

113TH CONGRESS  
2D SESSION

# H. R. 4281

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

MARCH 21, 2014

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 2014”.

1 **SEC. 2. CONTRACTS WITH SMALL BUSINESS CONCERNS**  
2 **OWNED AND CONTROLLED BY VETERANS.**

3 Section 8127 of title 38, United States Code, is  
4 amended—

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

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

9 “(l) **LIMITATIONS ON SUBCONTRACTING.—(1)(A)**  
10 The requirements applicable to a small business concern  
11 under section 46 of the Small Business Act (15 U.S.C.  
12 657s) shall apply with respect to a small business concern  
13 owned and controlled by a veteran with a service-con-  
14 nected disability or a small business concern owned and  
15 controlled by a veteran that is awarded a contract under  
16 this section.

17 “(B) For purposes of applying the requirements of  
18 section 46 of the Small Business Act (15 U.S.C. 657s)  
19 pursuant to subparagraph (A)—

20 “(i) a small business concern owned and con-  
21 trolled by a veteran shall be treated as a small busi-  
22 ness concern owned and controlled by a veteran with  
23 a service-connected disability; and

24 “(ii) the term ‘similarly situated entity’ used in  
25 such section 46 means a subcontractor for a small  
26 business concern owned and controlled by a veteran

1 with a service-connected disability or a small busi-  
2 ness concern owned and controlled by a veteran de-  
3 scribed in such subparagraph (A).

4 “(2) Upon awarding a contract to a small business  
5 concern under this section, the Secretary shall obtain from  
6 an offeror a certification that the offeror will comply with  
7 the requirements described in paragraph (1)(A) if award-  
8 ed the contract. Such certification shall—

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

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

13 “(3) If the Secretary determines that a small busi-  
14 ness concern that is awarded a contract under this section  
15 did not act in good faith with respect to the requirements  
16 described in paragraph (1)(A), the small business concern  
17 shall be subject to the penalties specified in—

18 “(A) section 16(g)(1) of the Small Business Act  
19 (15 U.S.C. 645(g)(1)); and

20 “(B) section 1001 of title 18.

21 “(4)(A) The Director of the Office of Small and Dis-  
22 advantaged Business Utilization established by section  
23 15(k) of the Small Business Act (15 U.S.C. 644(k)) and  
24 the Chief Acquisition Officer established under section  
25 1702 of title 41 shall jointly implement a process using

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

7 “(B) The Inspector General shall submit to the Com-  
8 mittees on Veterans’ Affairs of the House of Representa-  
9 tives and the Senate an annual report that includes—

10 “(i) the number of referred violations received  
11 under subparagraph (A); and

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

○