AMENDMENT TO RULES COMMITTEE PRINT 118–10
OFFERED BY MR. IVEY OF MARYLAND

Add at the end of subtitle A of title VIII the following:

SEC. 8. DIVERSITY AND INCLUSION REPORTING REQUIREMENTS FOR COVERED CONTRACTORS.

(a) IN GENERAL.—Subchapter V of chapter 325 of title 10, United States Code, is amended by inserting after section 4892 the following new section:

“§ 4893. Diversity and inclusion reporting requirements for covered contractors

“(a) COVERED CONTRACTOR REPORTS.—

“(1) IN GENERAL.—The Secretary of Defense shall require each covered contractor awarded a major contract to submit to the Secretary of Defense by the last day of each full fiscal year that occurs during the period of performance of any major contract a report on diversity and inclusion.

“(2) ELEMENTS.—Each report under paragraph (1) shall include, for the fiscal year covered by the report—
“(A) a description of each major contract with a period of performance during the fiscal year covered by the report, including the period of performance, expected total value, and value to date of each major contract;

“(B) the total value of payments received under all major contracts of each covered contractor during such fiscal year;

“(C) the total number of participants in the board of directors of each covered contractor, nominees for the board of directors of the covered contractor, and the senior leaders of the covered contractor, disaggregated by demographic classifications;

“(D) with respect to employees of each covered contractor—

“(i) the total number of such employees; and

“(ii) the number of such employees (expressed as a numeral and as a percentage of the total number), identified by membership in demographic classification and major occupational group;
“(E) the value of first-tier subcontracts under each major contract entered into during such fiscal year;

“(F) with respect to employees of each covered subcontractor—

“(i) the total number of such employees;

“(ii) the number of such employees (expressed as a numeral and as a percentage of the total number), identified by membership in demographic classification and major occupational group;

“(G) whether the board of directors of the covered contractor has, as of the date on which the covered contractor submits a report under this section, adopted any policy, plan, or strategy to promote racial, ethnic, and gender diversity among the members of the board of directors of the covered contractor, nominees for the board of directors of the covered contractor, or the senior leaders of the covered contractor; and

“(H) a description of participation by the contractor in diversity programs, to include hours spent, funds expended in support of, and
the number of unique relationships established by each such diversity program.

“(b) Annual Summary Report.—

“(1) Report Required.—Not later than 60 days after the first day of each fiscal year, the Secretary shall submit to the congressional defense committees a report summarizing the reports submitted pursuant to subsection (a).

“(2) Elements.—Each report under paragraph (1) shall include—

“(A) an index of the reports submitted pursuant to subsection (a);

“(B) a compilation of the data described in such subsection, disaggregated as described in such subsection;

“(C) an aggregation of the data provided in such reports; and

“(D) a narrative that analyzes the information disclosed in such reports and identifies any year-to-year trends in such information.

“(c) Public Availability.—Each report required under this subsection shall be posted on a single publicly available website of the Department of Defense and made available in a machine-readable format that is downloadable, searchable, and sortable.
“(d) DEFINITIONS.—In this section:

“(1) COVERED CONTRACTOR.—The term ‘covered contractor’ means a contractor awarded a major contract.

“(2) COVERED SUBCONTRACTOR.—The term ‘covered subcontractor’ means a subcontractor performing a subcontract that is one of the 10 highest aggregate value subcontracts under a major contract.

“(3) DEMOGRAPHIC CLASSIFICATIONS.—The term ‘demographic classifications’ means classifications by race, gender, veteran status, or ethnicity.

“(4) DIVERSITY PROGRAM.—The term ‘diversity program’ means—

“(A) a mentor-protege relationship established under section 4092 of title 10, United States Code;

“(B) a program conducted under section 4093 of this title; or

“(C) any other program designated by the Secretary of Defense as designed to increase the diversity of the workforce of the defense industrial base.
“(5) MAJOR CONTRACT.—The term ‘major contract’ has the meaning given the term in section 4351 of this title.

“(6) MAJOR OCCUPATIONAL GROUP.—The term ‘major occupational group’ means a major occupational group as defined by the Bureau of Labor Statistics.

“(7) SENIOR LEADER.—The term ‘senior leader’ means—

“(A) the president of a covered contractor;

“(B) any vice president in charge of a principal business unit, division, or function of a covered contractor;

“(C) any other officer of a covered contractor who performs a policy-making function; or

“(D) an individual responsible for the direct or indirect management of more than 200 individuals.”.

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments made by this section shall take effect on July 1, 2024, and shall apply with respect to contracts entered into on or after July 1, 2024.