

119TH CONGRESS
2D SESSION

S. _____

To prohibit the Department of Defense from contracting with consultancies providing services to certain foreign entities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Ms. ERNST introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To prohibit the Department of Defense from contracting with consultancies providing services to certain foreign entities, 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. SHORT TITLE.**

4 This Act may be cited as the “Ending Double Deal-
5 ing Act of 2026”.

6 **SEC. 2. PROHIBITION ON CONTRACTING WITH CERTAIN**
7 **CONSULTANCIES.**

8 (a) FINDINGS.—Congress makes the following find-
9 ings:

1 (1) The reliance by the Department of Defense
2 on consultants for mission support services can cre-
3 ate potential organizational conflicts of interest re-
4 lated to national security matters due to competing
5 interests as a result of business relationships with
6 foreign adversarial nations and entities.

7 (2) It is imperative for consultants providing
8 mission support services to the Department of De-
9 fense related to national security matters and for-
10 eign policy interests to not be providing mission sup-
11 port services to foreign adversaries regarding efforts
12 counter to the national security and foreign policy
13 interests of the United States.

14 (3) Protecting against organizational conflicts
15 of interest related to foreign adversarial nations and
16 entities providing Federal mission support services is
17 essential to the national security and foreign policy
18 interests of the United States.

19 (b) PROHIBITION RELATED TO CERTAIN CONTRACTS
20 OR GRANTS.—

21 (1) IN GENERAL.—The Secretary may not after
22 the date of the enactment of this Act enter into,
23 renew, extend a contract with, award a grant to,
24 enter into an other transactional agreement with, or
25 otherwise effectuate any legal instrument resulting

1 in any financial benefit accruing to, a covered
2 consultancy.

3 (2) DISCLOSURE.—Any individual or entity that
4 submits an offer or bid to provide consulting services
5 to the Department of Defense shall disclose in such
6 offer or bid any information relevant to the indi-
7 vidual or entity with respect to the prohibition under
8 paragraph (1), including—

9 (A) whether the individual or entity has
10 entered into a contract with, or received grants
11 or other financial awards from, a covered entity
12 in the five years prior to submitting the offer
13 or bid; and

14 (B) at the time the contract to provide
15 consulting services to the Department will be
16 entered into, whether—

17 (i) any contract entered into by the
18 individual or entity with a covered entity
19 will still be in effect; or

20 (ii) the individual or entity will be re-
21 ceiving funds from, or have any unobli-
22 gated or unexpended funds received under,
23 any grant or other financial award from a
24 covered entity.

25 (3) PENALTIES.—

1 (A) IN GENERAL.—If the Secretary deter-
2 mines that a contractor of the Department
3 failed to make the disclosure required by para-
4 graph (2), the Secretary shall—

5 (i) terminate the applicable contract
6 for cause; and

7 (ii) initiate a suspension and debar-
8 ment proceeding with respect to the con-
9 tractor.

10 (B) MAXIMUM LENGTH OF DEBARMENT.—

11 The maximum length of a debarment of a con-
12 tractor pursuant to this paragraph shall be a
13 period of 5 years.

14 (c) CERTIFICATION.—

15 (1) IN GENERAL.—After a determination by the
16 Secretary that a company is a covered consultancy,
17 such company may submit to the Secretary a written
18 and signed certification that—

19 (A) the consultancy no longer is—

20 (i) performing under a contract with a
21 covered entity;

22 (ii) carrying out activities under a
23 grant received from a covered entity; or

1 (iii) receiving funds, or has any unob-
2 ligated or unexpended funds received, from
3 a covered entity; and

4 (B) will not enter into, accept, or pursue
5 a contract with a covered entity or a grant or
6 other financial award from a covered entity—

7 (i) during the term of a contract with
8 the Department of Defense; or

9 (ii) while receiving funds from the De-
10 partment of Defense, or obligating or ex-
11 pending any such funds.

12 (2) STATUS CHANGE.—Upon the approval by
13 the Secretary of a certification submitted under
14 paragraph (1), a company is deemed to not be a cov-
15 ered consultancy for the purposes of this section
16 until the expiration of the certification under para-
17 graph (3).

18 (3) EXPIRATION.—A certification submitted by
19 a company under paragraph (1) shall expire on the
20 earlier of the date on which the company, after sub-
21 mitting such certification, enters into, extends, re-
22 news, or performs under a contract with a covered
23 entity for consulting services.

1 (d) POLICIES AND GUIDANCE.—Not later than 180
2 days after the date of the enactment of this Act, the Sec-
3 retary shall issue the following policies and practices:

4 (1) Policies to implement the prohibition under
5 subsection (b)(1).

6 (2) Best practices for consultancies to avoid be-
7 coming covered consultancies under this section and
8 for covered consultancies to end their status as such.

9 (3) A policy articulating the exact provisions
10 and terms to be included in solicitations, contracts,
11 and grants of the Department of Defense pursuant
12 to paragraphs (2) and (3) of subsection (b).

13 (e) REVISION OF DEPARTMENT OF DEFENSE ACQUI-
14 SITION REGULATION.—Not later than one year after the
15 date of enactment of this Act, the Secretary shall amend
16 the Defense Federal Acquisition Regulation Supplement
17 to implement this section.

18 (f) DEFINITIONS.—In this section:

19 (1) CONSULTING SERVICES.—The term “con-
20 sulting services” has the meaning given the term
21 “advisory and assistance services” in section 2.101
22 of the Federal Acquisition Regulation, except that—

23 (A) the term does not include the services
24 described in paragraph (3) of such section; and

1 (B) each instance of the term “Federal” is
2 replaced with “client”.

3 (2) CONTRACT EMPLOYEE.—The term “con-
4 tract employee” means—

5 (A) an employee of a contractor; or

6 (B) in the case of a contractor who is an
7 individual who directly enters into a contract
8 with the Federal Government, that individual.

9 (3) CONTRACTOR.—The term “contractor” has
10 the meaning given the term in section 7101 of title
11 41, United States Code.

12 (4) COVERED CONSULTANCY.—The term “cov-
13 ered consultancy” means a company that, itself or
14 any subsidiary or affiliate thereof, in the later of the
15 five-year period preceding the date of the relevant
16 requirement or the effective date of the relevant re-
17 quirement—

18 (A) failed to disclose information to the
19 Secretary related to any activities involving a
20 covered entity as required by any law, regula-
21 tion, or contract term, or terms of other agree-
22 ments;

23 (B) was found to have submitted false or
24 misleading information to any Federal agency
25 in any Federal proceeding; or

1 (C) was found to have failed to disclose an
2 actual or potential conflict of interest as re-
3 quired by any law, regulation, or contract term
4 to any Federal agency or in any Federal pro-
5 ceeding.

6 (5) COVERED ENTITY.—The term “covered en-
7 tity” means any of the following:

8 (A) The Government of the People’s Re-
9 public of China.

10 (B) The Chinese Communist Party.

11 (C) The People’s Liberation Army, the
12 Ministry of State Security, or any security serv-
13 ice or intelligence agency of the People’s Repub-
14 lic of China.

15 (D) Any entity on the Non-SDN Chinese
16 Military-Industrial Complex Companies List
17 (NS–CMIC–List) maintained by the Office of
18 Foreign Assets Control of the Department of
19 the Treasury under Executive Order 14032 (86
20 Fed. Reg. 30145; relating to addressing the
21 threat from securities investments that finance
22 certain companies of the People’s Republic of
23 China), or any successor order.

24 (E) Any Chinese military company identi-
25 fied by the Secretary of Defense pursuant to

1 section 1237(b) of the Strom Thurmond Na-
2 tional Defense Authorization Act for Fiscal
3 Year 1999 (Public Law 105–261; 50 U.S.C.
4 1701 note).

5 (F) Any entity owned (25 percent or more)
6 or controlled, directly or indirectly, by the Gov-
7 ernment of the People’s Republic of China or
8 the Chinese Communist Party, including
9 through board representation, voting rights,
10 contractual arrangements, or other means of ef-
11 fective control, that is engaged in one or more
12 national security industries.

13 (G) The Government of the Russian Fed-
14 eration, any entity owned (25 percent or more)
15 or controlled, directly or indirectly by the Rus-
16 sian Federation, or any entity sanctioned by the
17 Secretary of the Treasury.

18 (H) The government or any State-owned
19 entity of any country if the Secretary of State
20 determines that such government has repeat-
21 edly provided support for acts of international
22 terrorism pursuant to—

23 (i) section 1754(c)(1)(A) of the Ex-
24 port Control Reform Act of 2018 (50
25 U.S.C. 4813(c)(1)(A));

1 (ii) section 620A of the Foreign As-
2 sistance Act of 1961 (22 U.S.C. 2371);

3 (iii) section 40 of the Arms Export
4 Control Act (22 U.S.C. 2780); or

5 (iv) any other provision of law.

6 (I) Any entity included on any of the fol-
7 lowing lists maintained by the Department of
8 Commerce:

9 (i) The Entity List set forth in Sup-
10 plement No. 4 to part 744 of the Export
11 Administration Regulations.

12 (ii) The Denied Persons List as de-
13 scribed in section 764.3(a)(2) of the Ex-
14 port Administration Regulations.

15 (iii) The Unverified List set forth in
16 Supplement No. 6 to part 744 of the Ex-
17 port Administration Regulations.

18 (J) The Military End User List set forth
19 in Supplement No. 7 to part 744 of the Export
20 Administration Regulations.

21 (K) A foreign adversary, as that term is
22 defined in this subsection.

23 (L) An individual or entity included on any
24 sanctions list administered by the Office of For-
25 eign Assets Control of the Department of the

1 Treasury or of the Department of Justice, in-
2 cluding any successor list.

3 (6) EXPORT ADMINISTRATION REGULATIONS.—

4 The term “Export Administration Regulations”
5 means the regulations set forth in subchapter C of
6 chapter VII of title 15, Code of Federal Regulations.

7 (7) FOREIGN ADVERSARY.—The term “foreign
8 adversary” means the following:

9 (A) The Democratic People’s Republic of
10 North Korea.

11 (B) The People’s Republic of China.

12 (C) The Russian Federation.

13 (D) The Islamic Republic of Iran.

14 (E) The Republic of Cuba.

15 (F) Venezuelan politician Nicolás Maduro
16 (the Maduro Regime).

17 (8) NATIONAL SECURITY INDUSTRY.—The term
18 “national security industry” means—

19 (A) a military-related industry;

20 (B) semiconductor production;

21 (C) researching or commercializing quan-
22 tum computing;

23 (D) developing artificial intelligence prod-
24 ucts or services;

25 (E) the biotechnology industry;

1 (F) the cybersecurity industry;

2 (G) the mining, processing, or refining of
3 critical minerals (as such term is defined in sec-
4 tion 7002(a) of the Energy Act of 2020 (30
5 U.S.C. 1606(a))) for use by a covered entity; or

6 (H) other emerging technologies (as that
7 term is defined in section 6701 of the Intel-
8 ligence Authorization Act for Fiscal Year 2023
9 (division F of Public Law 117–263; 50 U.S.C.
10 3024 note).

11 (9) SECRETARY.—The term “Secretary” means
12 the Secretary of Defense.