

114TH CONGRESS
1ST SESSION

H. R. 1015

To amend title 38, United States Code, to improve the oversight of contracts awarded by the Secretary of Veterans Affairs to small business concerns owned and controlled by veterans.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 20, 2015

Mr. HUELSKAMP introduced the following bill; which was referred to the
Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to improve the oversight of contracts awarded by the Secretary of Veterans Affairs to small business concerns owned and controlled by veterans.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting Business
5 Opportunities for Veterans Act of 2015”.

1 **SEC. 2. LIMITATIONS ON SUBCONTRACTS UNDER CON-**
2 **TRACTS WITH SMALL BUSINESS CONCERNS**
3 **OWNED AND CONTROLLED BY VETERANS.**

4 (a) IN GENERAL.—Section 8127 of title 38, United
5 States Code, is amended—

6 (1) by redesignating subsection (l) as subsection
7 (m); and

8 (2) by inserting after subsection (k) the fol-
9 lowing new subsection (l):

10 “(l) LIMITATIONS ON SUBCONTRACTING.—(1)(A)
11 The requirements applicable to a covered small business
12 concern under section 46 of the Small Business Act (15
13 U.S.C. 657s) shall apply with respect to a small business
14 concern owned and controlled by a veteran with a service-
15 connected disability or a small business concern owned
16 and controlled by a veteran that is awarded a contract
17 that is counted for purposes of meeting the goals under
18 subsection (a).

19 “(B) For purposes of applying the requirements of
20 section 46 of the Small Business Act (15 U.S.C. 657s)
21 pursuant to subparagraph (A), the term ‘similarly situated
22 entity’ used in such section 46 includes a subcontractor
23 for a small business concern owned and controlled by a
24 veteran with a service-connected disability or a small busi-
25 ness concern owned and controlled by a veteran described
26 in such subparagraph (A).

1 “(2) Before awarding a contract that is counted for
2 purposes of meeting the goals under subsection (a), the
3 Secretary shall obtain from an offeror a certification that
4 the offeror will comply with the requirements described in
5 paragraph (1)(A) if awarded the contract. Such certifi-
6 cation shall—

7 “(A) specify the exact performance require-
8 ments applicable under such paragraph; and

9 “(B) explicitly acknowledge that the certifi-
10 cation is subject to section 1001 of title 18.

11 “(3) If the Secretary determines that a small busi-
12 ness concern that is awarded a contract that is counted
13 for purposes of meeting the goals under subsection (a) did
14 not act in good faith with respect to the requirements de-
15 scribed in paragraph (1)(A), the small business concern
16 shall be subject to the penalties specified in—

17 “(A) section 16(g)(1) of the Small Business Act
18 (15 U.S.C. 645(g)(1)); and

19 “(B) section 1001 of title 18.

20 “(4)(A) The Director of Small and Disadvantaged
21 Business Utilization for the Department, established pur-
22 suant to section 15(k) of the Small Business Act (15
23 U.S.C. 644(k)), and the Chief Acquisition Officer of the
24 Department, established pursuant to section 1702 of title
25 41, shall jointly implement a process using the systems

1 described in section 16(g)(2) of the Small Business Act
2 (15 U.S.C. 645(g)(2)), or any other systems available, to
3 monitor compliance with this subsection. The Director and
4 the Chief Acquisition Officer shall jointly refer any viola-
5 tions of this subsection to the Inspector General of the
6 Department.

7 “(B) Not later than November 30 of each year, the
8 Inspector General shall submit to the Committees on Vet-
9 erans’ Affairs of the Senate and House of Representatives
10 a report for the fiscal year preceding the fiscal year during
11 which the report is submitted that includes, for the fiscal
12 year covered by the report—

13 “(i) the number of referred violations received
14 under subparagraph (A); and

15 “(ii) the disposition of such referred violations,
16 including the number of small business concerns sus-
17 pended or debarred from Federal contracting or re-
18 ferred to the Attorney General for prosecution.”.

19 (b) EFFECTIVE DATE.—Subsection (l) of section
20 8127 of title 38, United States Code, as added by sub-
21 section (a) shall apply with respect to a contract entered
22 into after the date of the enactment of this Act.

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