via the link below. FEMA is requesting that any company that can help provide supplies email covidsupplies@fema.dhs.gov. [Click here for list of needed items](http://www.fema.gov).

**Federal Aviation Administration (FAA) Urgent Need**

cells as possible. Email completed questionnaire in Excel format and any other relevant documentation with the Subject: “Company Name_FAA COVID-19 Market Research Questionnaire” to this email address: 9-AFN-ACQ-EM@faa.gov

Department of Defense Guidance on the Use of Cloth Face Coverings  
https://media.defense.gov/2020/Apr/05/2002275059/-1/-1/DOD-GUIDANCE-ON-THE-USE-OF-CLOTH-FACE-COVERINGS.PDF

Department of Defense (DOD) COVID-19 Joint Acquisition Task Force (JATF)  
Key product lines the COVID-19 JATF is currently interested in includes: Protective Wear: Surgical Masks; Medical Gowns; and Latex Gloves, Respirator (N95), Screening and Diagnostic capability, Sterilization services.  
https://www.acq.osd.mil/jatf.html

COVID-19 Task Force Powered by the Department of Defense  
The COVID-19 JATF, in partnership with the Department of the Air Force, created an industry portal for companies to submit proposals to meet the urgent need for medical resources. A designated JATF team reviews inputs daily and priorities for action.  

The Small Business Owner’s Guide to the CARES Act  
The programs and initiatives in the Coronavirus Aid, Relief, and Economic Security (CARES) Act that was just passed by Congress are intended to assist business owners with whatever needs they have right now.  
https://www.sbc.senate.gov/public/_cache/files/2/9/29fc1ae7-879a-4de0-97d5-ab0a0cb558c8/1BC9E5AB74965E686FC6EBC019EC358F.the-small-business-owner-s-guide-to-the-cares-act-final-.pdf

Contracting With The Department of Defense (DoD) A Step-by-Step Approach to the DoD  
There are several basic steps every company should do to increase their ability to contract in the marketplace. Becoming a government contractor can increase your company's growth in many ways. Follow the links to prepare for doing business with the government.  

FEMA & Department Homeland Security  
Some FEMA and Department of Homeland Security bids are moving to use a 3rd party reverse auction site. Per FEMA this is an effort "to improve vendor access and awareness of requests" and the agency's ability to gather multiple, competed, real-time bids. There is no cost to register, review procurement data or make a bid.  

VA’s Center for Verification and Evaluation (CVE)  
CVE is aware of the issues and complications caused by the recent Coronavirus (COVID-19) pandemic, and its effect on our Country and the small business community. Please see the letter to Verification Counselors for details.

CARES Act - Managing Defense Contracts Impacts of the Novel Coronavirus  
Defense contractors can request equitable adjustments for contractual issues related to COVID-19 on a case-by-case basis. Follow these important steps in preparation for possible request for equitable adjustment:

- Communicate with your Contracting Officer (KO)
- Keep good notes including dates, names of people they talked or emailed, and as much as possible, communicate via email for evidence.
- Communicate with your KO as soon as you think you might experience a situation different than what existed when you negotiated/bid on the contract.
- Partner with the KO to get authority to deliver late and try to negotiate a revised delivery schedule, extension, or revised costs. There are likely cases where your subcontractor shuts down and you need to change subs or need to ship from a more expensive location.
If you don’t get a response from your KO, you should email the agency Small Business Representatives (SBR) for help getting the KO’s attention.


**Class Deviation 2020-O0013 - CARES Act Section 3610 Implementation**

4/21/2020

Effective immediately, contracting officers are authorized to use Defense Federal Acquisition Regulation Supplement 231.205-79 (attached to the deviation at the link below) as a framework for implementation of Section 3610 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116-136).

Deviation Page:  [https://www.acq.osd.mil/dpap/dars/class_deviations.html](https://www.acq.osd.mil/dpap/dars/class_deviations.html)

The CARES Act was enacted on March 27, 2020, in response to the Coronavirus Disease 2019 (COVID-19) national emergency. Section 3610 of the CARES Act allows agencies to reimburse, at the minimum applicable contract billing rates (not to exceed an average of 40 hours per week), any paid leave, including sick leave, a contractor provides to keep its employees or subcontractors in a ready state, including to protect the life and safety of Government and contractor personnel, during the public health emergency declared for COVID–19 on January 31, 2020, through September 30, 2020. (scroll to Class Deviation 2020-O0013)


**Department of Defense, Industrial Policy**

4/1/2020

The Office of Industrial Policy continues to partner with the defense industrial base to mitigate impacts from COVID-19. This page contains resources for companies and other stakeholders as they navigate the complexities associated with the virus.  [https://www.businessdefense.gov/coronavirus/](https://www.businessdefense.gov/coronavirus/)

**FEMA Industry Liaison Program & Department of Homeland Security**

4/1/2020

If you are interested in supporting the response to COVID-19 with your company’s goods and/or services, please submit your inquiry to the Department of Homeland Security (DHS) Procurement Action Innovative Response Team (PAIR) team at DHSIndustryLiaison@hq.dhs.gov. This will ensure your capabilities are received and reviewed by the appropriate acquisition office.  [www.fema.gov/industry-liaison-program](http://www.fema.gov/industry-liaison-program)

**GSA Grants 60-Day Extension of Expiring Entity Registrations**

4/1/2020

In support of the U.S. government’s response to the COVID-19 national emergency, the Office of Management and Budget (OMB) requested certain administrative relief for entities doing business with the government. As part of that effort, GSA has initiated 60-day extensions to SAM.gov registrations that have expiration dates ranging between March 19, 2020 and May 17, 2020.

**Eased Terms for Federal Contractors**

4/1/2020

Federal agencies loosen rules, extend deadlines and raise the maximum dollar amount for micro-purchases and Simplified Acquisition Procedure (SAP) buy. Micro-purchase threshold raised to $20k – domestic purchases, $30k-non-domestic; Simplified Acquisition Threshold raised to $750k-domestic purchases; up $1.5m for non-domestic. SAP raised to $13m in commercial buys.  [www.whitehouse.gov/wp-content/uploads/2020/03/M-20-18.pdf](http://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-18.pdf)

**FEMA How to Help**

4/1/2020

Information for businesses who want to sell medical supplies or equipment or produce a product related to the COVID response can be found at  [www.fema.gov/coronavirus/how-to-help](http://www.fema.gov/coronavirus/how-to-help).
MedicalCountermeasures.gov

MedicalCounterMeasures.gov facilitates communication between federal government agencies and public stakeholders to enhance the Nation's public health emergency preparedness. The U.S. government is providing a portal for the 2019 novel coronavirus (COVID-19) medical countermeasures task force as a single point of entry for the submission of market research packages and meeting requests from interested stakeholders. 

https://www.medicalcountermeasures.gov/Request-BARDA-TechWatch-Meeting/

USDA Advises that Contractors Carry Identification and Copy of Directive

Valuable guidance for any of your business that sell to the USDA/Agricultural Marketing Service -- food production and delivery on behalf of USDA/AMS is considered essential. The USDA advises that contractors carry their identification and a copy of this directive when traveling to and from work locations and while delivering USDA/AMS purchased food products to verify their activity as an essential government service.


Prioritizing Health and Medical Resources to Respond to the Spread of COVID-19

On 18 March 2020, President Trump issued an Executive order on "Prioritizing and Allocating Health and Medical Resources to Respond to the Spread of COVID-19" (the COVID-19). In doing so, he cited the authority vested in the President by the Constitution and the laws of the United States of America, including the Defense Production Act of 1950, as amended (50 U.S.C. 4501 et seq.) (The "Act"), and section 301 of title 3, United States Code.


Defense Industrial Base Essential Critical Infrastructure Workforce

On 20 March 2020, the Defense Industrial Base (DIB) is identified as a Critical Infrastructure Sector by the Department of Homeland Security. The DIB sector is defined as the worldwide industrial complex that enables research and development as well as design, production, delivery, and maintenance of military weapons systems/software systems, subsystems, and components or parts, as well as purchased services to meet U.S. Military requirements. The attached (link) Department of Homeland Security memorandum dated March 19, 2020, identifies the essential critical infrastructure workers during COVID-19 response emergency, and provides guidance to State and Local officials as they work to protect their communities while ensuring continuity of functions critical to public health and safety as well as economic and national security.

https://media.defense.gov/2020/Mar/22/2002268024/-1/-1/1/DEFENSE-INDUSTRIAL-BASE-ESSENTIAL-CRITICAL-INFRASTRUCTURE-WORKFORCE-MEMO.PDF

Preferential Acceptance and Performance of Contracts or Orders

"Under Title I of the Defense Production Act of 1950, as amended, the President is authorized to require preferential acceptance and performance of contracts or orders (other than contracts of employment) supporting certain approved national defense and energy programs, and to allocate materials, services, and facilities in such a manner as to promote these approved programs. The Department of Commerce is delegated authority, through Executive Order 13603, to implement these priorities and allocations provisions for industrial resources. The Bureau of Industry and Security administers this authority through the DPAS regulation (15 CFR Part 700). www.bis.doc.gov/index.php/other-areas/strategic-industries-and-economic-security-sies/defense-priorities-a.allocations-system-program-dpas

Contractors Should Know COVID-19 Executive Order Authority

Contractors should know that the COVID EO provides authority to the Secretary of Health and Human Services to use the authority under section 101 of the Act to determine, in consultation with the Secretary of Commerce and the heads of other executive departments and agencies as appropriate, the proper nationwide priorities and allocation of all health and medical resources, including controlling the distribution of such materials (including applicable services) in the civilian market, for responding to the spread of COVID-19 within the United States. www.whitehouse.gov/presidential-actions/executive-order-prioritizing-allocating-health-medical-resources-respond-spread-covid-19/
Familiarize Yourself with Defense Priorities and Allocation System (DPAS)  

PTAC clients may be familiar with the Defense Priorities and Allocation System (DPAS) and how to comply with "DO" and "DX" rated orders and the requirement to prioritize performance of rated orders over non-rated orders. However, some may not be familiar with the "Priorities and Allocation System" and may now receive rated orders from the Departments of Defense, Commerce, Energy, Homeland Security, Health and Human Services, and GSA.


Contractors should understand the following about rated orders.

- **Identifying a Rated Contract.** Rated contracts generally must include at least four elements: (1) a priority rating (e.g., DO-HR or DX-HR); (2) a specific required delivery date or dates; (3) a signature certifying that the rated order is authorized and regulatory requirements are being followed; and (4) a statement that the rated order is certified for national defense use or is placed in support of emergency preparedness requirements. Rated contracts can come directly from the government or from prime contractors or higher tier subcontractors who hold rated contracts or subcontracts. Subcontractors must comply with rated orders, but when receiving a rated subcontract, subcontractors can and should ask the prime contractor to verify that the prime contract is indeed rated and that the subcontract is necessary to fulfill the prime contract's requirements. The subcontract should include at least the elements described above.

- **Identifying the DPA Authority.** It may also be helpful to identify the DPA authority being exercised, i.e., which priorities and allocations system is triggered, and which agency has issued the prime contract. While DPA authority has been delegated and, in some instances, sub-delegated-for example, the DPAS is used by the Departments of Commerce, Defense, Energy, and Homeland Security, as well as the General Services Administration-not every agency directly holds DPA authority.

- **Acceptance or Rejection of a Rated Order.** A company that is subject to a priorities system generally must reject a rated contract if they are unable to satisfy the contract by the date specified (scheduling conflicts do not constitute an inability to fill the order, unless with another, higher- or identically rated contract). In such cases, the company must offer to fill an order on the earliest acceptable date. A company generally may reject a rated contract on various other specified grounds, including if (1) the prime contractor or higher level subcontractor placing the order is unwilling or unable to meet regularly established terms of sale or payment; (2) the contract is for an item the receiving company does not supply or a service the receiving company is unable to perform, with some exceptions for recent provisions of supplies or services; or (3) the prime contractor or higher level subcontractor placing the rated order (as opposed to the Government) makes the item or performs the service being ordered.

- **Sourcing Materials for a Rated Contract.** Companies may (and, under HPAS, are required to) generally flow down the rating on their contract to any suppliers in order to obtain items or services needed to fulfill the rated contract-at whatever level throughout the procurement chain.

- **Negotiation of Terms for a Rated Contract.** Rated contracts must generally follow the terms of the usual dealings among companies. A company receiving a rated contract is prohibited from discriminating against it in any way, for example by charging higher prices or by imposing different terms and conditions than for comparable unrated orders. However, as mentioned above, the entity placing a rated order must be willing and able to meet regularly established terms of sale or payment.

- **Potential Breach of Non-Rated Contracts.** As mentioned above, rated contracts must be prioritized against non-rated contracts-even if this may cause the contractor to breach the non-rated contract. However, the DPA and the relevant priorities and allocations systems provide that a company cannot be held liable for damages or penalties for any act or failure to act resulting directly or indirectly from compliance with a rated contract. That said, courts have found in the past that the federal government does not have an obligation to reimburse a company for potential lost profits attributable to nonperformance of unrated contracts. www.insidegovernmentcontracts.com/2020/03/the-defense-production-act-and-the-coronavirus-executive-order-key-considerations/
For procurements valued at $100M or less, KOs are not required to execute a J&A for award of a sole source contract under the 8(a) program. KOs must use the threshold of $100M million in lieu of the $22M threshold in FAR Parts 6 and 19. This class deviation implements section 823 of the NDAA for FY2020. [https://smallgovcon.com/8a-program/dod-sole-source-contracts-up-to-100-million-dont-need-justification/](https://smallgovcon.com/8a-program/dod-sole-source-contracts-up-to-100-million-dont-need-justification/)

**Progress Payment Rates**  
4/1/2020
In response to COVID-19 national emergency, the progress payment rates in DFARS 232.501-1 are increased to 90% (was 80%) for large business and 95% (was 90%) for small business concerns.  

**Dedicated Webpage for COVID-19 Acquisition Information**  
4/1/2020
This site is dedicated to Coronavirus acquisition related Information and resources such as the OMB Memo guidance and managing Federal Contract Performance issues associated with the Novel Coronavirus (COVID-19).  
www.acquisition.gov/coronavirus

**U.S Department of Defense Coronavirus Response**  
4/1/2020
This site provides up-to-date information on the Defense Department effort’s, working closely with the Department of Health and Human Services and State Department, to provide support in dealing with the coronavirus outbreak. Visit this site for additional information on DoD Town Hall announcements, recordings, and transcripts, as well other information related to the Coronavirus: DOD Response.  
www.defense.gov/

**State of Michigan and Other Resources and Updates**

**MIWISH Grants Available for Small Employers**  
4/28/2020
The MIOSHA Workplace Improvement to Safety and Health (MIWISH) Grant Program awards qualifying employers a dollar-for-dollar match – up to $5,000 – to purchase safety and health related equipment and equipment related training. The goal of the program is to create a safe and healthier work environment and reduce the risk of injury and illness to workers in Michigan. Click here for more information.

**COVID-19 Test Site Finder**  
4/28/2020
Get information on Coronavirus testing near you, michigan.gov/coronavirusTEST.

**Michigan Economic Development Corporation (MEDC) and State’s Small Business Support Organizations Join Forces to Develop Resources for Michigan’s Small Businesses impacted by COVID-19**  
4/8/2020
Organizations working together to support Gov. Whitmer’s request for Economic Injury Disaster Loan assistance from U.S. Small Business Administration.  

**Businesses who want to SELL protective gear**  
4/1/2020
Current most pressing needs: Hospital gowns; Ventilators; Sanitizer (Hand/Wipe); Gloves; Surgical masks N95-N100; No-touch thermometer. Businesses, who want to SELL protective gear listed above, please email:  
dtmb-vendoremergency@michigan.gov

**Pure Michigan Business Connect | COVID-19 Virtual Procurement Assistance website updated**  
4/1/2020
Health & Human Service providers in need of critical supplies to help serve individual patients, staff, or members of your community. Also, suppliers that have goods that might be able to support organizations responding to the COVID-19 (Coronavirus) outbreak. PMBC is looking for both buyers and suppliers of critical health & human service supplies across a broad range of product categories.  
www.michiganbusiness.org/services/pure-michigan-business-connect/virtual-procurement/

**In-Kind Donations Related to COVID-19 Response**  
4/1/2020
Financial, material and in-kind donations can be directed to the Michigan Community Service Commission at COVID19@donations@michigan.gov or 517-335-4295.

Information around this outbreak is changing rapidly. For the latest information please visit: [CDC.gov/Coronavirus](https://www.cdc.gov/Coronavirus) or [Michigan.gov/Coronavirus](https://www.michigan.gov/Coronavirus)