

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

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

1 **SEC. 8 ____ . DEPARTMENT OF DEFENSE PILOT PROGRAM TO**
2 **INCREASE CONTRACTING WITH BUSINESSES**
3 **THAT EMPLOY VETERANS.**

4 (a) **ESTABLISHMENT.**—The Secretary of Defense
5 shall establish a pilot program in the Department of De-
6 fense to increase Federal contracting for businesses that
7 employ veterans, in accordance with this section.

8 (b) **COVERED PROCUREMENTS.**—The pilot program
9 shall apply to procurements for goods or services carried
10 out by the Department of Defense using competitive pro-
11 cedures.

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

16 (1) the offeror—

17 (A) has provided, and plans to continue to
18 provide in the performance of the contract for

1 which the offer is made, employment guaran-
2 tees for—

3 (i) veterans who have been unem-
4 ployed or underemployed for more than 30
5 calendar days; or

6 (ii) members of the Armed Forces de-
7 scribed in subsection (f)(2)(B); or

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

13 (2) the offeror certifies that it meets the vet-
14 eran employment criteria established under sub-
15 section (d) for the industry concerned.

16 (d) VETERAN EMPLOYMENT CRITERIA.—

17 (1) IN GENERAL.—The Secretary of Defense
18 shall establish veteran employment criteria for pur-
19 poses of the pilot program.

20 (2) MATTERS COVERED.—The criteria shall in-
21 clude numbers or percentages of veterans that the
22 Secretary determines are appropriate for specific in-
23 dustries to employ in their workforces, and shall
24 take into account the size of the business in deter-
25 mining appropriate numbers or percentages. The cri-

1 teria also shall require that an employer provide
2 such rights, benefits, and pay as are generally pro-
3 vided by the employer to employees having similar
4 seniority and status.

5 (3) CONSULTATION.— The Secretary shall con-
6 sult with the Secretary of Commerce in establishing
7 the criteria under this subsection.

8 (e) CERTIFICATION.—

9 (1) IN GENERAL.—For purposes of the pilot
10 program, a business entity may certify that it meets
11 the veteran employment criteria established by the
12 Secretary under subsection (d). The Secretary may
13 accept such a certification for purposes of the pilot
14 program only if the Secretary determines that the
15 certification or other information provided by the of-
16 feror has not been successfully challenged by an in-
17 terested party or otherwise determined by the Sec-
18 retary to be materially false.

19 (2) PROVISION OF DATA.—Upon request by the
20 Secretary of Defense, the heads of other depart-
21 ments and agencies of the Government shall prompt-
22 ly provide the Secretary such information as the
23 Secretary determines to be necessary to carry out
24 this subsection.

25 (f) VETERAN DEFINED.—

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

4 (2) INCLUSION.—The term includes—

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

10 (B) a member of the Armed Forces, in-
11 cluding reserve components thereof, who is
12 within 180 days of the member’s separation
13 from the Armed Forces and has a conditional
14 offer of employment with an offeror com-
15 mencing upon the member’s separation.

16 (g) REGULATIONS.—

17 (1) IN GENERAL.—The Secretary of Defense
18 shall prescribe regulations to carry out the pilot pro-
19 gram.

20 (2) DEADLINES.—

21 (A) The Secretary of Defense shall—

22 (i) not later than 180 days after the
23 date of the enactment of this Act, publish
24 a proposed rule in the Federal Register for
25 the regulations under this section; and

1 (ii) not later than one year after the
2 date of the enactment of this Act, publish
3 a final rule in the Federal Register for
4 such regulations.

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

10 (h) COMPTROLLER GENERAL REPORTS.—

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

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

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

