

118TH CONGRESS  
1ST SESSION

# S. 335

To establish a socioeconomic labor threshold and use that threshold for purposes of chapter 67 of title 41, United States Code.

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 9, 2023

Mr. LANKFORD introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

To establish a socioeconomic labor threshold and use that threshold for purposes of chapter 67 of title 41, United States Code.

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 “Service Contract Mod-  
5       ernization Act”.

6       **SEC. 2. SOCIOECONOMIC LABOR THRESHOLD.**

7       (a) IN GENERAL.—For purposes of this Act, the so-  
8       cioeconomic labor threshold is—

9               (1) for the period beginning on the date of en-  
10       actment of this Act and ending on October 1 fol-

1       lowing such date of enactment, the amount deter-  
2       mined by the Secretary of Labor under subsection  
3       (b)(1); and

4               (2) for each 1-year period beginning on October  
5       1 following such date of enactment, the amount de-  
6       termined by the Secretary of Labor under subsection  
7       (b)(2).

8       (b) INFLATION ADJUSTMENTS.—

9               (1) INITIAL PERIOD.—The amount determined  
10       under this paragraph for the period described in  
11       subsection (a)(1) shall be \$2,500 as—

12               (A) increased by the percentage increase in  
13       the Consumer Price Index for All Urban Con-  
14       sumers (all items; United States city average),  
15       as published by the Bureau of Labor Statistics,  
16       comparing—

17               (i) such Consumer Price Index for Oc-  
18       tober of 1965; and

19               (ii) such Consumer Price Index for  
20       the most recent month as of the date of  
21       enactment of this Act for which such Con-  
22       sumer Price Index is available; and

23               (B) (if applicable), rounded to the nearest  
24       multiple of \$100.

25       (2) SUBSEQUENT PERIODS.—

1 (A) IN GENERAL.—The amount deter-  
2 mined under this paragraph for the applicable  
3 period described in subsection (a)(2) shall be  
4 the amount in effect on the date of such deter-  
5 mination as—

6 (i) increased (if applicable) from such  
7 amount by the annual percentage increase,  
8 if any, in the Consumer Price Index for All  
9 Urban Consumers (all items; United States  
10 city average), as published by the Bureau  
11 of Labor Statistics, from the preceding  
12 year as calculated in accordance with sub-  
13 paragraph (B); and

14 (ii) (if applicable) rounded to the  
15 nearest multiple of \$100.

16 (B) CONSUMER PRICE INDEX.—In making  
17 the determination under subparagraph (A) and  
18 calculating the percentage increase in the Con-  
19 sumer Price Index for All Urban Consumers  
20 under subparagraph (A)(i), the Secretary of  
21 Labor shall compare the Consumer Price Index  
22 for All Urban Consumers (all items; United  
23 States city average), as determined by the Bu-  
24 reau of Labor Statistics, for June of the cal-  
25 endar year in which such determination is made

1 with the Consumer Price Index for All Urban  
2 Consumers (all items; United States city aver-  
3 age), as determined by the Bureau of Labor  
4 Statistics, for June of the preceding calendar  
5 year.

6 (C) RULE OF CONSTRUCTION.—With re-  
7 spect to a determination under subparagraph  
8 (A) of the amount in effect under this para-  
9 graph for an applicable period under subsection  
10 (a)(2), if there is not an annual percentage in-  
11 crease in the Consumer Price Index for All  
12 Urban Consumers (all items; United States city  
13 average) from the preceding year as described  
14 in subparagraph (A)(i), the amount in effect  
15 under this subsection for such applicable period  
16 shall be the amount in effect under subsection  
17 (a) on the date of such determination.

18 **SEC. 3. AMENDMENTS TO THE MCNAMARA-O'HARA SERVICE**

19 **CONTRACT ACT.**

20 (a) DEFINITION.—Section 6701 of title 41, United  
21 States Code, is amended—

22 (1) by redesignating paragraph (4) as para-  
23 graph (5); and

24 (2) by inserting after paragraph (3) the fol-  
25 lowing:

1           “(4) SOCIOECONOMIC LABOR THRESHOLD.—  
2           The term ‘socioeconomic labor threshold’ means the  
3           socioeconomic labor threshold established under sec-  
4           tion 2 of the Service Contract Modernization Act.”.

5           (b)        APPLICABILITY        THRESHOLD.—Section  
6           6702(a)(2) of title 41, United States Code, is amended  
7           to read as follows:

8           “(2) involves an amount exceeding—

9                   “(A) for contracts and bid specifications  
10                  made prior to the date of enactment of the  
11                  Service Contract Modernization Act, \$2,500;  
12                  and

13                   “(B) for contracts and bid specifications  
14                  made on or after such date of enactment, the  
15                  socioeconomic labor threshold.”.

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