

118TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To end preferences for disadvantaged individuals and businesses in  
Government contracts, and for other purposes.

\_\_\_\_\_  
IN THE SENATE OF THE UNITED STATES

\_\_\_\_\_  
Mr. LEE introduced the following bill; which was read twice and referred to  
the Committee on \_\_\_\_\_

## **A BILL**

To end preferences for disadvantaged individuals and  
businesses in Government contracts, 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 Racism in Gov-  
5       ernment Contracting Act”.

### 6       **SEC. 2. ENDING PREFERENCES FOR DISADVANTAGED INDI-** 7                       **VIDUALS AND BUSINESSES IN GOVERNMENT** 8                       **CONTRACTS.**

9       (a) SMALL BUSINESS ACT.—The Small Business Act  
10      (15 U.S.C. 631 et seq.) is amended—

## 2

1 (1) in section 2 (15 U.S.C. 631)—

2 (A) by repealing subsection (f); and

3 (B) in subsection (h)(1)(H), by striking  
4 “while not adversely affecting the rights of so-  
5 cially and economically disadvantaged individ-  
6 uals”;

7 (2) in section 7 (15 U.S.C. 636)—

8 (A) in subsection (a)—

9 (i) in paragraph (15)(E)—

10 (I) in clause (i), by striking “in-  
11 cluding the number of loans” and all  
12 that follows through the end of the  
13 clause and inserting the following:  
14 “including the number of loans made  
15 to cooperatives;” and

16 (II) in clause (ii), by striking “in-  
17 cluding the number of financings”  
18 and all that follows through the end  
19 of the clause and inserting the fol-  
20 lowing: “including the number of  
21 financings made to cooperatives;  
22 and”; and

23 (ii) in paragraph (36)(P)(iv), by strik-  
24 ing “small business concerns owned and  
25 controlled by socially and economically dis-

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1 advantaged individuals (as defined in sec-  
2 tion 8(d)(3)(C)),”; and

3 (B) in subsection (j)—

4 (i) in paragraph (11)(I)(iii), by strik-  
5 ing “and a distribution of concerns across  
6 all industry” and all that follows through  
7 “has been limited” in the second sentence;  
8 and

9 (ii) in paragraph (16)(B)(iii), by  
10 striking “owned and controlled by other  
11 than socially and economically disadvan-  
12 taged individuals”;

13 (3) in section 8 (15 U.S.C. 637)—

14 (A) in subsection (a)—

15 (i) in paragraph (1)—

16 (I) by inserting “and” after the  
17 semicolon at the end;

18 (II) by striking subparagraphs  
19 (B) and (C); and

20 (III) by redesignating subpara-  
21 graph (D) as subparagraph (B);

22 (ii) by repealing paragraphs (4)  
23 through (8);

24 (iii) in paragraph (9)(B)—

25 (I) by striking clause (i); and

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1 (II) by redesignating clauses (ii),  
2 (iii), and (iv) as clauses (i), (ii), and  
3 (iii), respectively;

4 (iv) in paragraph (10), in the second  
5 sentence, by striking “and from small dis-  
6 advantaged business concerns in industry  
7 categories that have not substantially par-  
8 ticipated in the award of contracts let  
9 under the authority of this subsection”;  
10 and

11 (v) in paragraph (12)—

12 (I) in subparagraph (A), by strik-  
13 ing “and Disadvantaged”;

14 (II) in subparagraph (C), in the  
15 first sentence, by striking “, including  
16 those owned and controlled by socially  
17 and economically disadvantaged indi-  
18 viduals,”; and

19 (III) in subparagraph (D)(i), by  
20 striking “and Disadvantaged”;

21 (B) in subsection (d)—

22 (i) in paragraph (1), by striking  
23 “small business concerns owned and con-  
24 trolled by socially and economically dis-

1           advantaged individuals,” each place that  
2           term appears;

3           (ii) in paragraph (3)—

4           (I) in subparagraph (A), by strik-  
5           ing “small business concerns owned  
6           and controlled by socially and eco-  
7           nomically disadvantaged individuals,”  
8           each place that term appears;

9           (II) by amending subparagraph  
10          (C) to read as follows:

11          “(C) As used in this contract, the term  
12          ‘small business concern’ shall mean a small  
13          business as defined pursuant to section 3 of the  
14          Small Business Act and relevant regulations  
15          promulgated pursuant thereto.”; and

16          (III) in subparagraph (F), by  
17          striking “a small business concern  
18          owned and controlled by socially and  
19          economically disadvantaged individ-  
20          uals,”;

21          (iii) in paragraph (4)—

22          (I) in subparagraph (D), by  
23          striking “small business concerns  
24          owned and controlled by socially and

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1 economically disadvantaged individ-  
2 uals,”; and

3 (II) in subparagraph (E), by  
4 striking “small business concerns  
5 owned and controlled by the socially  
6 and economically disadvantaged indi-  
7 viduals as defined in paragraph (3) of  
8 this subsection and for”;

9 (iv) in paragraph (6), by striking  
10 “small business concerns owned and con-  
11 trolled by socially and economically dis-  
12 advantaged individuals,” each place that  
13 term appears;

14 (v) in paragraph (11)(B), by striking  
15 “small business concerns owned and con-  
16 trolled by socially and economically dis-  
17 advantaged individuals,”; and

18 (vi) in paragraph (13)(E)(i), by strik-  
19 ing “and Disadvantaged”; and

20 (C) in subsection (m), by striking para-  
21 graphs (7) and (8);

22 (4) in section 9(j)(2)(F) (15 U.S.C.  
23 638(j)(2)(F)), by striking “socially and economically  
24 disadvantaged small business concerns, as defined in  
25 section 8(a)(4), and the participation of”;

1 (5) in section 15 (15 U.S.C. 644)—

2 (A) in subsection (e)(1)(B), by striking  
3 “and Disadvantaged”;

4 (B) in subsection (g)—

5 (i) in paragraph (1)(A)—

6 (I) in the matter preceding clause  
7 (i), by striking “small business con-  
8 cerns owned and controlled by socially  
9 and economically disadvantaged indi-  
10 viduals,”;

11 (II) by striking clause (iv); and

12 (III) by redesignating clause (v)  
13 as clause (iv); and

14 (ii) in paragraph (2)—

15 (I) in subparagraph (A), by strik-  
16 ing “by small business concerns  
17 owned and controlled by socially and  
18 economically disadvantaged individ-  
19 uals,”;

20 (II) in subparagraph (B), by  
21 striking “small business concerns  
22 owned and controlled by socially and  
23 economically disadvantaged individ-  
24 uals,”;

1 (III) in subparagraph (D), by  
2 striking “small business concerns  
3 owned and controlled by socially and  
4 economically disadvantaged individ-  
5 uals,”; and

6 (IV) in subparagraph (F)(ii), by  
7 striking “and Disadvantaged”;

8 (C) in subsection (h)(2)(E)—

9 (i) by striking clause (iv); and

10 (ii) by redesignating clauses (v)  
11 through (viii) as clauses (iv) through (vii),  
12 respectively;

13 (D) in subsection (k)—

14 (i) in the matter preceding paragraph  
15 (1), by striking “and Disadvantaged”;

16 (ii) in paragraph (1), by striking “and  
17 Disadvantaged”; and

18 (iii) in paragraph (2), by striking  
19 “and Disadvantaged”;

20 (E) in subsection (l)(2)(G), by striking  
21 “and Disadvantaged”;

22 (F) in subsection (s)(2)(A), by striking  
23 “and Disadvantaged”; and

24 (G) in subsection (y)—



1 (i) in paragraph (2), by striking  
2 “small business concerns owned and con-  
3 trolled by socially and economically dis-  
4 advantaged individuals,” each place that  
5 term appears;

6 (ii) in paragraph (3)(B), by striking  
7 “small business concerns owned and con-  
8 trolled by socially and economically dis-  
9 advantaged individuals,”; and

10 (iii) in paragraph (4), by striking sub-  
11 paragraph (D);

12 (6) in section 16 (15 U.S.C. 645)—

13 (A) in subsection (d)(1), in the matter pre-  
14 ceding subparagraph (A), by striking “a ‘small  
15 business concern owned and controlled by so-  
16 cially and economically disadvantaged individ-  
17 uals’,”;

18 (B) in subsection (e), by striking “a ‘small  
19 business concern owned and controlled by so-  
20 cially and economically disadvantaged individ-  
21 uals’,”; and

22 (C) in subsection (g)(2), by striking “and  
23 Disadvantaged”;

24 (7) in section 21(a)(5)(D) (15 U.S.C.  
25 648(a)(5)(D)), by striking “small business, woman-

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1 owned business, or socially and economically dis-  
2 advantaged business” and inserting “small business  
3 or woman-owned business”;

4 (8) in section 22(l) (15 U.S.C. 649(l))—

5 (A) in paragraph (1)—

6 (i) in subparagraph (C), by inserting  
7 “and” at the end;

8 (ii) by striking subparagraph (D); and

9 (iii) by redesignating subparagraph  
10 (E) as subparagraph (D); and

11 (B) in paragraph (3)(B)(ii)—

12 (i) by striking subclause (I); and

13 (ii) by redesignating subclauses (II)  
14 and (III) as subclauses (I) and (II), re-  
15 spectively; and

16 (9) in section 45(c)(1)(B) (15 U.S.C.  
17 657r(c)(1)(B))—

18 (A) in clause (iii), by inserting “or” after  
19 the semicolon at the end;

20 (B) by striking clause (iv); and

21 (C) by redesignating clause (v) as clause  
22 (iv).

23 (b) AMENDMENTS TO OTHER ACTS.—

1           (1) AMERICAN RESCUE PLAN ACT OF 2021.—  
2       The American Rescue Plan Act of 2021 (Public Law  
3       117–2) is amended—

4           (A) in section 5003(c)(3)(A) (15 U.S.C.  
5       9009c(c)(3)(A)), in the first sentence, by strik-  
6       ing “, small business concerns owned and con-  
7       trolled by veterans” and all that follows through  
8       the period at the end and inserting the fol-  
9       lowing: “or small business concerns owned and  
10      controlled by veterans (as defined in section  
11      3(q) of that Act (15 U.S.C. 632(q))).”; and

12          (B) in section 5004(a) (15 U.S.C.  
13      9013(a)), by amending paragraph (5) to read  
14      as follows:

15          “(5) ELIGIBLE BUSINESS.—The term ‘eligible  
16      business’ means any small business concern, with  
17      priority for small business concerns owned and con-  
18      trolled by women (as defined in section 3(n) of the  
19      Small Business Act (15 U.S.C. 632(n))) and small  
20      business concerns owned and controlled by veterans  
21      (as defined in section 3(q) of that Act (15 U.S.C.  
22      632(q))).”.

23          (2) CONSOLIDATED APPROPRIATIONS ACT,  
24      2005.—Section 155 of subtitle E of title I of division

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1 K of the Consolidated Appropriations Act, 2005 (15  
2 U.S.C. 657g) is repealed.

3 (3) FEDERAL ACQUISITION STREAMLINING ACT  
4 OF 1994.—Section 7104 of the Federal Acquisition  
5 Streamlining Act of 1994 (15 U.S.C. 644a) is  
6 amended—

7 (A) in subsection (b)(3), by striking “and  
8 Disadvantaged”; and

9 (B) in subsection (c)(3), by striking “and  
10 Disadvantaged”.

11 (4) MINORITY BUSINESS DEVELOPMENT ACT OF  
12 2021.—The Minority Business Development Act of  
13 2021 (15 U.S.C. 9521 et seq.) is repealed.

14 (5) SMALL BUSINESS ECONOMIC POLICY ACT OF  
15 1980.—Section 303(e) of the Small Business Eco-  
16 nomic Policy Act of 1980 (15 U.S.C. 631b(e)) is  
17 amended—

18 (A) by striking paragraph (1); and

19 (B) by redesignating paragraph (2), the  
20 first paragraph (3) (relating to qualified  
21 HUBZone small business concerns), and the  
22 second paragraph (3) (relating to small busi-  
23 ness concerns owned and controlled by vet-  
24 erans) as paragraphs (1), (2), and (3), respec-  
25 tively.

1           (6) SMALL BUSINESS INVESTMENT ACT OF  
2           1958.—Section 411(c)(3)(B) of the Small Business  
3           Investment Act of 1958 (15 U.S.C. 694b(c)(3)(B))  
4           is amended by striking “a small business concern  
5           owned and controlled by socially and economically  
6           disadvantaged individuals as defined by section 8(d)  
7           of the Small Business Act, or to”.

8           (c) TECHNICAL AND CONFORMING AMENDMENTS.—

9           (1) AMERICAN RECOVERY AND REINVESTMENT  
10          ACT OF 2009.—Section 6001(h) of the American Re-  
11          covery and Reinvestment Act of 2009 (47 U.S.C.  
12          1305(h)) is amended—

13                (A) in paragraph (1), by inserting “and”  
14                after the semicolon;

15                (B) in paragraph (2)(D), by striking “;  
16                and” and inserting a period; and

17                (C) by striking paragraph (3).

18          (2) CARES ACT.—Title I of the CARES Act  
19          (15 U.S.C. 9001 et seq.) is amended—

20                (A) in section 1107(a) (15 U.S.C.  
21                9006(a)), by repealing paragraph (5); and

22                (B) by repealing section 1108 (15 U.S.C.  
23                9007).

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1           (3) ENERGY POLICY ACT OF 1992.—Section  
2       3021 of the Energy Policy Act of 1992 (42 U.S.C.  
3       13556) is amended—

4           (A) in subsection (a)—

5               (i) by striking paragraph (1); and

6               (ii) by redesignating paragraphs (2),  
7       (3), and (4) as paragraphs (1), (2), and  
8       (3), respectively; and

9           (B) in subsection (b)—

10               (i) by striking paragraph (2); and

11               (ii) by redesignating paragraph (3) as  
12       paragraph (2).

13           (4) ENERGY POLICY ACT OF 2005.—Section  
14       1003(a)(1) of the Energy Policy Act of 2005 (42  
15       U.S.C. 16393(a)(1)) is amended by striking “, in-  
16       cluding socially and economically disadvantaged  
17       small business concerns (as defined in section  
18       8(a)(4) of the Small Business Act (15 U.S.C.  
19       637(a)(4))),”.

20           (5) EXPORT-IMPORT BANK ACT OF 1945.—The  
21       Export-Import Bank Act of 1945 (12 U.S.C. 635 et  
22       seq.) is amended—

23           (A) in section 2(b)(1)(E)(iii)(II) (12  
24       U.S.C. 635(b)(1)(E)(iii)(II)), by striking “to  
25       socially and economically disadvantaged small

1 business concerns (as defined in section 8(a)(4)  
2 of the Small Business Act), small business con-  
3 cerns (as defined in section 3(a) of the Small  
4 Business Act) owned by women, and” and in-  
5 serting the following: “to small business con-  
6 cerns (as defined in section 3(a) of the Small  
7 Business Act (15 U.S.C. 632(a))) owned by  
8 women and”;

9 (B) in section 3(i)(1) (12 U.S.C.  
10 635a(i)(1)), by striking “socially and economi-  
11 cally disadvantaged small business concerns (as  
12 defined in section 8(a)(4) of the Small Business  
13 Act) and”; and

14 (C) in section 8 (12 U.S.C. 635g)—

15 (i) in subsection (e), by striking “so-  
16 cially and economically disadvantaged  
17 small business concerns (as defined in sec-  
18 tion 8(a)(4) of the Small Business Act),  
19 small business concerns (as defined in sec-  
20 tion 3(a) of the Small Business Act) owned  
21 by women, and” and inserting “small busi-  
22 ness concerns small business concerns (as  
23 defined in section 3(a) of the Small Busi-  
24 ness Act (15 U.S.C. 632(a))) owned by  
25 women and”; and

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1 (ii) in subsection (f)(4), by striking  
2 “socially and economically disadvantaged  
3 small business concerns (defined in section  
4 8(a)(4) of the Small Business Act) and”.

5 (6) FEDERAL ACQUISITION STREAMLINING ACT  
6 OF 1994.—Section 7104(c) of the Federal Acquisition  
7 Streamlining Act of 1994 (15 U.S.C. 644a(c)) is  
8 amended—

9 (A) by striking paragraph (2); and

10 (B) by redesignating paragraph (3) as  
11 paragraph (2).

12 (7) SMALL BUSINESS ACT.—Section 7(j) of the  
13 Small Business Act (15 U.S.C. 636(j)) is amend-  
14 ed—

15 (A) in paragraph (10)(D)(i), by striking  
16 “and shall be designed to result in the Program  
17 Participant eliminating the conditions or cir-  
18 cumstances upon which the Administration de-  
19 termined eligibility pursuant to section  
20 8(a)(6)”;

21 (B) in paragraph (11)—

22 (i) by striking subparagraph (B);

23 (ii) by redesignating subparagraphs

24 (C) through (I) as subparagraphs (B)

25 through (H), respectively;



1 (iii) in subparagraph (C), as so rededesignated,  
2 by striking “(as defined pursuant  
3 to section 8(a)(4))”; and

4 (iv) in subparagraph (E), as so redesignated—

6 (I) by striking clause (i); and

7 (II) by redesignating clauses (ii)  
8 through (viii) as clauses (i) through  
9 (vii), respectively.

10 (8) SMALL BUSINESS JOBS ACT OF 2010.—Title  
11 III of the Small Business Jobs Act of 2010 (12  
12 U.S.C. 5701 et seq.) is amended—

13 (A) in section 3002 (12 U.S.C. 5701)—

14 (i) by striking paragraph (18); and

15 (ii) by redesignating paragraph (19)  
16 as paragraph (18);

17 (B) in section 3003 (12 U.S.C. 5702), by  
18 repealing subsections (d) and (e); and

19 (C) in section 3009(e) (12 U.S.C.  
20 5708(e))—

21 (i) in paragraph (1)—

22 (I) in the matter preceding sub-  
23 paragraph (A), by striking “business  
24 enterprises owned and controlled by  
25 socially and economically disadvan-

1           taged individuals, to very small busi-  
2           nesses and business enterprises owned  
3           and controlled by socially and eco-  
4           nomically disadvantaged individuals”  
5           and inserting “very small businesses”;  
6           and

7                       (II) in subparagraph (B), by add-  
8           ing “and” after the semicolon at the  
9           end;

10           (ii) by striking paragraph (2);

11           (iii) by redesignating paragraph (3) as  
12           paragraph (2); and

13           (iv) in paragraph (2), as so redesign-  
14           ated—

15                       (I) by striking “(with priority  
16           given to business enterprises owned  
17           and controlled by socially and eco-  
18           nomically disadvantaged individ-  
19           uals),”; and

20                       (II) by striking “to provide tech-  
21           nical assistance to business enter-  
22           prises owned and controlled by so-  
23           cially and economically disadvantaged  
24           individuals” and inserting “to provide

1 technical assistance to business enter-  
2 prises”.

3 (9) TITLE 51, UNITED STATES CODE.—Section  
4 30304 of title 51, United States Code, is repealed.

5 **SEC. 3. ENDING RACIAL AND ETHNIC PARTICIPATION**  
6 **GOALS FOR DEPARTMENT OF TRANSPOR-**  
7 **TATION FINANCIAL ASSISTANCE PROGRAMS.**

8 (a) WRITTEN ASSURANCES FOR AIRPORT IMPROVE-  
9 MENT PROJECT GRANTS.—Section 47107(e) of title 49,  
10 United States Code, is amended—

11 (1) in paragraph (1)—

12 (A) by striking “10 percent” and inserting  
13 “5 percent”; and

14 (B) by striking “small business concerns”  
15 and all that follows through the period at the  
16 end and inserting “disadvantaged business con-  
17 cerns (as defined in section 47113(a) of this  
18 title).”;

19 (2) in paragraph (4)(B), in the second sentence,  
20 by striking “small business concern” and all that  
21 follows through the period at the end and inserting  
22 “disadvantaged business concern (as defined in sec-  
23 tion 47113(a) of this title).”; and

24 (3) in paragraph (6), by striking “small busi-  
25 ness concern” and all that follows through “Small

1 Business Act)” and inserting “disadvantaged busi-  
2 ness concern (as defined in section 47113(a) of this  
3 title)”.

4 (b) DISADVANTAGED BUSINESS CONCERN.—Section  
5 47113 of title 49, United States Code, is amended—

6 (1) in subsection (a)—

7 (A) by striking paragraph (2); and

8 (B) by inserting the following:

9 “(2) ‘disadvantaged business concern’ and ‘dis-  
10 advantaged business enterprise’ mean a concern  
11 owned and controlled by women or a qualified  
12 HUBZone small business concern; and”;

13 (2) by striking subsection (b);

14 (3) in subsection (d), by striking “small busi-  
15 ness concerns referred to in subsection (b) of this  
16 section” and inserting “disadvantaged business con-  
17 cerns”; and

18 (4) by striking subsection (e).

19 (c) ENVIRONMENTAL PROTECTION AGENCY.—The  
20 matter under the heading “ADMINISTRATIVE PROVISIONS”  
21 under the heading “ENVIRONMENTAL PROTECTION AGEN-  
22 CY” under the heading “INDEPENDENT AGENCIES”  
23 in title III of the Departments of Veterans Affairs and  
24 Housing and Urban Development, and Independent Agen-

1 cies Appropriations Act, 1993, is amended by striking the  
2 first paragraph (42 U.S.C. 4370d).

3 **SEC. 4. ENDING RACIAL AND ETHNIC CONTRACTING GOALS**  
4 **IN OTHER GOVERNMENT PROGRAMS.**

5 (a) ELIMINATION OF REPORTING ON SMALL BUSI-  
6 NESS CONCERNS OWNED AND CONTROLLED BY SOCIALLY  
7 AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—  
8 Section 1713 of title 41, United States Code, is amend-  
9 ed—

10 (1) in subsection (a)—

11 (A) by striking paragraph (2); and

12 (B) by redesignating paragraph (3) as  
13 paragraph (2); and

14 (2) in the first sentence of subsection (b), by  
15 striking “, the number of small businesses owned  
16 and controlled by women, and the number” and all  
17 that follows through the period at the end and in-  
18 serting “and the number of small businesses owned  
19 and controlled by women.”.

20 (b) DISADVANTAGED BUSINESS ENTERPRISES.—

21 (1) IN GENERAL.—Section 3021 of the Energy  
22 Policy Act of 1992 (42 U.S.C. 13556) is repealed.

23 (2) CLERICAL AMENDMENT.—The table of con-  
24 tents in section 1(b) of the Energy Policy Act of  
25 1992 (Public Law 102–486; 106 Stat. 2782) is

1 amended by striking the item relating to section  
2 3021.

3 **SEC. 5. ENDING ALL RACIAL AND ETHNIC DISCRIMINATION**  
4 **IN GOVERNMENT CONTRACTING AND**  
5 **AWARDS.**

6 (a) CIVILIAN CONTRACTS.—

7 (1) IN GENERAL.—Chapter 47 of title 41,  
8 United States Code, is amended by adding at the  
9 end the following new section:

10 **“§ 4715. Prohibition on racial and ethnic preferences**  
11 **in government contracts and awards**

12 “The head of an executive agency may not—

13 “(1) take into consideration the race or eth-  
14 nicity of individuals owning, controlling, or man-  
15 aging businesses or other entities when granting  
16 contracts or awards; or

17 “(2) place requirements on contractors or  
18 grantees that require or encourage them to take into  
19 consideration the race or ethnicity of individuals to  
20 whom they award contracts, subcontracts, or  
21 awards.”.

22 (2) CLERICAL AMENDMENT.—The table of sec-  
23 tions at the beginning of chapter 47 of title 10,  
24 United States Code, is amended by inserting after

1 the item relating to section 4714 the following new  
2 item:

“4715. Prohibition on racial and ethnic preferences in government contracts and awards.”.

3 (b) DEFENSE CONTRACTS.—

4 (1) IN GENERAL.—Chapter 363 of title 10,  
5 United States Code, is amended by adding at the  
6 end the following new section:

7 **“§ 4663. Prohibition on racial and ethnic preferences**  
8 **in defense contracts and awards**

9 “The head of an agency may not—

10 “(1) take into consideration the race or eth-  
11 nicity of individuals owning, controlling, or man-  
12 aging businesses or other entities when granting  
13 contracts or awards; or

14 “(2) place requirements on contractors or  
15 grantees that require or encourage them to take into  
16 consideration the race or ethnicity of individuals to  
17 whom they award contracts, subcontracts, or  
18 awards.”.

19 (2) CLERICAL AMENDMENT.—The table of sec-  
20 tions at the beginning of chapter 363 of title 10,  
21 United States Code, is amended by inserting after  
22 the item relating to section 4662 the following new  
23 item:

“4663. Prohibition on racial and ethnic preferences in defense contracts and awards.”.

1       (c) RULEMAKING.—Not later than 60 days after the  
2 date of the enactment of this Act, the head of each execu-  
3 tive agency that has rules or regulations requiring or en-  
4 couraging consideration of the racial or ethnic status of  
5 individuals to whom they grant contracts or awards shall  
6 submit a proposed rulemaking removing all such ref-  
7 erences. The agency shall complete the rulemaking within  
8 180 days after the date of the enactment of this Act.

9       (d) GUIDANCE.—Not later than 60 days after the  
10 date of the enactment of this Act, the head of each execu-  
11 tive agency that has guidance documents, directives, or no-  
12 tices requiring or encouraging consideration of the racial  
13 or ethnic status of individuals to whom they grant con-  
14 tracts or awards shall submit new guidance, directives, or  
15 notices removing all such references.

16       (e) EXECUTIVE AGENCY DEFINED.—In this section,  
17 the term “executive agency” has the meaning given the  
18 term in section 133 of title 41, United States Code.