

119TH CONGRESS
1ST SESSION

H. R. 4372

To amend title 10 to shorten breach reporting timelines, increase program transparency, and improve congressional oversight of Department of Defense cost overruns with respect to the cost growth for major systems, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2025

Mr. GARAMENDI (for himself, Mr. GIMENEZ, Ms. JACOBS, Mr. DELUZIO, and Ms. SCHAKOWSKY) introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To amend title 10 to shorten breach reporting timelines, increase program transparency, and improve congressional oversight of Department of Defense cost overruns with respect to the cost growth for major systems, 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. SHORTEN NUNN-MCCURDY BREACH REPORT**

4 **TIMELINE.**

5 Section 4374 of title 10, United States Code, is
6 amended—

1 (1) in subsection (a), by striking “When a unit
2 cost report” and inserting “Not later than 30 days
3 after a unit cost report”;

4 (2) in subsection (b), by striking “When a unit
5 cost report” and inserting “Not later than 30 days
6 after a unit cost report”; and

7 (3) in subsection (c), by amending paragraph
8 (2) to read as follows:

9 “(2) TIME FOR SUBMISSION OF NOTIFICATION
10 TO CONGRESS.—In the case of a determination
11 based on a quarterly report submitted in accordance
12 with section 4372 of this title or a report submitted
13 in accordance with section 4373 of this title, the
14 Secretary shall submit the notification to Congress
15 within 30 days after the date on which the deter-
16 mination was made.”.

17 **SEC. 2. END ITEM MAJOR SUBPROGRAM DESIGNATION.**

18 Section 4203(a)(1) of title 10, United States Code,
19 is amended by adding at the end the following new sub-
20 paragraph:

21 “(C) If the Secretary of Defense deter-
22 mines that a major defense acquisition program
23 requires the delivery of two or more end items
24 that are each estimated to require an eventual
25 total expenditure for research, development,

1 test, evaluation, operation, and support of more
 2 than \$500,000,000, the Secretary shall des-
 3 ignate each such end item as a major subpro-
 4 gram for the purposes of acquisition reporting
 5 under this subpart.”.

6 **SEC. 3. OPERATIONS AND SUPPORT COST INCLUSION.**

7 Section 4214(a)(2) of title 10, United States Code,
 8 is amended by inserting “for the life cycle of such major
 9 defense acquisition program or designated major subpro-
 10 gram” before the period at the end.

11 **SEC. 4. CRITICAL COST GROWTH TERMINATION.**

12 Section 4376 of title 10, United States Code, is
 13 amended—

14 (1) in subsection (b)—

15 (A) in paragraph (1), by inserting “(other
 16 than a program described in paragraph
 17 (4)(A))” after “major defense acquisition pro-
 18 gram”;

19 (B) in paragraph (3)—

20 (i) by striking “A written” and insert-
 21 ing “(A) A written”; and

22 (ii) by adding at the end the following
 23 new subparagraph:

24 “(B) The Secretary shall make publicly
 25 available on a website of the Department of De-

1 fense each report required under subparagraph
2 (A).”; and

3 (C) by adding at the end the following new
4 paragraphs:

5 “(4) SECOND CRITICAL BREACH.—

6 “(A) The Secretary may not submit to
7 Congress a written certification under para-
8 graph (1) with respect to a major defense ac-
9 quisition program that has had more than one
10 program acquisition unit cost increase or pro-
11 curement unit cost increase resulting in a reas-
12 sessment under subsection (a).

13 “(B) The Secretary shall terminate a
14 major defense acquisition program described in
15 subparagraph (A) not later than 90 days after
16 conducting the reassessment required by sub-
17 section (a) with respect the program.

18 “(5) DELEGATION.—The Secretary may not
19 delegate the submission of a written certification
20 under paragraph (1).”; and

21 (2) in subsection (c)—

22 (A) in paragraph (2), by striking “and” at
23 the end;

24 (B) in paragraph (3), by striking the pe-
25 riod at the end and inserting “; and”; and

1 (C) by adding at the end the following new
2 paragraph:

3 “(4) consideration of termination plans that
4 maximize value, including—

5 “(A) immediate termination of the pro-
6 gram with no further action;

7 “(B) termination of the program after
8 completion of the end items in production and
9 for which funds have been obligated or ex-
10 pended under the program as of the date
11 that—

12 “(i) if the program was terminated
13 under subsection (b)(1), is the last day of
14 the applicable 60-day period described in
15 such subsection for the program; or

16 “(ii) if the program was terminated
17 under subsection (b)(4), is 90 days after
18 the date on which the Secretary completed
19 the reassessment required by subsection
20 (a) pursuant to which the program was so
21 terminated;

22 “(C) termination of the program after
23 completion of the end items described in sub-
24 paragraph (B) for which the resale value ex-

1 ceeds the cost of completing such end items;
2 and

3 “(D) any other course of action to maxi-
4 mize the value to the Government of the funds
5 that have been obligated or expended under the
6 program as of the date that—

7 “(i) if the program was terminated
8 under subsection (b)(1), is the last day of
9 the applicable 60-day period described in
10 such subsection for the program; or

11 “(ii) if the program was terminated
12 under subsection (b)(4), is 90 days after
13 the date on which the Secretary completed
14 the reassessment required by subsection
15 (a) pursuant to which the program was so
16 terminated.”.

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