AMENDMENT TO THE RULES COMMITTEE PRINT
FOR H.R. 4435
OFFERED BY MR. YOUNG OF ALASKA

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

SEC. 827. MODIFIED JUSTIFICATION AND APPROVAL REQUIREMENTS RELATED TO SOLE SOURCE CONTRACTS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall modify the Department of Defense Supplement to the Federal Acquisition Regulation to provide that the head of an agency (as that term is defined in section 2302(1) of title 10, United States Code) may not award a sole-source contract for an amount exceeding $20,000,000 unless—

(1) the contracting officer for the contract justifies the use of a sole-source contract in writing; and

(2) the justification is approved by an official designated in section 2304(f)(1)(B) of title 10, United States Code, to approve contract awards for dollar amounts that are comparable to the amount of the sole-source contract.
(b) **ELEMENTS OF JUSTIFICATION.**—The justification of a sole-source contract required under subsection (a) shall include the following:

1. A description of the needs of the agency concerned for the matters covered by the contract.
2. A specification of the statutory provision providing the exception from the requirement to use competitive procedures in entering into the contract.
3. A determination that the use of a sole source contract is in the best interest of the Department of Defense.
4. A determination that the anticipated cost of the contract will be fair and reasonable.
5. Such other matters as the official described in subsection (a)(2) shall specify for purposes of this section.

(c) **TREATMENT OF OTHER JUSTIFICATION AND APPROVAL ACTIONS.**—In the case of any contract for which a justification and approval is required under section 2304(f) of title 10, United States Code, a justification and approval meeting the requirements of such section shall be treated as meeting the requirements of this section for purposes of the award of a sole-source contract.

(d) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed as—
(1) prohibiting or limiting a contract exceeding $20,000,000 in compliance with subsections (a) and (b) from being awarded for a procurement described in section 2304(f)(2)(D)(ii) of title 10, United States Code; or

(2) eliminating, reducing, or otherwise modifying obligations of the Department of Defense under section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)).

(e) REPEAL OF SUPERSEDED PROVISION.—Section 811 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 2405) is hereby repealed.

(f) REGULATIONS.—The Federal Acquisition Regulatory Council shall amend the Federal Acquisition Regulation to implement this section and the repeal of section 811 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 2405).