

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:

1 **SEC. 831. REPORTING ON EXPENSES INCURRED FOR INDE-**
2 **PENDENT RESEARCH AND DEVELOPMENT**
3 **COSTS.**

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

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

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

13 “(2) annually by the contractor to the Defense
14 Technical Information Center, who shall give access
15 to the information to the Under Secretary of De-
16 fense for Research and Engineering, the Director of
17 the Defense Contract Audit Agency, and the Direc-
18 tor of the Defense Management Audit Agency.”.

1 (b) REPORT TO CONGRESS.—Such section is further
2 amended by adding at the end the following new sub-
3 section:

4 “(f) REPORT TO CONGRESS.—Not later than March
5 31, 2020, and biennially thereafter, the Under Secretary
6 of Defense for Research and Engineering, in coordination
7 with the Director of the Defense Contract Management
8 Agency, the Director of the Defense Contract Audit Agen-
9 cy, and the Defense Technical Information Center, shall
10 submit to the congressional defense committees aggregate
11 cost data on the independent research and development
12 programs of the contractor. The report shall include—

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

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

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

24 “(A) a comparison of the total amount of
25 independent research and development costs

1 submitted for reimbursement under the annual
2 incurred cost proposal of such contractor and
3 the amount reported to the Defense Technical
4 Information Center; and

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

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

