

105TH CONGRESS  
1ST SESSION

# H. R. 648

To prohibit the Secretary of Defense from treating as allowable costs under a defense contract any restructuring costs of the Boeing Company arising from its acquisition of the McDonnell Douglas Corporation.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 1997

Mr. SANDERS (for himself and Mr. SMITH of New Jersey) introduced the following bill; which was referred to the Committee on National Security

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## A BILL

To prohibit the Secretary of Defense from treating as allowable costs under a defense contract any restructuring costs of the Boeing Company arising from its acquisition of the McDonnell Douglas Corporation.

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 “Boeing-McDonnell  
5       Douglas Corporate Welfare Elimination Act of 1997”.

1 **SEC. 2. PROHIBITION ON TREATING RESTRUCTURING**  
2 **COSTS OF BOEING COMPANY RESULTING**  
3 **FROM ACQUISITION OF MCDONNELL DOUG-**  
4 **LAS COMPANY AS ALLOWABLE COSTS UNDER**  
5 **A DEFENSE CONTRACT.**

6 The Secretary of Defense may not treat as an allow-  
7 able cost under a defense contract (in accordance with sec-  
8 tion 2324 of title 10, United States Code, and the regula-  
9 tions prescribed under that section) any restructuring  
10 costs of the Boeing Company arising from the acquisition  
11 by that company of the McDonnell Douglas Corporation  
12 announced on December 15, 1996.

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