

ALERT

Supreme Court Ruling a Win for VOSBs

June 17, 2016

The Supreme Court issued its decision in *Kingdomware Technologies Inc. v. United States*, a case addressing the Department of Veterans Affairs' (VA) obligation to set aside contracts for veteran-owned small businesses (VOSBs). The Court held that the Veterans Benefits, Health Care, and Information Technology Act of 2006 requires the VA to apply the "Rule of Two" to all contracting determinations, including purchases through the Federal Supply Schedule, even if the VA is already meeting its small business participation goals. Get the decision [here](#).

As a result of the ruling, VOSBs will now have access to more of the VA's \$20 billion annual procurement budget. Specifically, the VA is now required to set aside any procurement for VOSBs for which there is a "reasonable expectation" that two or more VOSBs will bid on the contract and can perform it at a fair and reasonable price. Although large, complex procurements are unlikely to be affected, VA contractors may see smaller procurements that were historically awarded on a full-and-open basis start to come out as VOSB set-asides.

The decision was issued on June 16, 2016.

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