AMENDMENT TO H.R. 4435, AS REPORTED
OFFERED BY MR. KILMER OF WASHINGTON

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

SEC. 8. DEPARTMENT OF DEFENSE PILOT PROGRAM TO INCREASE CONTRACTING WITH BUSINESSES THAT EMPLOY VETERANS.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a pilot program in the Department of Defense to increase Federal contracting for businesses that employ veterans, in accordance with this section.

(b) COVERED PROCUREMENTS.—The pilot program shall apply to procurements for goods or services carried out by the Department of Defense using competitive procedures.

(c) OPTIONAL EVALUATION FACTOR.—Under the pilot program, a contracting officer of the Department of Defense may, in the evaluation of an offer received for a procurement, use as an evaluation factor the fact that—

(1) the offeror—

(A) has provided, and plans to continue to provide in the performance of the contract for
which the offer is made, employment guarantees for—

(i) veterans who have been unemployed or underemployed for more than 30 calendar days; or

(ii) members of the Armed Forces described in subsection (f)(2)(B); or

(B) has hired a veteran, or conditionally hired a member, described in subparagraph (A) and plans to retain the veteran or member as an employee in the performance of the contract for which the offer is made; and

(2) the offeror certifies that it meets the veteran employment criteria established under subsection (d) for the industry concerned.

(d) VETERAN EMPLOYMENT CRITERIA.—

(1) IN GENERAL.—The Secretary of Defense shall establish veteran employment criteria for purposes of the pilot program.

(2) MATTERS COVERED.—The criteria shall include numbers or percentages of veterans that the Secretary determines are appropriate for specific industries to employ in their workforces, and shall take into account the size of the business in determining appropriate numbers or percentages. The cri-
teria also shall require that an employer provide such rights, benefits, and pay as are generally provided by the employer to employees having similar seniority and status.

(3) CONSULTATION.— The Secretary shall consult with the Secretary of Commerce in establishing the criteria under this subsection.

(e) CERTIFICATION.—

(1) IN GENERAL.—For purposes of the pilot program, a business entity may certify that it meets the veteran employment criteria established by the Secretary under subsection (d). The Secretary may accept such a certification for purposes of the pilot program only if the Secretary determines that the certification or other information provided by the offeror has not been successfully challenged by an interested party or otherwise determined by the Secretary to be materially false.

(2) PROVISION OF DATA.—Upon request by the Secretary of Defense, the heads of other departments and agencies of the Government shall promptly provide the Secretary such information as the Secretary determines to be necessary to carry out this subsection.

(f) VETERAN DEFINED.—
(1) IN GENERAL.—In this section, the term “veteran” has the meaning provided in section 101 of title 38, United States Code.

(2) INCLUSION.—The term includes—

(A) a person who served as a member of a reserve component of the Armed Forces, was discharged or released from such service under conditions other than dishonorable, and is not otherwise covered under paragraph (1); and

(B) a member of the Armed Forces, including reserve components thereof, who is within 180 days of the member’s separation from the Armed Forces and has a conditional offer of employment with an offeror commencing upon the member’s separation.

(g) REGULATIONS.—

(1) IN GENERAL.—The Secretary of Defense shall prescribe regulations to carry out the pilot program.

(2) DEADLINES.—

(A) The Secretary of Defense shall—

(i) not later than 180 days after the date of the enactment of this Act, publish a proposed rule in the Federal Register for the regulations under this section; and
(ii) not later than one year after the
date of the enactment of this Act, publish
a final rule in the Federal Register for
such regulations.

(B) The Defense Federal Acquisition Reg-
ulation Supplement shall be revised to carry out
the regulations prescribed under this section
not later than 90 days after publication of the
final rule under subparagraph (A)(ii).

(h) COMPTROLLER GENERAL REPORTS.—

(1) ANNUAL REPORT REQUIRED.—Each year,
the Comptroller General of the United States shall
submit to the Committees on Armed Services of the
Senate and the House of Representatives a report on
the results of the pilot program, and the success of
the program in providing incentives to businesses to
employ veterans.

(2) FIRST REPORT.—The first report under this
subsection shall be submitted not later than one year
after the publication of the final rule under sub-
section (g)(3)(A)(ii)).

(i) TERMINATION.—The pilot program shall termi-
nate on September 30, 2020.