

1 “(A) suspend such memorandum or agreement;
2 and

3 “(B) request an interagency review of such
4 memorandum or agreement and make recommenda-
5 tions to the President in accordance with the second
6 sentence of subsection (b).

7 “(2) A suspension under paragraph (1) shall remain
8 in effect until the completion of the interagency review and
9 submission of recommendations under subparagraph (B)
10 of such paragraph.

11 “(3) The Secretary shall publish in the Federal Reg-
12 ister notice of a suspension under paragraph (1) or a re-
13 quest for an interagency review pursuant to paragraph
14 (2).

15 “(e) CONTRACTING RESOURCES AND TECHNICAL AS-
16 SISTANCE.—The Secretary of Defense shall coordinate
17 with the Under Secretary of Commerce for International
18 Trade and the Office of International Trade of the Small
19 Business Administration to provide resources and tech-
20 nical assistance to the defense technology and industrial
21 base of the United States for submitting bids on contracts
22 with foreign countries (or any instrumentality of a foreign
23 country) that have entered into a memorandum of under-
24 standing or related agreement described in this section.

1 “(f) PUBLICATION OF MOUS AND RELATED AGREE-
2 MENTS.—The Secretary of Defense shall publish on a pub-
3 licly available website, and shall periodically update, infor-
4 mation describing memoranda of understanding or related
5 agreements entered into, suspended, or renewed under this
6 section, including a comparison of the following:

7 “(1) The dollar value of defense equipment or defense
8 items procured by the Secretary of Defense pursuant to
9 such a memorandum or agreement.

10 “(2) The dollar value of defense equipment or defense
11 items produced (in whole or in part) by entities in the de-
12 fense technology and industrial base of the United States
13 procured by foreign defense trade partners.

14 “(g) FEDERAL REGISTER.—(1) Before entering into
15 or renewing a memorandum of understanding or related
16 agreement under this section, the Secretary of Defense
17 shall publish in the Federal Register the following:

18 “(A) A description of any such memorandum or
19 agreement.

20 “(B) An assessment of the application of
21 metrics developed under section 3(a) of the Recip-
22 rocal Defense Procurement Agreements Reform Act
23 to such memorandum of understanding or agree-
24 ment.

1 “(2) The Secretary of Defense shall allow for a 90-
2 day period of public notice and comment before any memo-
3 randum or agreement described in subparagraph (A), or
4 a renewal of such memorandum or agreement, takes ef-
5 fect.

6 “(3) Nothing in this subsection shall be construed to
7 require the Secretary of Defense to publish classified in-
8 formation.”.

9 (2) MODIFICATIONS TO INTER-AGENCY RE-
10 VIEWS.—Section 4851(b) of title 10, United States
11 Code, is amended—

12 (A) by striking “may request” and insert-
13 ing “shall request”; and

14 (B) by adding at the end the following new
15 sentence: “The Secretary shall request periodic
16 interagency reviews of memoranda of under-
17 standing or related agreements to ensure that
18 each such memoranda or agreement in effect is
19 reviewed not less frequently than once every five
20 years.”.

21 (3) PROHIBITION ON NEW MOUS AND RELATED
22 AGREEMENTS.—The Secretary of Defense may not
23 enter into a memorandum of understanding or re-
24 lated agreement with a foreign country (or any in-
25 strumentality of a foreign country) until each inter-

1 agency review of such memorandum or agreement
2 described in section 4851(b) of title 10, United
3 States Code, that is incomplete on the date of the
4 enactment of this Act has been completed.

5 (b) METRICS AND REPORT ON RECIPROCAL DE-
6 FENSE PROCUREMENT AGREEMENTS.—

7 (1) DEVELOPMENT OF METRICS.—The Sec-
8 retary of Defense, in consultation with the Secretary
9 of Commerce, shall jointly develop metrics to evalu-
10 ate—

11 (A) the impact of memoranda of under-
12 standing or related agreements on entities in
13 the technology and industrial base sector of the
14 United States, including such entities that are
15 small business concerns (as defined under sec-
16 tion 3 of the Small Business Act (15 U.S.C.
17 632));

18 (B) the impact of such memoranda or
19 agreements on potential foreign competition for
20 entities in the defense technology and industrial
21 base of the United States as a result of any
22 waiver granted pursuant to chapter 83 of title
23 41, United States Code, or section 4862 or
24 4863 of title 10, United States Code;

1 (C) the dollar value of defense equipment
2 or defense items procured by the Secretary of
3 Defense pursuant to such a memorandum or
4 agreement; and

5 (D) the dollar value of defense equipment
6 or defense items produced (in whole or in part)
7 by entities in the defense technology and indus-
8 trial base of the United States procured by for-
9 eign defense trade partners.

10 (2) REPORT TO CONGRESS.—Not later than one
11 year after developing the metrics described in para-
12 graph (1), the Secretary of Defense, in consultation
13 with the Administrator of the Small Business Ad-
14 ministration, shall submit to Congress a report in-
15 cluding—

16 (A) an assessment of the application of
17 such metrics to memoranda of understanding or
18 related agreements in effect during the year
19 covered by the report;

20 (B) the extent to which entities in the
21 technology and industrial base sector of the
22 United States, including small business con-
23 cerns (as defined under section 3 of the Small
24 Business Act (15 U.S.C. 632)), have lost or
25 gained business opportunities in both foreign

1 and domestic markets as a result of a memo-
2 randum of understanding or related agreement;
3 and

4 (C) any other relevant information, as de-
5 termined by the Secretary.

6 (c) DEFINITIONS.—In this section:

7 (1) The terms “defense equipment” and “de-
8 fense items” have the meanings described, respec-
9 tively, in section 4851 of title 10, United States
10 Code.

11 (2) The term “foreign defense trade partner”
12 has the meaning given in section 831(d) of the Ron-
13 ald W. Reagan National Defense Authorization Act
14 for Fiscal Year 2005 (Public Law 108–375; 10
15 U.S.C. 4851 note).

16 (3) The term “memorandum of understanding
17 or related agreement” means a memorandum of un-
18 derstanding or related agreement described in sec-
19 tion 4851 of title 10, United States Code.

20 (4) The term “technology and industrial base
21 sector” has the meaning given in section 4801 of
22 title 10, United States Code.

