

AMENDMENT TO RULES COMMITTEE PRINT 117-

54

OFFERED BY MR. WALTZ OF FLORIDA

Add at the end of subtitle E of title VIII the following new section:

1 **SEC. 8__ . DEPARTMENT OF DEFENSE GOALS FOR PAR-**
2 **TICIPATION BY CERTAIN VETERAN-OWNED**
3 **SMALL BUSINESSES IN PROCUREMENT CON-**
4 **TRACTS.**

5 Chapter 245 of part V of title 10, United States
6 Code, is amended by adding at the end the following new
7 section:

8 **“§ 3407. Small business concerns owned and con-**
9 **trolled by veterans: contracting goals and**
10 **preferences**

11 **“(a) CONTRACTING GOALS.—(1)** In order to increase
12 contracting opportunities for small business concerns
13 owned and controlled by veterans and small business con-
14 cerns owned and controlled by service-disabled veterans,
15 the Secretary shall—

16 **“(A)** establish a goal for each fiscal year for
17 participation in Department contracts (including
18 subcontracts) by small business concerns owned and

1 controlled by veterans who are not service-disabled
2 veterans in accordance with paragraph (2); and

3 “(B) establish a goal for each fiscal year for
4 participation in Department contracts (including
5 subcontracts) by small business concerns owned and
6 controlled by veterans with service-connected disabili-
7 ties in accordance with paragraph (3).

8 “(2) The goal for a fiscal year for participation under
9 paragraph (1)(A) shall be determined by the Secretary.

10 “(3) The goal for a fiscal year for participation under
11 paragraph (1)(B) shall be not less than the Government-
12 wide goal for that fiscal year for participation by small
13 business concerns owned and controlled by service-disabled
14 veterans under section 15(g)(1) of the Small Business Act
15 (15 U.S.C. 644(g)(1)).

16 “(4) The Secretary shall establish a review mecha-
17 nism to ensure that, in the case of a subcontract of a De-
18 partment contract that is counted for purposes of meeting
19 a goal established pursuant to this section, the subcontract
20 was actually awarded to a business concern that may be
21 counted for purposes of meeting that goal.

22 “(b) USE OF NONCOMPETITIVE PROCEDURES FOR
23 CERTAIN SMALL CONTRACTS.—For purposes of meeting
24 the goals under subsection (a), and in accordance with this
25 section, in entering into a contract with a small business

1 concern owned and controlled by veterans small business
2 concerns owned and controlled by service-disabled veterans
3 for an amount less than the simplified acquisition thresh-
4 old, a contracting officer may use procedures other than
5 competitive procedures.

6 “(c) SOLE SOURCE CONTRACTS FOR CONTRACTS
7 ABOVE SIMPLIFIED ACQUISITION THRESHOLD.—For pur-
8 poses of meeting the goals under subsection (a) and in
9 accordance with this section, a contracting officer may
10 award a contract to a small business concern owned and
11 controlled by veterans or small business concerns owned
12 and controlled by service-disabled veterans using proce-
13 dures other than competitive procedures if—

14 “(1) such concern is determined to be a respon-
15 sible source with respect to performance of such con-
16 tract opportunity;

17 “(2) the anticipated award price of the contract
18 (including options) will exceed the simplified acquisi-
19 tion threshold but will not exceed \$100,000,000; and

20 “(3) in the estimation of the contracting officer,
21 the contract award can be made at a fair and rea-
22 sonable price that offers best value to the United
23 States.

24 “(d) USE OF RESTRICTED COMPETITION.—Except as
25 provided in subsections (b) and (c), for purposes of meet-

1 ing the goals under subsection (a) and in accordance with
2 this section, a contracting officer shall award contracts on
3 the basis of competition restricted to small business con-
4 cerns owned and controlled by veterans or small business
5 concerns owned and controlled by service-disabled veterans
6 if the contracting officer has a reasonable expectation that
7 two or more small business concerns owned and controlled
8 by veterans or small business concerns owned and con-
9 trolled by service-disabled veterans (as applicable) will
10 submit offers and that the award can be made at a fair
11 and reasonable price that offers best value to the United
12 States.

13 “(e) ELIGIBILITY OF SMALL BUSINESS CONCERNS.—
14 A small business concern may be awarded a contract
15 under this section only if the small business concern and
16 the veteran owner of the small business concern are listed
17 in the database maintained by the Secretary of Veteran
18 Affairs pursuant to section 8127(f) title 38.

19 “(f) PRIORITY FOR CONTRACTING PREFERENCES.—
20 Preferences for awarding contracts to small business con-
21 cerns shall be applied in the following order of priority:

22 “(1) Contracts awarded pursuant to subsection
23 (b), (c), or (d) to small business concerns owned and
24 controlled by service-disabled veterans.

1 “(2) Contracts awarded pursuant to subsection
2 (b), (c), or (d) to small business concerns owned and
3 controlled by veterans that are not covered by para-
4 graph (1).

5 “(3) Contracts awarded pursuant to—

6 “(A) section 8(a) of the Small Business
7 Act (15 U.S.C. 637(a)); or

8 “(B) section 31 of such Act (15 U.S.C.
9 657a).

10 “(4) Contracts awarded pursuant to any other
11 contracting preference for small business concerns.

12 “(g) DEFINITIONS.—In this section:

13 “(1) The term ‘small business concern’ has the
14 meaning given under section 3 of the Small Business
15 Act (15 U.S.C. 632).

16 “(2) The terms ‘service-disabled veteran’, ‘small
17 business concern owned and controlled by veterans’,
18 and ‘small business concern owned and controlled by
19 service-disabled veterans’ have the meanings given,
20 respectively, under section 3(q) of the Small Busi-
21 ness Act (15 U.S.C. 632(q)).”.

