

AMENDMENT TO H.R. 776
OFFERED BY MR. JOHNSON OF GEORGIA

Add at the end the following:

1 **SEC. 4. GAO STUDY.**

2 (a) **STUDY.**—The Comptroller General of the United
3 States shall carry out a study on the following:

4 (1) All instances during the 10-year period
5 prior to the date of enactment of the Act in which
6 a surety bond proposed or issued by a surety in con-
7 nection with a Federal project was—

8 (A) rejected by a Federal contracting offi-
9 cer; or

10 (B) accepted by a Federal contracting offi-
11 cer, but was later found to have been backed by
12 insufficient collateral or to be otherwise defi-
13 cient or with respect to which the surety did not
14 perform.

15 (2) The consequences to the Federal Govern-
16 ment, subcontractors, and suppliers of the instances
17 described under paragraph (1).

18 (3) The percentages of all Federal contracts
19 that were awarded to new startup businesses (in-
20 cluding new startup businesses that are small dis-

1 advantaged businesses or disadvantaged business en-
2 terprises), small disadvantaged businesses, and dis-
3 advantaged business enterprises as prime contrac-
4 tors in the 2-year period prior to and the 2-year pe-
5 riod following the date of enactment of this Act, and
6 an assessment of the impact of this Act and the
7 amendments made by this Act upon such percent-
8 ages.

9 (b) REPORT.—Not later than the end of the 3-year
10 period beginning on the date of the enactment of this Act,
11 the Comptroller General shall issue a report to the Com-
12 mittee on the Judiciary of the House of Representatives
13 and the Committee on Homeland Security and Govern-
14 ment Affairs of the Senate containing all findings and de-
15 terminations made in carrying out the study required
16 under subsection (a).

17 (c) DEFINITIONS.—For purposes of this section:

18 (1) DISADVANTAGED BUSINESS ENTERPRISE.—
19 The term “disadvantaged business enterprise” has
20 the meaning given that term under section 26.5 of
21 title 49, Code of Federal Regulations.

22 (2) NEW STARTUP BUSINESS.—The term “new
23 startup business” means a business that was formed
24 in the 2-year period ending on the date on which the

1 business bids on a contract that requires giving a
2 surety bond.

3 (3) SMALL DISADVANTAGED BUSINESS.—The
4 term “small disadvantaged business” has the mean-
5 ing given that term under section 124.1002(b) of
6 title 13, Code of Federal Regulations.

