tablished defense industrial base office, prior to repeal by Pub. L. 102-484, \$4202(a).

Amendments

2001—Subsec. (b). Pub. L. 107–107 substituted "Under Secretary of Defense for Acquisition, Technology, and Logistics" for "Under Secretary of Defense for Acquisition".

1996—Subsec. (a). Pub. L. 104-201, §829(b)(1), substituted "The Secretary of Defense" for "(1) The Secretary of Defense, in consultation with the National Defense Technology and Industrial Base Council," and struck out pars. (2) to (4) which read as follows:

"(2) As determined by the Secretary of Defense, the program shall be administered by one of the following: "(A) An existing federally funded research and de-

velopment center. "(B) A consortium of existing federally funded research and development centers and other nonprofit entities.

"(C) A private sector entity (other than a federally funded research and development center).

"(D) The National Defense University.

"(3) A contract may be awarded under subparagraph (A), (B), or (C) of paragraph (2) only through the use of competitive procedures.

"(4) The Secretary of Defense shall ensure that there is appropriate coordination between the program and the Critical Technologies Institute."

Subsec. (c)(3)(A). Pub. L. 104-201, §829(b)(2), substituted "the Secretary of Defense for" for "the National Defense Technology and Industrial Base Council in" and struck out "and the periodic plans required by section 2506 of this title" after "section 2505 of this title".

DEADLINE FOR ESTABLISHING PROGRAM

Section 4213(b) of Pub. L. 102–484 provided that: "The Secretary of Defense shall establish the program required by section 2503 of title 10, United States Code, as added by subsection (a), not later than six months after the date of the enactment of this Act [Oct. 23, 1992]. The Secretary of Defense shall ensure that a contract solicitation is issued and a contract is awarded in a timely manner to facilitate the establishment of that program within the period set forth in the preceding sentence. The preceding sentence shall not apply if the Secretary determines that the program shall be administered by the National Defense University."

§2504. Annual report to Congress

The Secretary of Defense shall transmit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives by March 1 of each year a report which shall include the following information:

(1) A description of the departmental guidance prepared pursuant to section 2506 of this title.

(2) A description of the methods and analyses being undertaken by the Department of Defense alone or in cooperation with other Federal agencies, to identify and address concerns regarding technological and industrial capabilities of the national technology and industrial base.

(3) A description of the assessments prepared pursuant to section 2505 of this title and other analyses used in developing the budget submission of the Department of Defense for the next fiscal year.

(4) Identification of each program designed to sustain specific essential technological and industrial capabilities and processes of the national technology and industrial base. (Added Pub. L. 104-201, div. A, title VIII, §829(e), Sept. 23, 1996, 110 Stat. 2614; amended Pub. L. 106-65, div. A, title X, §1067(1), Oct. 5, 1999, 113 Stat. 774.)

PRIOR PROVISIONS

A prior section 2504, added Pub. L. 102-484, div. D, title XLII, §4214(a), Oct. 23, 1992, 106 Stat. 2666, established Center for Study of Defense Economic Adjustment, prior to repeal by Pub. L. 103-160, div. A, title XIII, §1312(a)(1), Nov. 30, 1993, 107 Stat. 1786.

Another prior section 2504 was renumbered section 2531 of this title.

Amendments

1999—Pub. L. 106-65 substituted "and the Committee on Armed Services" for "and the Committee on National Security" in introductory provisions.

STRATEGY FOR SECURING THE DEFENSE SUPPLY CHAIN AND INDUSTRIAL BASE

Pub. L. 112-81, div. A, title VIII, §852, Dec. 31, 2011, 125 Stat. 1517, provided that:

"(a) REPORT REQUIRED.—The Secretary of Defense shall ensure that the annual report to Congress on the defense industrial base submitted for fiscal year 2012 pursuant to section 2504 of title 10, United States Code, includes a description of, and a status report on, the sector-by-sector, tier-by-tier assessment of the industrial base undertaken by the Department of Defense.

"(b) CONTENTS OF REPORT.—The report required by subsection (a) shall include, at a minimum, a description of the steps taken and planned to be taken—

"(1) to identify current and emerging sectors of the defense industrial base that are critical to the national security of the United States;

"(2) in each sector, to identify items that are critical to military readiness, including key components, subcomponents, and materials;

"(3) to examine the structure of the industrial base, including the competitive landscape, relationships, risks, and opportunities within that structure;

"(4) to map the supply chain for critical items identified under paragraph (2) in a manner that provides the Department of Defense visibility from raw material to final products;

"(5) to perform a risk assessment of the supply chain for such critical items and conduct an evaluation of the extent to which—

"(A) the supply chain for such items is subject to disruption by factors outside the control of the Department of Defense; and

"(B) such disruption would adversely affect the ability of the Department of Defense to fill its national security mission.

"(c) STRATEGY REQUIRED.—Based on the findings from the sector-by-sector, tier-by-tier assessment, as described in the report required by subsection (a), the Secretary of Defense shall develop a defense supply chain and industrial base strategy to ensure the continued availability of items that are determined by the Secretary to be critical to military readiness and to be subject to significant supply chain risk. The strategy shall be based on a prioritized assessment of risks and challenges to the defense supply chain and industrial base and shall, at a minimum, address—

"(1) mitigation strategies needed to address any gaps or vulnerabilities in the relevant sectors of the defense industrial base:

"(2) the need for timely mobilization and capacity in such sectors of the defense industrial base: and

"(3) any other steps needed to foster and safeguard such sectors of the defense industrial base.

"(d) FOLLOW-UP REVIEW.—The Secretary of Defense shall ensure that the annual report to Congress on the defense industrial base submitted for each of fiscal years 2013, 2014, and 2015 includes an update on the steps taken by the Department of Defense to act on the findings of the sector-by-sector, tier-by-tier assessment of the industrial base and implement the strategy required by subsection (c). Such updates shall, at a minimum—

"(1) be conducted based on current mapping of the supply chain and industrial base structure, including an analysis of the competitive landscape, relationships, risks, and opportunities within that structure; and

"(2) take into account any changes or updates to the National Defense Strategy, National Military Strategy, national counterterrorism policy, homeland security policy, and applicable operational or contingency plans."

§ 2505. National technology and industrial base: periodic defense capability assessments

(a) PERIODIC ASSESSMENT.—Each fiscal year, the Secretary of Defense shall prepare selected assessments of the capability of the national technology and industrial base to attain the national security objectives set forth in section 2501(a) of this title. The Secretary of Defense shall prepare such assessments in consultation with the Secretary of Commerce and the Secretary of Energy.

(b) ASSESSMENT PROCESS.—The Secretary of Defense shall ensure that technology and industrial capability assessments—

(1) describe sectors or capabilities, their underlying infrastructure and processes;

(2) analyze present and projected financial performance of industries supporting the sectors or capabilities in the assessment;

(3) identify technological and industrial capabilities and processes for which there is potential for the national industrial and technology base not to be able to support the achievement of national security objectives; and

(4) consider the effects of the termination of major defense acquisition programs (as the term is defined in section 2430 of this title) or major automated information system programs (as defined in section 2445a of this title) in the previous fiscal year on the sectors and capabilities in the assessment.

(c) ASSESSMENT OF EXTENT OF DEPENDENCY ON FOREIGN SOURCE ITEMS.—Each assessment under subsection (a) shall include a separate discussion and presentation regarding the extent to which the national technology and industrial base is dependent on items for which the source of supply, manufacture, or technology is outside of the United States and Canada and for which there is no immediately available source in the United States or Canada. The discussion and presentation regarding foreign dependency shall—

(1) identify cases that pose an unacceptable risk of foreign dependency, as determined by the Secretary; and

(2) present actions being taken or proposed to be taken to remedy the risk posed by the cases identified under paragraph (1), including efforts to develop a domestic source for the item in question.

(d) INTEGRATED PROCESS.—The Secretary of Defense shall ensure that consideration of the technology and industrial base assessments is integrated into the overall budget, acquisition, and logistics support decision processes of the Department of Defense. (Added Pub. L. 102–484, div. D, title XLII, §4215, Oct. 23, 1992, 106 Stat. 2667; amended Pub. L. 103–35, title II, §201(g)(7), May 31, 1993, 107 Stat. 100; Pub. L. 104–201, div. A, title VIII, §829(c)(1), Sept. 23, 1996, 110 Stat. 2612; Pub. L. 111–23, title III, §303(b), May 22, 2009, 123 Stat. 1731; Pub. L. 111–383, div. A, title VIII, §895(c), Jan. 7, 2011, 124 Stat. 4314.)

PRIOR PROVISIONS

A prior section 2505 was renumbered section 2532 of this title.

Amendments

2011—Subsec. (b)(4). Pub. L. 111–383 inserted "or major automated information system programs (as defined in section 2445a of this title)" after "section 2430 of this title)".

2009-Subsec. (b)(4). Pub. L. 111-23 added par. (4).

1996—Pub. L. 104-201 reenacted section catchline without change and amended text generally. Prior to amendment, text consisted of subsecs. (a) to (d) providing for National Defense Technology and Industrial Base Council to prepare, at least annually through fiscal year 1997 and biennially thereafter, a comprehensive assessment of capability of the national technology and industrial base to attain national security objectives.

1993—Pub. L. 103-35 substituted "capability" for "capability" in section catchline.

STUDY OF BERYLLIUM INDUSTRIAL BASE

Pub. L. 108–136, div. A, title VIII, §824, Nov. 24, 2003, 117 Stat. 1547, required the Secretary of Defense to conduct a study of the adequacy of the industrial base of the United States to meet defense requirements of the United States for beryllium and to submit a report on the results of the study to Congress not later than Mar. 31, 2005.

IMPLEMENTING REGULATIONS CONCERNING NATIONAL TECHNOLOGY AND INDUSTRIAL BASE PERIODIC ASSESS-MENT

Section 4219 of Pub. L. 102–484, as amended by Pub. L. 103–35, title II, $\S202(a)(14)$, May 31, 1993, 107 Stat. 101, set forth requirements for the initial regulations prescribed to implement this section, prior to repeal by Pub. L. 104–201, div. A, title VIII, $\S829(h)$, Sept. 23, 1996, 110 Stat. 2614.

§ 2506. Department of Defense technology and industrial base policy guidance

(a) DEPARTMENTAL GUIDANCE.—The Secretary of Defense shall prescribe departmental guidance for the attainment of each of the national security objectives set forth in section 2501(a) of this title. Such guidance shall provide for technological and industrial capability considerations to be integrated into the strategy, management, budget allocation, acquisition, and logistics support decision processes.

(b) REPORT TO CONGRESS.—The Secretary of Defense shall report on the implementation of the departmental guidance in the annual report to Congress submitted pursuant to section 2504 of this title.

(Added Pub. L. 102-484, div. D, title XLII, §4216(a), Oct. 23, 1992, 106 Stat. 2668; amended Pub. L. 104-201, div. A, title VIII, §829(d), Sept. 23, 1996, 110 Stat. 2613; Pub. L. 111-383, div. A, title VIII, §895(d), Jan. 7, 2011, 124 Stat. 4314.)

PRIOR PROVISIONS

A prior section 2506 was renumbered section 2533 of this title.