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:

SEC. 845. PILOT PROGRAM TO ASSIST IN THE GROWTH AND
DEVELOPMENT OF CERTAIN ELIGIBLE BUSI-
NESSSES.

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

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

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

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

(B) the Secretary determines that, if the
contract were not awarded under the pilot pro-
program, the contract would likely be awarded to
an entity other than a small business concern;

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

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

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

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

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

(1) has fewer than 2500 employees; and

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

(d) CONSIDERATION REQUIRED.—

(1) IN GENERAL.—A contracting officer for the
Department of Defense shall consider awarding a
contract under subsection (b) before using full and
open competition for such contract.

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

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

(B) establishes a certification for eligi-
bility;

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

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

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

(e) NOTICE TO THE PUBLIC.—With respect to a con-
tact opportunity determined to meet the criteria specified
in subsection (b), a contracting officer for the Department
of Defense shall provide notice of the contract opportunity in accordance with the Federal Acquisition Regulation and other applicable guidelines, including the eligibility requirements described under subsection (c).

(f) REPORT TO CONGRESS.—Not later than one year after date of the enactment of this Act, and annually thereafter for the duration of the pilot program, the Secretary shall submit to the appropriate congressional committees a report on the pilot program that includes each of the following:

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

(2) The value of the contracts awarded under the pilot program and a description of the work carried out under such contracts.

(3) The number of program participants determined eligible under subsection (c).

(4) An assessment of the success of the pilot program based on the criteria described in subsection (d)(2)(A).

(g) TERMINATION.—The pilot program shall terminate on the date that is \( \frac{3}{5} \) years after the date on which the pilot program is established, unless the Secretary submits a recommendation for an extension of the pilot program to the appropriate congressional committees.
(h) DEFINITION.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—the term “appropriate congressional committees” means each of the following:

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

(B) The Committees on Armed Services and Small Business of the House of Representatives.

(2) PILOT PROGRAM.—The term “pilot program” means the program established by the Secretary of Defense under subsection (a).

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