

113TH CONGRESS
2^D SESSION

S. 2334

To amend the Small Business Act and title 38, United States Code, to provide for a consolidated definition of a small business concern owned and controlled by veterans, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 14, 2014

Mr. KING (for himself and Mr. BURR) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To amend the Small Business Act and title 38, United States Code, to provide for a consolidated definition of a small business concern owned and controlled by 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improving Opportuni-
5 ties for Service-Disabled Veteran-Owned Small Businesses
6 Act of 2014”.

1 **SEC. 2. SMALL BUSINESS DEFINITION OF SMALL BUSINESS**

2 **CONCERN CONSOLIDATED.**

3 Section 3(q) of the Small Business Act (15 U.S.C.
4 632(q)) is amended—

5 (1) by amending paragraph (2) to read as fol-
6 lows:

7 “(2) **SMALL BUSINESS CONCERN OWNED AND**
8 **CONTROLLED BY SERVICE-DISABLED VETERANS.—**

9 The term ‘small business concern owned and con-
10 trolled by service-disabled veterans’ means a small
11 business concern—

12 “(A)(i) not less than 51 percent of which
13 is owned by one or more service-disabled vet-
14 erans or, in the case of any publicly owned busi-
15 ness, not less than 51 percent of the stock of
16 which is owned by one or more service-disabled
17 veterans; and

18 “(ii) the management and daily business
19 operations of which are controlled by one or
20 more service-disabled veterans or, in the case of
21 a veteran with permanent and severe disability,
22 the spouse or permanent caregiver of such vet-
23 eran; or

24 “(B) not less than 51 percent of which is
25 owned by one or more veterans with service-
26 connected disabilities that are permanent and

1 total who are unable to manage the daily busi-
2 ness operations of such concern or, in the case
3 of a publicly owned business, not less than 51
4 percent of the stock of which is owned by one
5 or more such veterans.”; and

6 (2) by adding at the end the following:

7 “(6) TREATMENT OF BUSINESSES AFTER
8 DEATH OF VETERAN-OWNER.—

9 “(A) IN GENERAL.—If the death of a serv-
10 ice-disabled veteran causes a small business
11 concern to be less than 51 percent owned by
12 one or more such veterans, the surviving spouse
13 of such veteran who acquires ownership rights
14 in such small business concern shall, for the pe-
15 riod described in subparagraph (B), be treated
16 as if the surviving spouse were that veteran for
17 the purpose of maintaining the status of the
18 small business concern as a small business con-
19 cern owned and controlled by service-disabled
20 veterans.

21 “(B) PERIOD DESCRIBED.—The period re-
22 ferred to in subparagraph (A) is the period be-
23 ginning on the date on which the service-dis-
24 abled veteran dies and ending on the earliest of
25 the following dates:

1 “(i) The date on which the surviving
2 spouse remarries.

3 “(ii) The date on which the surviving
4 spouse relinquishes an ownership interest
5 in the small business concern.

6 “(iii) The date that—

7 “(I) in the case of a surviving
8 spouse of a veteran with a service-con-
9 nected disability rated as 100 percent
10 disabling or who dies as a result of a
11 service-connected disability, is 10
12 years after the date of the veteran’s
13 death; or

14 “(II) in the case of a surviving
15 spouse of a veteran with a service-con-
16 nected disability rated as less than
17 100 percent disabling who does not
18 die as a result of a service-connected
19 disability, is three years after the date
20 of the veteran’s death.”.

21 **SEC. 3. VETERANS AFFAIRS DEFINITION OF SMALL BUSI-**
22 **NESS CONCERN CONSOLIDATED.**

23 Section 8127 of title 38, United States Code, is
24 amended—

25 (1) by striking subsection (h); and

1 (2) in subsection (1)(2), by striking “means”
2 and all that follows through the period at the end
3 and inserting the following: “has the meaning given
4 that term under section 3(q) of the Small Business
5 Act (15 U.S.C. 632(q)).”.

6 **SEC. 4. GAO REPORT ON VERIFICATION OF STATUS.**

7 Not later than 270 days after the date of enactment
8 of this Act, the Comptroller General of the United States
9 shall submit to the Committee on Veterans’ Affairs and
10 the Committee on Small Business and Entrepreneurship
11 of the Senate and the Committee on Veterans’ Affairs and
12 the Committee on Small Business of the House of Rep-
13 resentatives a report—

14 (1) evaluating whether it is practicable for the
15 Administrator of the Small Business Administration
16 or the Secretary of Veterans Affairs to have Govern-
17 ment-wide responsibility for verifying whether a
18 business concern purporting to be a small business
19 concern owned and controlled by service-disabled
20 veterans (as defined under section 3(q) of the Small
21 Business Act (15 U.S.C. 632(q)), as amended by
22 this Act) qualifies as a small business concern owned
23 and controlled by service-disabled veterans; and

24 (2) making recommendations on the advisability
25 of the Administrator of the Small Business Adminis-

1 tration or the Secretary of Veterans Affairs having
2 such Government-wide responsibility.

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