

104TH CONGRESS
2D SESSION

H. R. 3608

To amend section 818 of the National Defense Authorization Act for Fiscal Year 1995 to prohibit additional payments for restructuring costs under defense contracts and to revise certain reporting requirements relating to such costs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 10, 1996

Mr. SANDERS (for himself, Mr. FRANK of Massachusetts, Mr. BARRETT of Wisconsin, Mr. STARK, and Mr. MILLER of California) introduced the following bill; which was referred to the Committee on National Security

A BILL

To amend section 818 of the National Defense Authorization Act for Fiscal Year 1995 to prohibit additional payments for restructuring costs under defense contracts and to revise certain reporting requirements relating to such costs.

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. AMENDMENTS RELATING TO PAYMENTS FOR**
4 **AND REPORTS ON RESTRUCTURING COSTS**
5 **UNDER DEFENSE CONTRACTS.**

6 (a) PROHIBITION ON ADDITIONAL PAYMENTS FOR
7 RESTRUCTURING COSTS.—Section 818 of the National

1 Defense Authorization Act for Fiscal Year 1995 (Public
2 Law 103–337; 108 Stat. 2821; 10 U.S.C. 2324 note) is
3 amended by inserting at the end of subsection (a) the fol-
4 lowing new paragraph:

5 “(3) Effective on the date of the enactment of this
6 paragraph, no additional payments shall be made for re-
7 structuring costs incurred on or after August 15, 1994,
8 until reports to Congress for 1995 and 1996 are filed pur-
9 suant to subsection (e).”.

10 (b) AMENDMENTS RELATING TO REPORT BY SEC-
11 RETARY OF DEFENSE.—Subsection (e) of section 818 of
12 such Act is amended—

13 (1) in the matter preceding paragraph (1), by
14 striking out “1995, 1996, and 1997” and inserting
15 in lieu thereof “1995 and 1996”; and

16 (2) in paragraph (3), by inserting at the end
17 the following new subparagraph:

18 “(F) Actual employment data within de-
19 fense contractors immediately before public an-
20 nouncement of plans for each business combina-
21 tion since July 21, 1993, and layoffs subse-
22 quent to approval of each such business com-
23 bination, along with an estimate of the costs to
24 the United States resulting from the layoffs.”.

1 (c) AMENDMENTS RELATING TO REPORT BY COMP-
2 TROLLER GENERAL.—Subsection (g) of section 818 of
3 such Act is amended—

4 (1) in paragraph (2)—

5 (A) by striking out “periodically” and in-
6 serting in lieu thereof “quarterly every fiscal
7 year”; and

8 (B) by striking out the period at the end
9 and inserting in lieu thereof the following: “, in-
10 cluding the amount of appropriated funds obli-
11 gated for each business combination.”; and

12 (2) in paragraph (3), by striking out “1997”
13 and inserting in lieu thereof “1996”.

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