AMENDMENT TO RULES COMMITTEE PRINT 116-19

OFFERED BY MR. HASTINGS OF FLORIDA

At the end of subtitle B of title VIII, add the following new section:

SEC. 831. REPORTING ON EXPENSES INCURRED FOR INDEPENDENT RESEARCH AND DEVELOPMENT COSTS.

(a) REPORTING ON INDEPENDENT RESEARCH AND DEVELOPMENT COSTS.—Section 2372 of title 10, United States Code, is amended—

(1) in the second sentence of subsection (a), by striking “shall be reported” and all that follows through “indirect costs.” and inserting the following:

“shall be reported—

“(1) independently from other allowable indirect costs; and

“(2) annually by the contractor to the Defense Technical Information Center, who shall give access to the information to the Under Secretary of Defense for Research and Engineering, the Director of the Defense Contract Audit Agency, and the Director of the Defense Management Audit Agency.”.
(b) REPORT TO CONGRESS.—Such section is further amended by adding at the end the following new subsection:

“(f) REPORT TO CONGRESS.—Not later than March 31, 2020, and biennially thereafter, the Under Secretary of Defense for Research and Engineering, in coordination with the Director of the Defense Contract Management Agency, the Director of the Defense Contract Audit Agency, and the Defense Technical Information Center, shall submit to the congressional defense committees aggregate cost data on the independent research and development programs of the contractor. The report shall include—

“(1) an analysis of such programs completed during the two-year period preceding the date of the report, including the extent to which such programs align with the modernization priorities of the most recent national defense strategy (as described by section 113 of this title);

“(2) an estimate of the extent to which such programs produced, or sought to produce, disruptive technologies or incremental technologies;

“(3) with respect to each contractor subject to the reporting requirement under subsection (a)—

“(A) a comparison of the total amount of independent research and development costs
submitted for reimbursement under the annual
incurred cost proposal of such contractor and
the amount reported to the Defense Technical
Information Center; and

“(B) a summary of any issues relating to
the ownership or distribution of intellectual
property rights raised by such contractor relat-
ing to an independent research and develop-
ment program of such contractor.”.

(c) REPORT TO GAO.—The Secretary of Defense
shall submit to the Comptroller General of the United
States the first such report required under subsection (f)
of section 2372 of title 10, United States Code (as added
by subsection (a)), so that the Comptroller General may
perform a review of the information provided in the report.