19.503 Reserves.

- (a) In accordance with section 1331 of the Small Business Jobs Act of 2010 (15 U.S.C. 644(r)(3)) and 13 CFR 125.2(e)(4), contracting officers may, at their discretion when conducting multiple-award procurements using full and open competition, reserve one or more contract awards for any of the small business concerns identified in 19.000(a)(3), when market research indicates—
- (1) A total set-aside is not feasible because there is no reasonable expectation of receiving *offers* that are competitive in terms of *fair market prices*, quality, and delivery from at least two responsible small business *concerns* identified in 19.000(a)(3), that can perform the entire requirement; and
- (2) A partial set-aside is not feasible because—
- (i) The contracting officer is unable to divide the requirement into distinct portions; or
- (ii) There is no reasonable expectation that at least two responsible small business *concerns* identified in 19.000(a)(3) can perform any portion of the requirement competitively in terms of *fair market price*, quality, and delivery.
- (b) A reserve will result in one of the following:
- (1) One or more contract awards to any one or more types of small business *concerns* identified in 19.000(a)(3).
- (2) In the case of a *solicitation* of a bundled requirement that will result in a *multiple-award* contract, an award to one or more small businesses with a *Small Business Teaming Arrangement*.
- (c) The specific program eligibility requirements identified in this part apply.
- (d) The limitations on subcontracting and the nonmanufacturer rule (see $\underline{19.505}$) do not apply to reserves at the contract level, but *shall* apply to orders that are set aside or issued directly to one small business *concern* under $\underline{19.504}$ (c)(1)(ii).

Parent topic: Subpart 19.5 - Small Business Total Set-Asides, Partial Set-Asides, and Reserves