

118TH CONGRESS
2D SESSION

S. 4486

To strengthen provisions relating to employment transparency regarding individuals who perform work in the People’s Republic of China.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2024

Mr. SCHMITT introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To strengthen provisions relating to employment transparency regarding individuals who perform work in the People’s Republic of China.

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 “Defense Technology
5 Report Parity Act”.

1 **SEC. 2. EMPLOYMENT TRANSPARENCY REGARDING INDI-**
2 **VIDUALS WHO PERFORM WORK IN THE PEO-**
3 **PLE'S REPUBLIC OF CHINA.**

4 Section 855 of the National Defense Authorization
5 Act for Fiscal Year 2022 (Public Law 117–81; 10 U.S.C.
6 4651 note prec.) is amended—

7 (1) in subsection (a)(3)—

8 (A) by redesignating subparagraphs (A)
9 and (B) as clauses (i) and (ii) and moving such
10 clauses, as so redesignated, two ems to the
11 right;

12 (B) by striking “If a covered entity” and
13 inserting “(A) IN GENERAL.—If a covered com-
14 pany”; and

15 (C) in clause (ii), as so redesignated, by
16 striking “performed.” and inserting the fol-
17 lowing: “performed; and

18 “(iii) whether an agency or instru-
19 mentality of the People’s Republic of
20 China or any non-governmental Chinese
21 company has requested access to data or
22 otherwise acquired data from such covered
23 company pursuant to the People’s Republic
24 of China’s National Intelligence Law of
25 China or any similar legislative or regu-
26 latory requirements.

1 “(B) ADDITIONAL DISCLOSURE OF INFOR-
2 MATION AND ADDITIONAL MEASURES REGARD-
3 ING CERTAIN ENTITIES.—

4 “(i) IN GENERAL.—If a covered com-
5 pany performs service contracts dealing
6 with commercial computer software or non-
7 commercial computer software and is re-
8 quired to make a disclosure under para-
9 graph (1) or (2), such company shall—

10 “(I) describe the process for dis-
11 closing a software vulnerability, if
12 such company is also required to dis-
13 close any software vulnerability to the
14 Ministry of Industry and Information
15 Technology or any other agency or in-
16 strumentality of the People’s Republic
17 of China; and

18 “(II) provide any information re-
19 lated to how a United States affiliate
20 is notified of a flaw described in sub-
21 clause (I).

22 “(ii) ISSUANCE OF REGULATIONS.—
23 Not later than 180 days after the date of
24 the enactment of this subparagraph, the
25 Secretary shall revise the Defense Federal

1 Acquisition Regulation Supplement to en-
2 sure that—

3 “(I) a company described in
4 clause (i) is notified of any software
5 vulnerability by any affiliated Chinese
6 company within 48 hours of such
7 company entity reporting any software
8 vulnerability to the Ministry of Indus-
9 try and Information Technology or
10 any other agency or instrumentality of
11 the People’s Republic of China; and

12 “(II) the company shall retain
13 and furnish to the Department of De-
14 fense information regarding any soft-
15 ware vulnerability reported to the
16 Ministry of Industry and Information
17 Technology or any other agency or in-
18 strumentality of the People’s Republic
19 of China.”;

20 (2) in subsection (b)—

21 (A) in the subsection heading, by striking
22 “ENTITIES” and inserting “COMPANIES”; and

23 (B) by striking “entity” both places it ap-
24 pears and inserting “company”; and

1 (3) by amending subsection (d)(2) to read as
2 follows:

3 “(2) COVERED COMPANY.—The term ‘covered
4 company’ means a contractor offeror that also con-
5 ducts software development in the People’s Republic
6 of China.”.

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