

**AMENDMENT TO H.R. 1540, AS REPORTED  
OFFERED BY MR. ROGERS OF ALABAMA**

At the end of subtitle E of title VIII, add the following new section:

1 **SEC. 845. PILOT PROGRAM TO ASSIST IN THE GROWTH AND**  
2 **DEVELOPMENT OF CERTAIN ELIGIBLE BUSI-**  
3 **NESSES.**

4 (a) **ESTABLISHMENT.**—The Secretary of Defense  
5 shall establish a pilot program to assist in the growth and  
6 development of eligible program participants in accordance  
7 with this section.

8 (b) **RESTRICTED COMPETITION FOR CERTAIN CON-**  
9 **TRACTS.**—

10 (1) **IN GENERAL.**—Under the pilot program  
11 and except as provided for under paragraph (2),  
12 competition for contract awards may be restricted to  
13 program participants determined to be eligible under  
14 subsection (c) if—

15 (A) the anticipated award price of the con-  
16 tract (including options) is reasonably expected  
17 to exceed \$25,000,000;

18 (B) the Secretary determines that, if the  
19 contract were not awarded under the pilot pro-

1           gram, the contract would likely be awarded to  
2           an entity other than a small business concern;

3           (C) there is a reasonable expectation that  
4           at least 2 such program participants will submit  
5           offers with respect to the contract;

6           (D) such program participant, or a com-  
7           bination of program participants or small busi-  
8           ness concerns, performs not less than 50% of  
9           the dollar value of the contract; and

10          (E) the contract award can be made at a  
11          fair market price.

12          (2) SMALL BUSINESS ELIGIBILITY.—Notwith-  
13          standing paragraph (1), a small business concern  
14          may submit an offer for any contract under the pilot  
15          program.

16          (c) PROGRAM PARTICIPANT ELIGIBILITY.—An entity  
17          is an eligible program participant under this subsection  
18          if the Secretary determines that such entity—

19                 (1) has fewer than 2500 employees; and

20                 (2) is independently owned and operated and  
21          which is not dominant in its field of operation.

22          (d) CONSIDERATION REQUIRED.—

23                 (1) IN GENERAL.—A contracting officer for the  
24          Department of Defense shall consider awarding a

1 contract under subsection (b) before using full and  
2 open competition for such contract.

3 (2) IMPLEMENTATION.—The Secretary shall es-  
4 tablish and promulgate guidance to implement the  
5 pilot program described in this section that—

6 (A) identifies criteria under which the pilot  
7 program is evaluated, including a methodology  
8 to collect data during the course of the pilot  
9 program to facilitate an assessment at the con-  
10 clusion of the pilot program;

11 (B) establishes a certification for eligi-  
12 bility;

13 (C) establishes a methodology for identi-  
14 fying and tracking program participants;

15 (D) establishes an internal agency appeals  
16 process to handle challenges of eligibility of pro-  
17 gram participants; and

18 (E) ensures that the pilot program does  
19 not supersede goals or programs authorized by  
20 the Small Business Act (15 U.S.C. 637 et seq.)  
21 or the Small Business Investment Act of 1958  
22 (15 U.S.C. 661 et seq.).

23 (e) NOTICE TO THE PUBLIC.—With respect to a con-  
24 tract opportunity determined to meet the criteria specified  
25 in subsection (b), a contracting officer for the Department

1 of Defense shall provide notice of the contract opportunity  
2 in accordance with the Federal Acquisition Regulation and  
3 other applicable guidelines, including the eligibility re-  
4 quirements described under subsection (c).

5 (f) REPORT TO CONGRESS.—Not later than one year  
6 after date of the enactment of this Act, and annually  
7 thereafter for the duration of the pilot program, the Sec-  
8 retary shall submit to the appropriate congressional com-  
9 mittees a report on the pilot program that includes each  
10 of the following:

11 (1) The number of contracts awarded in the  
12 prior year under the pilot program.

13 (2) The value of the contracts awarded under  
14 the pilot program and a description of the work car-  
15 ried out under such contracts.

16 (3) The number of program participants deter-  
17 mined eligible under subsection (c).

18 (4) An assessment of the success of the pilot  
19 program based on the criteria described in sub-  
20 section (d)(2)(A).

21 (g) TERMINATION.—The pilot program shall termi-  
22 nate on the date that is ~~5~~<sup>3</sup> years after the date on which  
23 the pilot program is established, unless the Secretary sub-  
24 mits a recommendation for an extension of the pilot pro-  
25 gram to the appropriate congressional committees.

1 (h) DEFINITION.—In this section:

2 (1) APPROPRIATE CONGRESSIONAL COMMIT-  
3 TEES.—the term “appropriate congressional commit-  
4 tees” means each of the following:

5 (A) The Committees on Armed Services  
6 and Small Business and Entrepreneurship of  
7 the Senate.

8 (B) The Committees on Armed Services  
9 and Small Business of the House of Represent-  
10 atives.

11 (2) PILOT PROGRAM.—The term “pilot pro-  
12 gram” means the program established by the Sec-  
13 retary of Defense under subsection (a).

14 (3) SMALL BUSINESS CONCERN.—The term  
15 “small business concern” has the meaning given  
16 that term under section 3(a) of the Small Business  
17 Act (15 U.S.C. 632(a)).

