

112<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3405

To amend title 38, United States Code, to treat small businesses bequeathed to spouses and dependents by members of the Armed Forces killed in line of duty as small business concerns owned and controlled by veterans for purposes of Department of Veterans Affairs contracting goals and preferences, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JULY 19, 2012

Mr. HELLER (for himself and Mr. BURR) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

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## A BILL

To amend title 38, United States Code, to treat small businesses bequeathed to spouses and dependents by members of the Armed Forces killed in line of duty as small business concerns owned and controlled by veterans for purposes of Department of Veterans Affairs contracting goals and preferences, and for other purposes.

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 “Veterans Small Busi-  
5       ness Protection Act of 2012”.

1 **SEC. 2. TREATMENT OF BUSINESSES AFTER DEATHS OF**  
 2 **SERVICEMEMBER-OWNERS FOR PURPOSES**  
 3 **OF DEPARTMENT OF VETERANS AFFAIRS**  
 4 **CONTRACTING GOALS AND PREFERENCES.**

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

7 (1) by redesignating subsections (i) through (l)  
 8 as subsections (j) through (m), respectively; and

9 (2) by inserting after subsection (h) the fol-  
 10 lowing new subsection (i):

11 “(i) TREATMENT OF BUSINESSES AFTER DEATH OF  
 12 SERVICEMEMBER-OWNER.—(1) If a member of the Armed  
 13 Forces owns at least 51 percent of a small business con-  
 14 cern and such member is killed in line of duty in the active  
 15 military, naval, or air service, the surviving spouse or de-  
 16 pendent of such member who acquires such ownership  
 17 rights in such small business concern shall, for the period  
 18 described in paragraph (2), be treated as if the surviving  
 19 spouse or dependent were a veteran with a service-con-  
 20 nected disability for purposes of determining the status  
 21 of the small business concern as a small business concern  
 22 owned and controlled by veterans for purposes of con-  
 23 tracting goals and preferences under this section.

24 “(2) The period referred to in paragraph (1) is the  
 25 period beginning on the date on which the member of the  
 26 Armed Forces dies and ending on the date as follows:

1           “(A) In the case of a surviving spouse, the ear-  
2           liest of the following dates:

3                   “(i) The date on which the surviving  
4                   spouse remarries.

5                   “(ii) The date on which the surviving  
6                   spouse relinquishes an ownership interest in the  
7                   small business concern and no longer owns at  
8                   least 51 percent of such small business concern.

9                   “(iii) The date that is ten years after the  
10                  date of the member’s death.

11           “(B) In the case of a dependent who is not a  
12           spouse, the earliest of the following dates:

13                   “(i) The date on which the surviving de-  
14                   pendant relinquishes an ownership interest in  
15                   the small business concern and no longer owns  
16                   at least 51 percent of such small business con-  
17                   cern.

18                   “(ii) The date that is ten years after the  
19                   date of the member’s death.”.

20           (b) EFFECTIVE DATE.—Subsection (i) of section  
21 8127 of such title, as added by subsection (a), take effect  
22 on the date of the enactment of this Act and shall apply  
23 with respect to the deaths of members of the Armed  
24 Forces occurring on or after such date.

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