

AMENDMENT TO RULES COMM. PRINT 117-13
OFFERED BY MS. SCHAKOWSKY OF ILLINOIS

Page 654, line 5 strike the period and insert an em dash.

Page 654, after line 5, insert the following:

1 “(A) increased by the annual percentage
2 increase in the Consumer Price Index for
3 Urban Wage Earners and Clerical Workers
4 (United States city average, all items, not sea-
5 sonally adjusted), or its successor publication,
6 as determined by the Bureau of Labor Statis-
7 tics; and

8 “(B) rounded to the nearest multiple of
9 \$0.05.”.

Page 663, after line 4, insert the following:

10 **SEC. ____ . SUSPENSION OR DEBARMENT REFERRAL FOR**
11 **EGREGIOUS VIOLATIONS OF CERTAIN LABOR**
12 **AND ENVIRONMENTAL LAWS.**

13 (a) **IN GENERAL.**—A contracting officer shall refer
14 to the appropriate suspension or debarment official any
15 current or former contractor of the Department of De-
16 fense if such contracting officer reasonably believes that

1 such contractor has egregiously violated any covered labor
2 or environmental law.

3 (b) EGREGIOUS VIOLATION DETERMINATION.—For
4 the purposes of this section, a contractor egregiously vio-
5 lates a covered labor or environmental law when—

6 (1) such contractor knowingly or willfully vio-
7 lates a covered labor or environmental law; and

8 (2) such violation, individually or in the aggre-
9 gate with other violations of labor or environmental
10 laws by such contractor, is severe (including through
11 the effects, dollar value, or frequency, or any com-
12 bination thereof, of such violations).

13 (c) DEBARMENT OR SUSPENSION BASIS.—An egre-
14 gious violation of a covered labor or environmental law by
15 a contractor may be a basis for suspension or debarment
16 of the contractor.

17 (d) COVERED LABOR OR ENVIRONMENTAL LAW DE-
18 FINED.—In this section, the term “covered labor or envi-
19 ronmental law” means—

20 (1) any law, or any regulation thereunder, ad-
21 ministered by the National Labor Relations Board
22 related to the right of employees to organize;

23 (2) any law, or any regulation thereunder, ad-
24 ministered by the Environmental Protection Agency;
25 or

1 “(4) The offeror contributes at least 5 percent
2 of the payroll to a portable pension fund for employ-
3 ees of the offeror.

4 “(5) The offeror provides at least 2 percent of
5 stock to employees of the offeror every year until the
6 company is at least 20 percent owned such employ-
7 ees.

8 “(6) The offeror has a collective bargaining
9 agreement with employees of the offeror.

10 “(7) Women and people of color make up at
11 least 40 percent of top executives of the offeror and,
12 if the offeror has a Board of Directors, of the mem-
13 bers of such Board.

14 “(8) The offeror publicly discloses the gender
15 and racial composition, and any pay gaps that exist,
16 of the employees of the offeror.

17 “(9) The offeror provides an affirmative action
18 program (as defined in section 30.4 of title 29, Code
19 of Federal Regulations, or a successor regulation) to
20 ensure equal opportunity in apprenticeships.

21 “(10) The offeror documents assistance pro-
22 vided to each individual with an intellectual or devel-
23 opmental disability and any other individual with a
24 significant disability employed by the offeror under
25 an certificate under section 14(c) of the Fair Labor

1 Standards Act (29 U.S.C. 214(c)) to transition to
2 opportunities for competitive integrated employment,
3 and that such individuals are employed in such op-
4 portunities for not less than 20 hours per week, on
5 average.

6 “(11) The offeror maintains headquarters in
7 the United States.

8 “(12) The offeror has Federal income tax liabil-
9 ity which exceeds the offeror’s Federal income tax
10 credits (other than such credits which constitute
11 cash payments of tax by the offeror).

12 “(13) The offeror is neither an expatriated enti-
13 ty (as defined in subparagraph (A) of section
14 7874(a)(2) of the Internal Revenue Code of 1986)
15 nor a surrogate foreign corporation (as defined in
16 subparagraph (B) of such section).

17 “(14) The offeror discloses financial perform-
18 ance and tax information on a country-by-country
19 basis.

20 “(b) APPLICATION OF PREFERENCE.—The Secretary
21 of Defense shall apply subsection (a) by providing greater
22 preference to an offeror that meets a greater number of
23 the qualifications under paragraphs (1) through (10) of
24 such subsection.

1 (d) APPLICABILITY.—This section and the amend-
2 ments made by this section shall apply to any Federal con-
3 tract entered into on or after the effective date of this
4 section.

5 (e) REFERENCES; SAVING PROVISION; RULE OF
6 CONSTRUCTION.—Sections 1883 through 1885 of the Wil-
7 liam M. (Mac) Thornberry National Defense Authoriza-
8 tion Act for Fiscal Year 2021 (Public Law 116–283) shall
9 apply with respect to the amendments made by this sec-
10 tion as if such amendments were made under title XVIII
11 of such Act.

Page 12, in the table of contents, insert after the
matter related to section 807 the following:

- Sec. _____. Suspension or debarment referral for egregious violations of certain
labor and environmental laws
- Sec. _____. Preference for contracts with certain labor requirements.

