

119TH CONGRESS
2D SESSION

H. R. 8030

To amend the Defense Production Act of 1950 to limit eligibility for assistance, increase monetary penalties, establish fraud risk management processes, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2026

Ms. WATERS introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To amend the Defense Production Act of 1950 to limit eligibility for assistance, increase monetary penalties, establish fraud risk management processes, 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 “DPA Transparency
5 Act of 2026”.

1 **SEC. 2. LIMITATION ON ELIGIBILITY FOR ASSISTANCE.**

2 Title III of the Defense Production Act of 1950 (50
3 U.S.C. 4531 et seq.) is amended by adding at the end
4 the following:

5 **“SEC. 306. LIMITATION ON ELIGIBILITY FOR ASSISTANCE.**

6 “(a) IN GENERAL.—A covered entity is not eligible
7 for assistance authorized under this title.

8 “(b) DEFINITIONS.—In this section:

9 “(1) COVERED ENTITY.—The term ‘covered en-
10 tity’ means an entity in which a covered individual
11 directly or indirectly holds a significant interest. For
12 the purpose of determining whether an entity is a
13 covered entity, if securities of the entity are owned,
14 controlled, or held by 2 or more individuals who are
15 related as described in paragraph (2), such securi-
16 ties shall be aggregated.

17 “(2) COVERED INDIVIDUAL.—The term ‘cov-
18 ered individual’ means—

19 “(A) the President, the Vice President, or
20 a member of the Defense Production Act Com-
21 mittee; and

22 “(B) the spouse, child, son-in-law, or
23 daughter-in-law of an individual described in
24 subparagraph (A).

25 “(3) EQUITY INTEREST.—The term ‘equity in-
26 terest’ means—

1 “(A) a share in an entity, without regard
2 to whether the share is—

3 “(i) transferable; or

4 “(ii) classified as stock or a similar
5 classification;

6 “(B) a capital or profit interest in a lim-
7 ited liability company or partnership; and

8 “(C) a warrant or right (other than a right
9 to convert) to purchase, sell, or subscribe to a
10 share or interest described in subparagraph (A)
11 or (B), respectively.

12 “(4) SIGNIFICANT INTEREST.—The term ‘sig-
13 nificant interest’ means owning, controlling, or hold-
14 ing not less than 20 percent, by vote or value, of the
15 outstanding amount of any class of equity interest in
16 an entity.”.

17 **SEC. 3. ENHANCED MONETARY PENALTIES.**

18 The Defense Production Act of 1950 (50 U.S.C.
19 4501 et seq.) is amended—

20 (1) in section 103, by striking “\$10,000” and
21 inserting “\$100,000”;

22 (2) in section 705, by striking “\$10,000” each
23 place it appears and inserting “\$100,000”; and

24 (3) in section 710(f), by striking “\$10,000”
25 and inserting “\$100,000”.

1 **SEC. 4. FRAUD RISK MANAGEMENT.**

2 Section 722 of the Defense Production Act of 1950
3 (50 U.S.C. 4567) is amended—

4 (1) in subsection (d)—

5 (A) in paragraph (5), by striking “and” at
6 the end;

7 (B) in paragraph (6), by striking the pe-
8 riod at the end and inserting “; and”; and

9 (C) by adding at the end the following new
10 paragraph:

11 “(7) a summary of any steps taken to reduce
12 fraud in transactions under this Act and a fraud
13 risk assessment for all activities under undertaken
14 under this Act.”;

15 (2) by redesignating subsection (e) as sub-
16 section (f); and

17 (3) by inserting after subsection (d) the fol-
18 lowing new subsection:

19 “(e) FRAUD RISK MANAGEMENT.—Not later than 1
20 year after the date of the enactment of this subsection,
21 the Committee shall—

22 “(1) establish and implement processes and
23 procedures consistent with leading practices included
24 in the publication of the Comptroller General of the
25 United States titled ‘A Framework for Managing
26 Fraud Risks in Federal Programs’ (GAO–15–

1 593SP; published July 28, 2015) to combat fraud in
2 transactions undertaken under this Act;

3 “(2) train personnel about the standards and
4 practices established and implemented under para-
5 graph (1); and

6 “(3) designate a point of contact within the
7 Committee to be responsible for managing issues re-
8 lating to fraud, including coordinating with agencies
9 to review fraud-related issues.”.

10 **SEC. 5. SHORT TITLE CORRECTION.**

11 The first undesignated section of the the Defense
12 Production Act of 1950 is amended, effective on the date
13 of enactment of such Act, by striking “cited as “the De-
14 fense” and inserting “cited as the “Defense”.

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