

117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7444

To amend title 10, United States Code, to provide for diversity and inclusion reporting requirements for certain Department of Defense contractors, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 2022

Mr. BROWN of Maryland introduced the following bill; which was referred to the Committee on Armed Services

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## A BILL

To amend title 10, United States Code, to provide for diversity and inclusion reporting requirements for certain Department of Defense contractors, and for other purposes.

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 “Diversity and Inclusion  
5 Transparency in the Defense Industrial Base Act”.

1 **SEC. 2. DIVERSITY AND INCLUSION REPORTING REQUIRE-**  
2 **MENTS FOR COVERED CONTRACTORS.**

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

6 **“§ 4893. Diversity and inclusion reporting require-**  
7 **ments for covered contractors**

8 “(a) COVERED CONTRACTOR REPORTS.—

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

15 “(2) ELEMENTS.—Each report under para-  
16 graph (1) shall include, for the fiscal year covered by  
17 the report—

18 “(A) a description of each major contract  
19 with a period of performance during the fiscal  
20 year covered by the report, including the period  
21 of performance, expected total value, and value  
22 to date of each major contract;

23 “(B) the total value of payments received  
24 under all major contracts of each covered con-  
25 tractor during such fiscal year;

1           “(C) the total number of participants in  
2 the board of directors of each covered con-  
3 tractor, nominees for the board of directors of  
4 the covered contractor, and the senior leaders of  
5 the covered contractor, disaggregated by demo-  
6 graphic classifications;

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

9                   “(i) the total number of such employ-  
10 ees; and

11                   “(ii) the number of such employees  
12 (expressed as a numeral and as a percent-  
13 age of the total number), identified by  
14 membership in demographic classification  
15 and major occupational group;

16           “(E) the value of first-tier subcontracts  
17 under each major contract entered into during  
18 such fiscal year;

19           “(F) with respect to employees of each cov-  
20 ered subcontractor—

21                   “(i) the total number of such employ-  
22 ees;

23                   “(ii) the number of such employees  
24 (expressed as a numeral and as a percent-  
25 age of the total number), identified by

1 membership in demographic classification  
2 and major occupational group;

3 “(G) whether the board of directors of the  
4 covered contractor has, as of the date on which  
5 the covered contractor submits a report under  
6 this section, adopted any policy, plan, or strat-  
7 egy to promote racial, ethnic, and gender diver-  
8 sity among the members of the board of direc-  
9 tors of the covered contractor, nominees for the  
10 board of directors of the covered contractor, or  
11 the senior leaders of the covered contractor; and

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

17 “(b) ANNUAL SUMMARY REPORT.—

18 “(1) REPORT REQUIRED.—Not later than 60  
19 days after the first day of each fiscal year, the Sec-  
20 retary shall submit to the congressional defense com-  
21 mittees a report summarizing the reports submitted  
22 pursuant to subsection (a).

23 “(2) ELEMENTS.—Each report under para-  
24 graph (1) shall include—

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

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

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

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

11          “(c) PUBLIC AVAILABILITY.—Each report required  
12          under this subsection shall be posted on a single publicly  
13          available website of the Department of Defense and made  
14          available in a machine-readable format that is  
15          downloadable, searchable, and sortable.

16          “(d) DEFINITIONS.—In this section:

17                 “(1) COVERED CONTRACTOR.—The term ‘cov-  
18                 ered contractor’ means a contractor awarded a  
19                 major contract.

20                 “(2) COVERED SUBCONTRACTOR.—The term  
21                 ‘covered subcontractor’ means a subcontractor per-  
22                 forming a subcontract that is one of the 10 highest  
23                 aggregate value subcontracts under a major con-  
24                 tract.

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

4           “(4) DIVERSITY PROGRAM.—The term ‘diver-  
5 sity program’ means—

6                   “(A) a program conducted under section  
7 3904 of this title;

8                   “(B) a mentor-protege relationship estab-  
9 lished under section 831 of the National De-  
10 fense Authorization Act for Fiscal Year 1991;

11                   “(C) a program conducted under section  
12 2192a of this title; or

13                   “(D) any other program designated by the  
14 Secretary of Defense as designed to increase  
15 the diversity of the workforce of the defense in-  
16 dustrial base.

17           “(5) MAJOR CONTRACT.—The term ‘major con-  
18 tract’ has the meaning given the term in section  
19 4351 of this title.

20           “(6) MAJOR OCCUPATIONAL GROUP.—The term  
21 ‘major occupational group’ means a major occupa-  
22 tional group as defined by the Bureau of Labor Sta-  
23 tistics.

24           “(7) SENIOR LEADER.—The term ‘senior lead-  
25 er’ means—

1           “(A) the president of a covered contractor;

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

5           “(C) any other officer of a covered con-  
6 tractor who performs a policy-making function;  
7 or

8           “(D) an individual responsible for the di-  
9 rect or indirect management of more than 200  
10 individuals.”.

11       (b) CLERICAL AMENDMENT.—The table of sections  
12 for subchapter V of chapter 325 of title 10, United States  
13 Code, is amended by adding after the item related to sec-  
14 tion 4892 the following:

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

15       (c) EFFECTIVE DATE AND APPLICABILITY.—The  
16 amendments made by this section shall take effect on July  
17 1, 2022, and shall apply with respect to contracts entered  
18 into on or after July 1, 2022.

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