

108TH CONGRESS  
1ST SESSION

# H. R. 1460

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IN THE SENATE OF THE UNITED STATES

JUNE 25, 2003

Received; read twice and referred to the Committee on Veterans' Affairs

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## AN ACT

To amend title 38, United States Code, to improve education and entrepreneurship benefits, housing benefits, and certain other benefits for veterans, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Veterans Entrepre-  
3 neurship and Benefits Improvement Act of 2003”.

4 **SEC. 2. AUTHORIZATION FOR STATE APPROVING AGENCIES**  
5 **TO APPROVE CERTAIN ENTREPRENEURSHIP**  
6 **COURSES.**

7 (a) APPROVAL OF ENTREPRENEURSHIP COURSES.—  
8 Section 3675 of title 38, United States Code, is amended  
9 by adding at the end the following new subsection:

10 “(c)(1) A State approving agency may approve the  
11 entrepreneurship courses offered by a qualified provider  
12 of entrepreneurship courses.

13 “(2) For purposes of this subsection, the term ‘entre-  
14 preneurship course’ means a non-degree, non-credit course  
15 of business education that enables or assists a person to  
16 start or enhance a small business enterprise.

17 “(3) Subsection (a) and paragraphs (1) and (2) of  
18 subsection (b) do not apply to—

19 “(A) an entrepreneurship course offered by a  
20 qualified provider of entrepreneurship courses; and

21 “(B) a qualified provider of entrepreneurship  
22 courses by reason of such provider offering one or  
23 more entrepreneurship courses.”.

24 (b) BUSINESS OWNERS NOT TREATED AS ALREADY  
25 QUALIFIED.—Section 3471 of such title is amended by in-  
26 serting before the last sentence the following: “The Sec-

1 retary shall not treat a person as already qualified for the  
2 objective of a program of education offered by a qualified  
3 provider of entrepreneurship courses solely because such  
4 person is the owner or operator of a business.”.

5 (c) INCLUSION OF ENTREPRENEURSHIP COURSES IN  
6 DEFINITION OF PROGRAM OF EDUCATION.—Subsection  
7 (b) of section 3452 of such title is amended by adding  
8 at the end the following: “Such term also includes any  
9 course, or combination of courses, offered by a qualified  
10 provider of entrepreneurship courses.”.

11 (d) INCLUSION OF QUALIFIED PROVIDER OF ENTRE-  
12 PRENEURSHIP COURSES IN DEFINITION OF EDU-  
13 CATIONAL INSTITUTION.—Subsection (c) of section 3452  
14 of such title is amended by adding at the end the fol-  
15 lowing: “Such term also includes any qualified provider  
16 of entrepreneurship courses.”.

17 (e) DEFINITION OF QUALIFIED PROVIDER OF EN-  
18 TREPRENEURSHIP COURSES.—Section 3452 of such title  
19 is further amended by adding at the end the following new  
20 subsection:

21 “(h) The term ‘qualified provider of entrepreneurship  
22 courses’ means—

23 “(1) a small business development center de-  
24 scribed in section 21 of the Small Business Act (15  
25 U.S.C. 648), and

1 “(2) the National Veterans Business Develop-  
2 ment Corporation (established under section 33 of  
3 such Act (15 U.S.C. 657c)) insofar as the Corpora-  
4 tion offers or sponsors an entrepreneurship course  
5 (as defined in section 3675(c)(2) of this title).”.

6 (f) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to courses approved by State ap-  
8 proving agencies after the date of the enactment of this  
9 Act.

10 **SEC. 3. PROCUREMENT PROGRAM FOR CERTIFIED SMALL**  
11 **BUSINESS CONCERNS OWNED AND CON-**  
12 **TROLLED BY QUALIFIED SERVICE-DISABLED**  
13 **VETERANS, ETC.**

14 (a) ESTABLISHMENT OF PROGRAM.—The Small  
15 Business Act (15 U.S.C. 631 et seq.) is amended by redes-  
16 ignating section 36 as section 38 and by inserting after  
17 section 35 the following new sections:

18 **“SEC. 36. PROCUREMENT PROGRAM FOR CERTIFIED SMALL**  
19 **BUSINESS CONCERNS OWNED AND CON-**  
20 **TROLLED BY QUALIFIED SERVICE-DISABLED**  
21 **VETERANS.**

22 “(a) SOLE SOURCE CONTRACTS.—In accordance with  
23 this section, a contracting officer may award a sole source  
24 contract to any certified small business concern owned and  
25 controlled by qualified service-disabled veterans if—

1           “(1) such concern is determined to be a respon-  
2           sible contractor with respect to performance of such  
3           contract opportunity and the contracting officer does  
4           not have a reasonable expectation that 2 or more  
5           certified small business concerns owned and con-  
6           trolled by qualified service-disabled veterans will sub-  
7           mit offers for the contracting opportunity;

8           “(2) the anticipated award price of the contract  
9           (including options) will not exceed—

10                   “(A) \$5,000,000, in the case of a contract  
11                   opportunity assigned a standard industrial clas-  
12                   sification code for manufacturing; or

13                   “(B) \$3,000,000, in the case of any other  
14                   contract opportunity; and

15           “(3) in the estimation of the contracting officer,  
16           the contract award can be made at a fair and rea-  
17           sonable price.

18           “(b) RESTRICTED COMPETITION.—In accordance  
19           with this section, a contracting officer may award con-  
20           tracts on the basis of competition restricted to certified  
21           small business concerns owned and controlled by qualified  
22           service-disabled veterans if the contracting officer has a  
23           reasonable expectation that not less than 2 certified small  
24           business concerns owned and controlled by qualified serv-

1 ice-disabled veterans will submit offers and that the award  
2 can be made at a fair market price.

3 “(c) ENFORCEMENT; PENALTIES.—Rules similar to  
4 the rules of section 31(c) shall apply for purposes of this  
5 section.

6 “(d) COLLECTION OF DATA REGARDING SMALL  
7 BUSINESS CONCERNS OWNED AND CONTROLLED BY  
8 SERVICE-DISABLED VETERANS.—

9 “(1) SURVEY.—Not later than 2 years after the  
10 date of the enactment of this section and each 3  
11 years thereafter, the Administrator, in consultation  
12 with the Secretary of Veterans Affairs, shall com-  
13 plete a survey of service-disabled veterans receiving  
14 benefits under title 38, United States Code, to deter-  
15 mine the number, identity, and primary industry  
16 classification of small business concerns owned and  
17 controlled by service-disabled veterans.

18 “(2) REPORT TO CONGRESS.—The Adminis-  
19 trator, in consultation with the Secretary of Vet-  
20 erans Affairs, shall report to Congress on the results  
21 of each survey conducted under paragraph (1). Such  
22 report shall include the total number of small busi-  
23 ness concerns owned and controlled by service-dis-  
24 abled veterans.

1       “(e) CONTRACTING OFFICER.—For purposes of this  
 2 section and section 37, the term ‘contracting officer’ has  
 3 the meaning given such term in section 27(f)(5) of the  
 4 Office of Federal Procurement Policy Act (41 U.S.C.  
 5 423(f)(5)).

6       **“SEC. 37. PRIORITY OF SMALL BUSINESS PROCUREMENT**  
 7                               **PREFERENCES.**

8       “(a) IN GENERAL.—A contracting officer may not  
 9 make a procurement from a source on the basis of a pref-  
 10 erence provided under any provision of this Act referred  
 11 to in subsection (b) unless the contracting officer has de-  
 12 termined that such procurement cannot be made on the  
 13 basis of a preference provided under another provision of  
 14 this Act with a higher priority under such subsection.

15       “(b) ORDER OF PRIORITY.—For purposes of this sec-  
 16 tion, the following provisions of this Act are listed in order  
 17 of priority from highest to lowest:

18               “(1) Section 8(a).

19               “(2) Section 36(b).

20               “(3) Section 36(a).

21               “(4) Section 31(b)(2)(B).

22               “(5) Section 31(b)(2)(A).

23               “(6) Section 8(m).

24       “(c) PRIORITY OF CERTAIN OTHER PROCUREMENT  
 25 PREFERENCES.—A procurement may not be made from

1 a source on the basis of a preference provided under any  
 2 provision of this Act referred to in subsection (b) if the  
 3 procurement would otherwise be made from a different  
 4 source under section 4124 or 4125 of title 18, United  
 5 States Code, or the Javits-Wagner-O'Day Act (41 U.S.C.  
 6 46 et seq.).”.

7 (b) CERTIFIED SMALL BUSINESS CONCERN OWNED  
 8 AND CONTROLLED BY SERVICE-DISABLED VETERANS.—  
 9 Subsection (q) of section 3 of the Small Business Act (15  
 10 U.S.C. 632) is amended by adding at the end the following  
 11 new paragraph:

12 “(5) CERTIFIED SMALL BUSINESS CONCERN  
 13 OWNED AND CONTROLLED BY QUALIFIED SERVICE-  
 14 DISABLED VETERANS.—

15 “(A) QUALIFIED SERVICE-DISABLED VET-  
 16 ERAN.—The term ‘qualified service-disabled vet-  
 17 eran’ means any veteran who—

18 “(i) has one or more disabilities that  
 19 are service-connected (as defined in section  
 20 101(16) of title 38, United States Code)  
 21 and rated at 10 percent or more by the  
 22 Secretary of Veterans Affairs; or

23 “(ii) is entitled to benefits under sec-  
 24 tion 1151 of title 38, United States Code.



1           “(B) SMALL BUSINESS CONCERN OWNED  
2           AND CONTROLLED BY QUALIFIED SERVICE-DIS-  
3           ABLED VETERANS.—The term ‘small business  
4           concern owned and controlled by qualified serv-  
5           ice-disabled veterans’ means a small business  
6           concern—

7                   “(i) not less than 51 percent of which  
8                   is owned by one or more qualified service-  
9                   disabled veterans or, in the case of any  
10                  publicly owned business, not less than 51  
11                  percent of the stock of which is owned by  
12                  one or more qualified service-disabled vet-  
13                  erans; and

14                  “(ii) the management and daily busi-  
15                  ness operations of which are controlled by  
16                  one or more qualified service-disabled vet-  
17                  erans or, in the case of a veteran with per-  
18                  manent and severe disability, the spouse or  
19                  permanent caregiver of such veteran.

20           “(C) CERTIFIED SMALL BUSINESS CON-  
21           CERN OWNED AND CONTROLLED BY QUALIFIED  
22           SERVICE-DISABLED VETERANS.—The term ‘cer-  
23           tified small business concern owned and con-  
24           trolled by qualified service-disabled veterans’  
25           means any small business concern owned and

1 controlled by qualified service-disabled veterans  
2 that is certified by the Administrator as being  
3 such a concern.”.

4 (c) CONFORMING AMENDMENTS.—Paragraph (2) of  
5 section 31(b) of the Small Business Act (15 U.S.C.  
6 657a(b)) is amended—

7 (1) by striking “Notwithstanding any other pro-  
8 vision of law” and inserting “In accordance with this  
9 section”;

10 (2) in subparagraph (B)—

11 (A) by striking “a contract opportunity  
12 shall be awarded pursuant to this section” and  
13 inserting “a contracting officer may award con-  
14 tracts”; and

15 (B) by striking “; and” at the end and in-  
16 serting a period; and

17 (3) by striking subparagraph (C).

18 (d) DEPARTMENT OF VETERANS AFFAIRS PILOT  
19 PROGRAM.—

20 (1) IN GENERAL.—In the case of a contracting  
21 officer of the Department of Veterans Affairs, the  
22 provisions of the Small Business Act referred to in  
23 paragraphs (1), (2), and (3) of section 37(b) of such  
24 Act shall be treated as being equal in priority for  
25 purposes of applying section 37 of such Act.

1           (2) TERMINATION.—Paragraph (1) shall not  
2       apply with respect to procurements made after Sep-  
3       tember 30, 2007.

4 **SEC. 4. AUTHORIZATION TO PROVIDE ADAPTED HOUSING**  
5                   **ASSISTANCE TO CERTAIN DISABLED MEM-**  
6                   **BERS OF THE ARMED FORCES WHO REMAIN**  
7                   **ON ACTIVE DUTY.**

8       Section 2101 of title 38, United States Code, is  
9       amended by adding at the end the following new sub-  
10      section:

11       “(c)(1) The Secretary may provide assistance under  
12      subsection (a) to a member of the Armed Forces serving  
13      on active duty who is suffering from a disability described  
14      in paragraph (1), (2), or (3) of that subsection if such  
15      disability is the result of an injury incurred or disease con-  
16      tracted in or aggravated in line of duty in the active mili-  
17      tary, naval, or air service. Such assistance shall be pro-  
18      vided to the same extent as assistance is provided under  
19      that subsection to veterans eligible for assistance under  
20      that subsection and subject to the requirements of the sec-  
21      ond sentence of that subsection.

22       “(2) The Secretary may provide assistance under  
23      subsection (b) to a member of the Armed Forces serving  
24      on active duty who is suffering from a disability described  
25      in subparagraph (A) or (B) of paragraph (1) of that sub-

1 section if such disability is the result of an injury incurred  
 2 or disease contracted in or aggravated in line of duty in  
 3 the active military, naval, or air service. Such assistance  
 4 shall be provided to the same extent as assistance is pro-  
 5 vided under such subsection to veterans eligible for assist-  
 6 ance under that subsection and subject to the require-  
 7 ments of paragraph (2) of that subsection.”.

8 **SEC. 5. REINSTATEMENT OF MINIMUM REQUIREMENTS**  
 9 **FOR SALE OF VENDEE LOANS.**

10 (a) IN GENERAL.—Section 3733(a) of title 38,  
 11 United States Code, is amended—

12 (1) by striking paragraph (2) and redesignating  
 13 paragraphs (3), (4), (5), and (6) as paragraphs (2),  
 14 (3), (4), and (5), respectively; and

15 (2) in subparagraph (B)(i) of paragraph (3), as  
 16 so redesignated, by striking “paragraph (5) of this  
 17 subsection” and inserting “paragraph (4)”.

18 (b) INCREASE IN MAXIMUM PERCENTAGE.—Section  
 19 3733(a)(1) of such title is amended—

20 (1) by striking “65 percent” in the first sen-  
 21 tence and inserting “85 percent”; and

22 (2) by striking the second sentence.

23 (c) STYLISTIC AMENDMENT.—Section 3733 of such  
 24 title is amended by striking “paragraph (1) of this sub-

1 section” each place it appears and inserting “paragraph  
2 (1)”.

3 **SEC. 6. PAYMENT OF ACCRUED BENEFITS.**

4 (a) REPEAL OF LIMITATION ON PAYMENT.—Sub-  
5 section (a) of section 5121 of title 38, United States Code,  
6 is amended by striking “for a period not to exceed two  
7 years” in the matter preceding paragraph (1).

8 (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) shall take effect with respect to deaths oc-  
10 ccurring on or after the date of the enactment of this Act.

Passed the House of Representatives June 24, 2003.

Attest:

JEFF TRANDAHL,

*Clerk.*