

**AMENDMENT TO THE RULES COMMITTEE PRINT
FOR H.R. 1735
OFFERED BY MR. CHABOT OF OHIO AND MR.
CONNOLLY OF VIRGINIA**

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

1 **SEC. 8___ . MODIFICATION TO AND SCORECARD PROGRAM**
2 **FOR SMALL BUSINESS CONTRACTING GOALS.**

3 (a) AMENDMENT TO GOVERNMENTWIDE GOAL FOR
4 SMALL BUSINESS PARTICIPATION IN PROCUREMENT
5 CONTRACTS.—Section 15(g)(1)(A)(i) of the Small Busi-
6 ness Act (15 U.S.C. 644(g)(1)(A)(i) is amended by adding
7 at the end the following: “In meeting this goal, the Gov-
8 ernment shall ensure the participation of small business
9 concerns from a wide variety of industries and from a
10 broad spectrum of small business concerns within each in-
11 dustry.”.

12 (b) SCORECARD PROGRAM FOR EVALUATING FED-
13 ERAL AGENCY COMPLIANCE WITH SMALL BUSINESS
14 CONTRACTING GOALS.—

15 (1) IN GENERAL.—Not later than September
16 30, 2016, the Administrator of the Small Business

1 Administration, in consultation with the Federal
2 agencies, shall—

3 (A) develop a methodology for calculating
4 a score to be used to evaluate the compliance of
5 each Federal agency with meeting the goals es-
6 tablished pursuant to section 15(g)(1)(B) of the
7 Small Business Act (15 U.S.C. 644(g)(1)(B));
8 and

9 (B) develop a scorecard based on such
10 methodology.

11 (2) AGENCY ANNUAL GOAL.—In developing the
12 methodology for calculating a score described in
13 paragraph (1), the Administrator shall consider each
14 annual goal established by each Federal agency pur-
15 suant to section 15(g)(1)(B) of the Small Business
16 Act (15 U.S.C. 644(g)(1)(B)).

17 (3) USE OF SCORECARD.—Beginning in fiscal
18 year 2017, the Administrator shall establish and
19 carry out a program to use the scorecard developed
20 under paragraph (1) to evaluate whether each Fed-
21 eral agency is creating the maximum practicable op-
22 portunities for the award of prime contracts and
23 subcontracts to small business concerns, small busi-
24 ness concerns owned and controlled by service-dis-
25 abled veterans, qualified HUBZone small business

1 concerns, small business concerns owned and con-
2 trolled by socially and economically disadvantaged
3 individuals, and small business concerns owned and
4 controlled by women, by assigning a score to each
5 Federal agency. If the Administrator fails to estab-
6 lish and carry out this program before the end of
7 fiscal year 2017, the Administrator may not exercise
8 the authority under section 7(a)(25)(A) until such
9 time as the program is implemented.

10 (4) CONTENTS OF SCORECARD.—The scorecard
11 developed under paragraph (1) shall include, for
12 each Federal agency, the following information:

13 (A) A determination of whether the Fed-
14 eral agency met each of the prime contract
15 goals established pursuant to section
16 15(g)(1)(B) of the Small Business Act (15
17 U.S.C. 644(g)(1)(B)) with respect to small
18 business concerns, small business concerns
19 owned and controlled by service-disabled vet-
20 erans, qualified HUBZone small business con-
21 cerns, small business concerns owned and con-
22 trolled by socially and economically disadvan-
23 taged individuals, and small business concerns
24 owned and controlled by women.

1 (B) A determination of whether the Fed-
2 eral agency met each of the subcontract goals
3 established pursuant to such section with re-
4 spect to small business concerns, small business
5 concerns owned and controlled by service-dis-
6 abled veterans, qualified HUBZone small busi-
7 ness concerns, small business concerns owned
8 and controlled by socially and economically dis-
9 advantaged individuals, and small business con-
10 cerns owned and controlled by women.

11 (C) The number of small business con-
12 cerns, small business concerns owned and con-
13 trolled by service-disabled veterans, qualified
14 HUBZone small business concerns, small busi-
15 ness concerns owned and controlled by socially
16 and economically disadvantaged individuals, and
17 small business concerns owned and controlled
18 by women awarded prime contracts in each
19 North American Industrial Classification Sys-
20 tem code during the fiscal year and a compari-
21 son to the number awarded contracts during
22 the prior fiscal year, if available.

23 (D) The number of small business con-
24 cerns, small business concerns owned and con-
25 trolled by service-disabled veterans, qualified

1 HUBZone small business concerns, small busi-
2 ness concerns owned and controlled by socially
3 and economically disadvantaged individuals, and
4 small business concerns owned and controlled
5 by women awarded subcontracts in each North
6 American Industrial Classification System code
7 during the fiscal year and a comparison to the
8 number awarded contracts during the prior fis-
9 cal year, if available.

10 (E) Any other factors that the Adminis-
11 trator deems important to achieve the max-
12 imum practicable utilization of small business
13 concerns, small business concerns owned and
14 controlled by service-disabled veterans, qualified
15 HUBZone small business concerns, small busi-
16 ness concerns owned and controlled by socially
17 and economically disadvantaged individuals, and
18 small business concerns owned and controlled
19 by women.

20 (5) WEIGHTED FACTORS.—In using the score-
21 card to evaluate and assign a score to a Federal
22 agency, the Administrator shall base—

23 (A) fifty percent of the score on the dollar
24 value of prime contracts described in paragraph
25 (4)(A); and

1 (B) fifty percent of the score on the infor-
2 mation provided in subparagraphs (B) through
3 (E) of paragraph (4), weighted in a manner de-
4 termined by the Administrator to encourage the
5 maximum practicable opportunity for the award
6 of prime contracts and subcontracts to small
7 business concerns, small business concerns
8 owned and controlled by service-disabled vet-
9 erans, qualified HUBZone small business con-
10 cerns, small business concerns owned and con-
11 trolled by socially and economically disadvan-
12 taged individuals, and small business concerns
13 owned and controlled by women.

14 (6) PUBLICATION.—The scorecard used by the
15 Administrator under this subsection shall be sub-
16 mitted to the President and Congress along with the
17 report submitted under section 15(h)(2) of the Small
18 Business Act (15 U.S.C. 644(h)(2)).

19 (7) REPORT.—After the Administrator submits
20 the scorecard for fiscal year 2018, but not later than
21 March 31, 2019, the Administrator shall report to
22 the Committee on Small Business of the House of
23 Representatives and the Committee on Small Busi-
24 ness and Entrepreneurship of the Senate. Such re-
25 port shall include the following:

1 (A) A description of any increase in the
2 dollar amount of prime contracts and sub-
3 contracts awarded to small business concerns,
4 small business concerns owned and controlled
5 by service-disabled veterans, qualified
6 HUBZone small business concerns, small busi-
7 ness concerns owned and controlled by socially
8 and economically disadvantaged individuals, and
9 small business concerns owned and controlled
10 by women.

11 (B) A description of any increase in the
12 dollar amount of prime contracts and sub-
13 contracts awarded to small business concerns,
14 small business concerns owned and controlled
15 by service-disabled veterans, qualified
16 HUBZone small business concerns, small busi-
17 ness concerns owned and controlled by socially
18 and economically disadvantaged individuals, and
19 small business concerns owned and controlled
20 by women in each North American Industrial
21 Classification System code.

22 (C) A description of any increase to the
23 number of small business concerns, small busi-
24 ness concerns owned and controlled by service-
25 disabled veterans, qualified HUBZone small

1 business concerns, small business concerns
2 owned and controlled by socially and economi-
3 cally disadvantaged individuals, and small busi-
4 ness concerns owned and controlled by women
5 awarded contracts in each North American In-
6 dustrial Classification System code.

7 (D) The recommendation of the Adminis-
8 trator on continuing, modifying, expanding, or
9 terminating the program established under this
10 subsection.

11 (8) GAO REPORT ON SCORECARD METHOD-
12 OLOGY.—Not later than September 30, 2018, the
13 Comptroller General of the United States shall sub-
14 mit to the Committee on Small Business of the
15 House of Representatives and the Committee on
16 Small Business and Entrepreneurship of the Senate
17 a report that—

18 (A) evaluates whether the methodology
19 used to calculate a score under this subsection
20 accurately and effectively—

21 (i) measures the compliance of each
22 Federal agency with meeting the goals es-
23 tablished pursuant to section 15(g)(1)(B)
24 of the Small Business Act (15 U.S.C.
25 644(g)(1)(B)); and

1 (ii) encourages Federal agencies to ex-
2 pand opportunities for mall business con-
3 cerns, small business concerns owned and
4 controlled by service-disabled veterans,
5 qualified HUBZone small business con-
6 cerns, small business concerns owned and
7 controlled by socially and economically dis-
8 advantaged individuals, and small business
9 concerns owned and controlled by women
10 to compete for and be awarded Federal
11 procurement contracts across North Amer-
12 ican Industrial Classification System
13 Codes; and

14 (B) if warranted, makes recommendations
15 on how to improve such methodology to improve
16 its accuracy and effectiveness.

17 (9) DEFINITIONS.—In this subsection:

18 (A) ADMINISTRATOR.—The term “Admin-
19 istrator” means the Administrator of the Small
20 Business Administration.

21 (B) FEDERAL AGENCY.—The term “Fed-
22 eral agency” has the meaning given the term
23 “agency” by section 551(1) of title 5, United
24 States Code, but does not include the United

1 States Postal Service or the Government Ac-
2 countability Office.

3 (C) SCORECARD.—The term “scorecard”
4 shall mean any summary using a rating system
5 to evaluate a Federal agency’s efforts to meet
6 goals established under section 15(g)(1)(B) of
7 the Small Business Act (15 U.S.C.
8 644(g)(1)(B)) that—

9 (i) includes the measures described in
10 paragraph (4); and

11 (ii) assigns a score to each Federal
12 agency evaluated.

13 (D) SMALL BUSINESS ACT DEFINITIONS.—

14 (i) IN GENERAL.—The terms “small
15 business concern”, “small business concern
16 owned and controlled by service-disabled
17 veterans”, “qualified HUBZone small busi-
18 ness concern”, and “small business con-
19 cern owned and controlled by women” shall
20 have the meanings given such terms under
21 section 3 of the Small Business Act (15
22 U.S.C. 632).

23 (ii) SMALL BUSINESS CONCERNS
24 OWNED AND CONTROLLED BY SOCIALLY
25 AND ECONOMICALLY DISADVANTAGED IN-

1 INDIVIDUALS.—The term “small business
2 concern owned and controlled by socially
3 and economically disadvantaged individ-
4 uals” has the meaning given that term
5 under section 8(d)(3)(C) of the Small
6 Business Act (15 U.S.C. 637(d)(3)(C)).

