

SEC. 889. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. 41 USC 3901
note prec.

(a) **PROHIBITION ON USE OR PROCUREMENT.**—(1) The head of an executive agency may not—

(A) procure or obtain or extend or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or

(B) enter into a contract (or extend or renew a contract) with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

(2) Nothing in paragraph (1) shall be construed to—

(A) prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(B) cover telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(b) **PROHIBITION ON LOAN AND GRANT FUNDS.**—(1) The head of an executive agency may not obligate or expend loan or grant funds to procure or obtain, extend or renew a contract to procure or obtain, or enter into a contract (or extend or renew a contract) to procure or obtain the equipment, services, or systems described in subsection (a).

(2) In implementing the prohibition in paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs, including the heads of the Federal Communications Commission, the Department of Agriculture, the Department of Homeland Security, the Small Business Administration, and the Department of Commerce, shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

(3) Nothing in this subsection shall be construed to—

(A) prohibit the head of an executive agency from procuring with an entity to provide a service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(B) cover telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(c) **EFFECTIVE DATES.**—The prohibition under subsection (a)(1)(A) shall take effect one year after the date of the enactment of this Act, and the prohibitions under subsections (a)(1)(B) and (b)(1) shall take effect two years after the date of the enactment of this Act.

(d) **WAIVER AUTHORITY.**—

(1) EXECUTIVE AGENCIES.—The head of an executive agency may, on a one-time basis, waive the requirements under subsection (a) with respect to an entity that requests such a waiver. The waiver may be provided, for a period of not more than two years after the effective dates described in subsection (c), if the entity seeking the waiver—

(A) provides a compelling justification for the additional time to implement the requirements under such subsection, as determined by the head of the executive agency; and

(B) submits to the head of the executive agency, who shall not later than 30 days thereafter submit to the appropriate congressional committees, a full and complete laydown of the presences of covered telecommunications or video surveillance equipment or services in the entity's supply chain and a phase-out plan to eliminate such covered telecommunications or video surveillance equipment or services from the entity's systems.

(2) DIRECTOR OF NATIONAL INTELLIGENCE.—The Director of National Intelligence may provide a waiver on a date later than the effective dates described in subsection (c) if the Director determines the waiver is in the national security interests of the United States.

(f) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Committee on Homeland Security and Governmental Affairs of the Senate; and

(B) the Committee on Financial Services, the Committee on Foreign Affairs, and the Committee on Oversight and Government Reform of the House of Representatives.

(2) COVERED FOREIGN COUNTRY.—The term “covered foreign country” means the People's Republic of China.

(3) COVERED TELECOMMUNICATIONS EQUIPMENT OR SERVICES.—The term “covered telecommunications equipment or services” means any of the following:

(A) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(B) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(C) Telecommunications or video surveillance services provided by such entities or using such equipment.

(D) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

(4) EXECUTIVE AGENCY.—The term “executive agency” has the meaning given the term in section 133 of title 41, United States Code.

SEC. 890. PILOT PROGRAM TO ACCELERATE CONTRACTING AND PRICING PROCESSES.

10 USC 2306a note.

(a) IN GENERAL.—The Secretary of Defense shall establish a pilot program to reform and accelerate the contracting and pricing processes associated with contracts in excess of \$50,000,000 by—

(1) basing price reasonableness determinations on actual cost and pricing data for purchases of the same or similar products for the Department of Defense; and

(2) reducing the cost and pricing data to be submitted in accordance with section 2306a of title 10, United States Code.

(b) LIMITATION.—The pilot program authorized under subsection (a) may include no more than ten contracts, and none of the selected contracts may be part of a major defense acquisition program (as that term is defined under section 2430 of title 10, United States Code).

(c) REPORT.—Not later than January 30, 2021, the Secretary of Defense shall submit to the congressional defense committees a report on the results of the pilot program authorized under subsection (a) and an assessment of whether the program should be continued or expanded.

(d) SUNSET.—The authority to carry out the pilot program under this section shall expire on January 2, 2021.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Office of the Secretary of Defense and Related Matters

- Sec. 901. Report on allocation of former responsibilities of the Under Secretary of Defense for Acquisition, Technology, and Logistics.
- Sec. 902. Modification of responsibilities of the Under Secretary of Defense for Policy.
- Sec. 903. Clarification of responsibilities and duties of the Chief Information Officer of the Department of Defense.
- Sec. 904. Technical corrections to Department of Defense Test Resource Management Center authority.
- Sec. 905. Specification of certain duties of the Defense Technical Information Center.

Subtitle B—Organization and Management of Other Department of Defense Offices and Elements

- Sec. 911. Comprehensive review of operational and administrative chains-of-command and functions of the Department of the Navy.
- Sec. 912. Modification of certain responsibilities of the Chairman of the Joint Chiefs of Staff relating to joint force concept development.
- Sec. 913. Clarification of certain risk assessment requirements of the Chairman of the Joint Chiefs of Staff in connection with the National Military Strategy.
- Sec. 914. Assistant Secretary of Defense for Special Operations and Low Intensity Conflict review of United States Special Operations Command.
- Sec. 915. Expansion of principal duties of Assistant Secretary of the Navy for Research, Development, and Acquisition.
- Sec. 916. Qualifications for appointment as Deputy Chief Management Officer of a military department.
- Sec. 917. Deadline for completion of full implementation of requirements in connection with organization of the Department of Defense for management of special operations forces and special operations.