

Department of Defense Ethics and Anti-Corruption Act of 2019 **Senator Elizabeth Warren and Representative Jackie Speier**

President Dwight D. Eisenhower called the tight relationship between defense contractors and the Pentagon the “military-industrial complex”. The military-industrial complex nudges countless decisions away from legitimate national security interests, and toward the interests of giant defense corporations and contractors that make a profit from taxpayer dollars.

Defense contractors often recruit former Department of Defense (DoD) officials through the revolving door to become lobbyists, then use those former officials’ relationships and access to peddle influence at the Pentagon and to secure lucrative defense contracts. According to the Project on Government Oversight’s Center for Defense Information, in 2018, nearly 400 high-ranking DoD officials and military officers took a spin through the revolving door to become lobbyists, board members, executives, or consultants for defense contractors. Of these former DoD officials, one-in-four went to work for one of the DoD’s top 5 contractors,¹ including top brass in the U.S. military.²

In order to address this problem, Senator Elizabeth Warren, member of the Senate Armed Services Committee, and Representative Jackie Speier, Chairwoman of the House Armed Services Subcommittee on Military Personnel, introduce *The Department of Defense Ethics and Transparency Act of 2019*—legislation to limit the influence of contractors on the military, constrain foreign influence on retired senior military officers, and assert greater transparency over contractors and their interaction with DoD. The legislation would:

Close the Revolving Door and Restrict Contractor Influence.

- Limits the revolving door between senior DoD officials and industry by imposing a 4-year ban on giant contractors hiring senior DoD officials and on contractors hiring former DoD employees who managed their contract.
- Extends to 4 years the existing prohibition on former military generals lobbying the DoD.
- Requires defense contractors to submit detailed annual reports to DoD regarding former senior DoD officials who are subsequently employed by contractors.
- Raises the recusal standard for DoD employees by prohibiting them from participating in *any* matter that affects the financial interests of their former employer for 4 year.
- Bans senior DoD officials from owning any stock in a major defense contractor and bans all DoD employees from owning any stock in contractors if the employee can use their official position to influence the stock’s value.

Limit Foreign Influence.

- Requires the military service secretaries to submit annual reports to Congress containing the emoluments waivers issued to retired senior military officers to be hired by or receive compensation from foreign governments.
- Requires explicit approval of the Secretary of State, in consideration of U.S. national security interests, for all former senior officials of the White House and Departments of State, Defense, and Treasury who seek paid work for a foreign government or non-governmental foreign entity.
- Bans all former military and civilian intelligence officers from working for any foreign government or private entity that operates predominantly on behalf of a foreign government.

Ensure Contractor Transparency.

- Requires large defense contractors to submit a report of their lobbying activities, including who they’re meeting with, what they’re lobbying about, and what (unclassified) information they’re sharing.
- Requires the Secretary of Defense to publish online copies of all DoD contracts worth more than \$10 million, including any relevant and available performance history of the contractor.
- Makes private defense contractors subject to Freedom of Information Act, the federal open records law.
- Requires the military services to maintain public websites with the names, biographies, and any associated financial disclosures, as well as DoD Inspector General reports and command climate surveys, regarding all active and reserve component senior military officers.

¹ Lockheed Martin, Boeing, Raytheon, General Dynamics, or Northrop Grumman

²The Project On Government Oversight. “Brass Parachutes: Defense Contractors’ Capture of Pentagon Officials Through the Revolving Door”. November 5, 2018. Online:

https://s3.amazonaws.com/docs.pogo.org/report/2018/POGO_Brass_Parachutes_DoD_Revolving_Door_Report_2018-11-05.pdf